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HOUSE OF COMMONS

Friday, June 15, 1990

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

YUKON PLACER MINING ACT

MEASURE TO AMEND

Hon. Gilles Loiselle (for the Minister of Indian Affairs and Northern Development) moved that Bill C-68, An Act to amend the Yukon Placer Mining Act and the Yukon Quartz Mining Act and to make provision for the application of certain orders be read a second time and referred to a legislative committee.

Hon. Shirley Martin (Minister of State (Indian Affairs and Northern Development)): Madam Speaker, Bill C-68, which is presented for second reading today, is necessary to ensure that the Government of Canada can continue to manage public lands in Yukon.

A recent decision of the Federal Court of Appeal has declared that withdrawal orders under Section 23 of the Territorial Lands Act do not prohibit the staking of mining claims in Yukon. This decision eliminates the use of procedures under which the government has, in the past, set land aside, land for future use or to be held pending final decision on the use of that land.

• (1010)

Some of the reasons this government and previous governments have withdrawn lands include: Setting aside three potential sites for an airstrip pending the result of assessments of the sites for their suitability as an airstrip; setting aside lands that have been identified during land claims negotiations for the selection by the Yukon First Nation under a final agreement; and, setting aside lands for right-of-way.

All of these reasons for preventing the creation of new third-party interests in land are essential to good management of public lands. It was, therefore, of great concern to this government that a court declared certain lands open for staking under the Yukon Quartz Mining Act. This is why the Solicitor General, the former minister for northern affairs, stated in this House on February 13 of this year that it is the intention of the government to introduce legislation to take effect from that day, to make the lands withdrawn under the Territorial Lands Act not available for staking under the Yukon Quartz Mining Act.

The bill that we are debating today has been drafted to enact the promise made on behalf of the government. This bill proposes to amend both the Yukon Quartz Mining Act and the Yukon Placer Mining Act. The changes proposed for the Yukon Placer Mining Act affect Sections 17 and 98.

Clause 1 of this Bill proposes amending paragraph 17(2)(E) to make the words consistent with Section 98. Clause 2 of this bill would amend subsection 98(1) by replacing the word "is" by "may be" in the first sentence. This will ensure that the Governor in Council may prohibit entry on several parcels of land where only one is actually needed. For example, various choices for the location of an airport. However, until studies are completed it is not possible to identify which of the several possible sites will be selected.

This change in the wording of subsection 98(1) gives government the flexibility needed to properly manage these lands. It will prevent confusion and protect the lands from third-party conflicts until final selections are made.

Subsection 98(1) is further amended by adding "the settlement of aboriginal land claims" as one of the purposes for which prohibition of entry may be ordered by the Governor in Council. In addition, the purpose has been changed from a "a public purpose" to "a purpose in the public interest" in order to ensure that a broad power is being granted. This could, for example, include a privately-run enterprise such as a forestry nursery or a

fish hatchery which could be considered in the public interest.

Clause 2 of the bill also proposes to amend subsection 98(2) to make the language consistent with the changes proposed for subsection 98(1) of the bill. As I explained earlier, this provides for flexibility and proper land management.

Clause 3 of the bill proposes changes to the Yukon Quartz Mining Act by the addition of a new Section 14.1 which would have the equivalent effect in the Yukon Quartz Mining Act as Sections 17 and 98 do in the Yukon Placer Mining Act, as amended. Specifically, this would provide powers to withdraw lands from disposition by Orders in Council.

Clauses 4 and 5, are very important amendments. They permit the proper management of territorial lands by validating all current withdrawal orders under the Territorial Lands Act or the Yukon Placer Mining Act.

The concluding clause of the bill provides that Clauses 1 to 3 inclusive come into effect on February 13, 1990, as announced by my colleague, the Solicitor General. If this bill should meet with the approval of Parliament, the authority delegated to the Governor in Council, will be no greater than what earlier governments of Canada have, in good faith, believed they were exercising before.

It is important to remember this point, because prior to the Halferdahl decision, the Crown believed it had properly protected these lands. There is a need to set land aside while decisions for its use are being made. The government has been negotiating aboriginal land claims in the Yukon for several years. Government negotiators promised to set aside land, which had been identified by the Yukon First Nations for future land claim settlements. This was done in good faith by the government. However, the effectiveness of these actions was challenged with respect to the Yukon Quartz Mining Act.

Land claim negotiations have been going on in Yukon for many years. We are now in the final stages of a settlement and the government must ensure protection of selected lands so that negotiations would not suffer a major setback. The government is now asking Parliament to provide the proper authority so that the government's promise to the Council for Yukon Indians can be fulfilled.

The question of retroactivity of this bill was given careful consideration before the bill was prepared. The government decided that the then Minister of Indian Affairs and Northern Development should announce this in the House, that a bill would be introduced to take effect from the date of this announcement. There is a question: if the Council for Yukon Indians were promised by negotiators for the Crown that certain lands will be withdrawn from disposition, with the intention of protecting them from further alienations, why not keep that promise? The answer is that we will keep the promise to the extent authorized by law. Federal lawyers have filed an appeal of the court decision. In addition, I am now asking Parliament to make a new law that will allow proper management of lands in Yukon, but which would also protect the existing rights of third parties under the law.

I would be remiss if I did not acknowledge the support that I have received from the Yukon mining industry, following Minister Cadieux's announcement. The representatives of the industry support the settlement of Yukon aboriginal land claims and have written to support making specific changes to the acts, so that the failure to proceed with this bill would not be a reason for failure to complete a land claim settlement in Yukon.

In closing, I urge members of the House to support the bill for good land management in the Yukon and to meet our commitments to the Yukon First Nations and provide better administration of Yukon land for all Yukoners.

Mr. Jack Iyerak Anawak (Nunatsiaq): Madam Speaker, I am pleased to have this opportunity to speak on Bill C–68, an act to amend the Yukon Placer Mining Act and the Yukon Quartz Mining Act and to make provisions for the application of certain orders. This is a rather long title for a rather simple bill.

This bill clarifies a situation in respect of lands that are withdrawn for the purpose of aboriginal land claims settlements in Yukon. It protects these lands from encroachment by other interests. According to the government's press release, the changes will firmly establish the Crown's right to prohibit disposition of mineral rights on Yukon lands which are required for a purpose that the government believes to be in the public interest.

Specifically included are those lands which have been withdrawn by Yukon Indians for the settlement of their land claims.

The government thought these lands were protected. A court challenge with respect to the Yukon Placer Mining Act, proved the government wrong.

It has been government practice for some time to withdraw from the public domain, lands which are claimed by aboriginal peoples while negotiations on the settlement of these claims are proceeding. The legal authority to do so is contained in various sections of certain pieces of legislation. For example, Section 23 of the Territorial Lands Act permits the Governor in Council to withdraw tracts of territorial lands from disposal, upon giving reason. Territorial lands are defined as lands in Yukon or Northwest Territories that are vested in the Crown or are lands over which the federal government has the power to dispose.

Section 98 of the Yukon Placer Mining Act permits the Governor in Council to prohibit entry on certain lands for the purpose of locating a claim or prospecting for gold or other precious minerals or stones, except on some terms as he or she may prescribe. The Yukon Quartz Mining Act contains no provisions to withdraw lands or prohibit mining on certain lands as specified in Section 98 of the Yukon Placer Mining Act. However, Section 14 of the Yukon Quartz Mining Act provides for exceptions to the general rights to acquire mineral rights.

• (1020)

The government's position has been that a withdrawal under Section 23 of the Territorial Lands Act should be considered an exception under Section 14 of the Yukon Quartz Mining Act.

The government's position with respect to the applicability of the Territorial Lands Act withdrawal orders to the Yukon Quartz Mining Act was challenged. A prospector staked 265 mineral claims in an area withdrawn for the settlement of the Kluane Tribal Council land claim. The mining recorder refused the mineral claims. The matter was brought to the federal court on July 12, 1988. On February 12 of this year, a judgment in favour of the individual was brought down. The decision was based on the fact that subsection 3(3) of the Territorial Lands Act states:

> —nothing in this Act shall be construed as limiting the operation of the Yukon Quartz Mining Act, the Yukon Placer Mining Act, the Dominion Water Power Act, or the National Parks Act.

The judge decided, therefore, that any withdrawal orders made pursuant to the Territorial Lands Act could not have an effect on the Yukon Quartz Mining Act. In other words, claim staking under the Yukon Quartz Mining Act could not be curtailed by orders pursuant to the Territorial Lands Act.

The judge ordered the mining recorder to accept the claims. The day after the court decision, the then Minister of Indian Affairs and Northern Development, the hon. member for Vaudreuil, made a statement in the House of Commons. He announced that the government would be bringing forward legislation to amend the Yukon Quartz Mining Act and the Yukon Placer Mining Act. Also, he indicated that the forthcoming legislation would be retroactive to that day, February 13, 1990.

The government had to act fast to prevent any further mining claim registration disputes. On March 9, the new Minister of Indian Affairs and Northern Development introduced the promised legislation, Bill C-68. This bill amends two pieces of legislation: the Yukon Placer Mining Act, Sections 17 and 98, and the Yukon Quartz Mining Act, Section 14.

The purpose of the amendments is to ensure that the lands withdrawn for the settlement of aboriginal claims are clearly within the definition of withdrawn lands.

The amendment to Section 17 of the Yukon Placer Mining Act changes a phrase "prospecting for minerals" to "prospecting for gold and other precious minerals or stones". This new wording clarifies the definition of placer deposits. The same wording is already utilized in Section 98 of this act. As such, this is basically a housekeeping or clarification amendment.

The amendment to Section 98 is more substantial. It specifically includes land which may be required for the settlement of aboriginal land claims in the definition of land upon which prospecting or locating a claim may be prohibited.

New subsections are added to Section 14 of the Yukon Quartz Mining Act. The new subsections ensure that there is not an unfettered right to acquire mineral claims. Subsection 14.1(2) lists the types of land upon which the Governor in Council may prohibit entry and lands required for the settlement of aboriginal land

claims are included. The wording is essentially the same as that in section 98 of the Yukon Placer Mining Act.

In essence, this bill closes a loophole that the government did not know existed. It will protect aboriginal lands from encroachment while negotiations proceed towards a final settlement. It will also provide clarification and certainty for the mining industry.

For these reasons, we, in the Official Opposition, support the bill with some reservations. We recognize the need to deal with this legislation expeditiously since we are, in effect, retroactively approving prohibitions, back to February 13, made under the acts Bill C–68 is amending. We have consulted with interested parties on this legislation.

I do want to add our profound regret that the Kluane Tribal Council was the victim of this loophole and that there was not enough foresight on the part of the government to prevent this unfortunate situation.

In 1973, the Council for Yukon Indians presented the federal government with a document entitled, *Together Today for our Children Tomorrow*. This document expressed the aboriginal rights of the Yukon Indians to the territory of the Yukon.

Accepted for negotiations in 1973 by the federal government, settlement negotiations have been ongoing since. An umbrella final agreement was ratified on April 1, 1990. Individual agreements are being negotiated with the 14 Yukon Indian bands.

At the present time, 17.9 per cent of the total area of the Yukon is, for various reasons, withdrawn from the staking of mineral claims. The land claim settlement represents 8.6 per cent of that 17.9 per cent.

The information kit on this bill provided to us by the minister's office contains an information sheet on the Council for Yukon Indians Comprehensive Land Claim. I want to challenge an underlying premise of that background paper which outlines the government's claims negotiation policy.

The document states, and I quote: "Comprehensive claims negotiations are conducted with aboriginal groups that continue to use and occupy traditional lands and whose aboriginal title has not been dealt with by treaty or superseded by law." Aboriginal people have long contested the government's presumption that it could extinguish or wipe out aboriginal rights by passing legislation that effectively prevented the exercise of those aboriginal rights.

The recognition and affirmation in 1982 in the Canadian Constitution of existing aboriginal and treaty rights has lent some weight to our position. The Supreme Court of Canada has recently confirmed that the rights recognized in Section 35 of the Constitution do have significant and contemporary meaning.

I am not a lawyer, but even a layman can see that the Supreme Court decision in the Sparrow case a couple of weeks ago is a significant victory for aboriginal peoples. The Supreme Court judgment also contained some serious warnings for the federal government.

The Supreme Court stated that Section 35 demands a generous, liberal interpretation. It said that legislation that affects the exercise of aboriginal rights will only be valid if it meets the test for justifying that interference.

That calls into question, in my mind, every piece of legislation that could affect aboriginal rights, including the acts that we are amending today by this Bill C–68.

The government has a responsibility to act in a fiduciary capacity with respect to aboriginal peoples. There is a restraint on the exercise of federal power. Federal power must be reconciled with federal duty. These are the words of the Supreme Court of Canada.

The Supreme Court went on to say that the best way to achieve the reconciliation of federal power with federal duty is to demand the justification of any government regulation that infringes upon or denies aboriginal rights.

According to the Supreme Court, the test for justification requires that a legislative objective must be attained in such a way as to uphold the honour of the Crown and be in keeping with the unique contemporary relationship between the Crown and the aboriginal peoples of Canada.

I want to quote the next couple of sentences directly from the Supreme Court judgment:

> The extent of legislative or regulatory impact on an existing aboriginal right may be scrutinized so as to ensure recognition and affirmation. Section 35(1) does not promise immunity from government regulation in contemporary society but it does hold the Crown to a substantive promise. The government is required to bear the burden of justifying any legislation that has some negative effect on any aboriginal right protected under Section 35(1).

This is a very forceful message from the Justices of the highest court of this land to each and every member of Parliament in the House. All of us have a responsibility to examine every piece of legislation that comes before this House to ensure that it does not infringe or deny an aboriginal right in a manner which cannot be justified.

• (1030)

Some of us carry out this type of examination as a matter of course, out of personal conviction or interest. But I suggest that this responsibility is incumbent on every member of this House, and most particularly on members of the government.

What is required first is an answer to the question of whether the legislation under consideration has the effect of interfering with an existing aboriginal right. If so, other questions must be asked. The Supreme Court has suggested what these other questions ought to be. Is the limitation unreasonable? Does the regulation impose undue hardships? Does the regulation deny to the holders of the right their preferred means of exercising that right?

If a case of interference with an aboriginal right is found, there must be a test of justification. The justification test involves two steps. First, is there a valid legislative objective? The second has to do with the honour of the Crown in dealings with aboriginal people. The special trust relationship and the responsibility of the government *vis-à-vis* aboriginal people must be the first consideration in determining whether the legislation or action in question can be justified.

The bill we are debating today will rectify an oversight, a negligence on the part of the government that has had the effect of clearly interfering with the rights of the aboriginal people represented by the Kluane Tribal Council.

We in the Official Opposition are supporting the corrective acts contained in Bill C-68 so that the rights of other Yukon Indian people are not interfered with.

But we caution the government that it must take its trust responsibility with respect to aboriginal peoples far more seriously than it has to date.

Whether it is the re-examination of past legislation, current proposals or future initiatives, or whether it is in the conduct of current land claims negotiations, the federal government has been served notice. The meaning of Section 35 of the Canadian Constitution is to affirm aboriginal rights. It is to be construed in a purposive way. The government is in breach of trust if it does not protect aboriginal rights from unjustified interference.

It is of no small significance that the Supreme Court found the justification of "public interest" to be so vague as to provide no meaningful guidance and so broad as to be unworkable as a test for the justification of a limitation on constitutional rights.

It may well be that much current and proposed activity or development in aboriginal lands which does not have the consent of the aboriginal peoples affected, and which infringes upon their aboriginal rights could be found unconstitutional.

I take this opportunity to urge the government to conduct itself according to the guidelines established by the Supreme Court. The recognition and affirmation of aboriginal rights in our Constitution imposes an obligation on the government. As the Supreme Court has said, "recognition and affirmation requires sensitivity to and respect for the rights of aboriginal peoples on behalf of the government, courts and, indeed, all Canadians".

I want to draw to the attention of the government and this House a communication from the Council for Yukon Indians which I received in my office this morning. It has some recommendations for us which I support. It recommends:

> 1. Legislation be retroactive to September 30, 1987, when the first interim land protection agreement was initiated by the parties to the land claims negotiations for Yukon.
>
> 2. Lands that are identified for selection and interim protection are being alienated due to the lack of adequate protection by the Minister. There must be justification for such action and equitable remedies for each incident.
>
> 3. Legislation must take into full consideration the recent Supreme Court decision, R. vs. Sparrow, May 31, 1990. Specifically, the Minister's fiduciary responsibility.
>
> 4. Bill C-68 to be taken to the Committee for full review.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I am pleased to have an opportunity to address Bill C-68 at this very critical stage. I must say that recent results which have occurred in Yukon have perhaps in some respects made the processing of this bill less critical than it was a few months ago.

I want to begin by saying that the legislation capsulized in Bill C-68 amends the Yukon Placer Mining Act and the Yukon Quartz Mining Act. It is to be retroactive to February 13, 1990.

We understand the reasons for this retroactivity. While we normally are concerned about retroactive legislation, perhaps I will take a moment or two to explain the necessity for it in this case.

Before I do, I simply want to say that the amendments we will be looking at regarding these two mining acts will ensure that withdrawn lands, including lands identified as being of interest to Yukon Indians, will not be open for the location of new mining claims. The changes will firmly establish the Crown's right to prohibit disposition of mineral rights on Yukon lands which are required for a purpose that the government believes to be in the public interest. As I say, just to emphasize, those will also be lands under claim by Yukon Indians.

Our first concern was with whether or not it is such comprehensive and broad sweeping legislation that it would be of concern to miners in Yukon. My leader, who represents Yukon has had extensive and intensive consultations with the mining community generally in Yukon and the placer miners specifically regarding this legislation.

I must say that their comfort factor has to do more with the certainty that they have in terms of filing claims in the knowledge that certain lands are excluded and certain other lands are not. That precision is appreciated by the placer miners and the mining community generally. If we have rules that everyone understands, then it is just a matter of getting on and following them.

In the original press release from the minister he stated that he proposes to bring forward these changes to ensure that the mining industry clearly knows which areas are open for staking and exploration and recommends that people intending to stake mining claims in the Yukon should first contact the mining recorders office to determine the status of the lands in which they are interested.

Again, I think it is fair to say that that particular initiative lends a certain exactness to the process and is appreciated by the miners generally.

I also want to say that consultations with the Yukon territorial government indicates that it also supports this bill for the reasons that I have just stated, as well as others. The Council of Yukon Indians, while generally in support of this legislation, have some concerns. We are aware that it has recommended at least three specific amendments to the legislation that ought to be considered. We will be pursuing those in committee.

Perhaps I should say at this point that while there has been some question as to whether or not we should move expeditiously with this legislation and move through all stages, perhaps even in one day, the feeling is that that ought not occur for two reasons. The first has to do with the information that has now been made public regarding the concerns that the Yukon Indians have regarding the legislation. Obviously, they have to be considered in detail.

Also, our concern that this legislation ought to go to a legislative committee for some examination flows out of a concern that my hon. friend from Skeena has.

• (1040)

In June, 1984 we passed expeditiously a number of amendments to the same legislation, based on the comments of the bureaucracy, which assured us that there were no real problems, that all aspects had been considered and that it was all very straightforward.

Lo and behold, all of us will recall the nightmare experienced by John Turner. I do not mean the Leader of the Liberal Party, but another John Turner who was victimized by an earlier piece of legislation which made revisions to a mining act and with respect to which, again, the member for Skeena had received government assurances at the time of the vote that there would be no outstanding claims.

To simply set aside that possibility from occurring again, we are asking that this matter go to a legislative committee, not for an extensive set of hearings, but at least to provide an opportunity for those people who want to make representations. I assume that representa-

tives of the Yukon Indians would certainly want to play a role in that process.

These amendments to the Yukon Quartz Mining Act and the Yukon Placer Mining Act are by and large the result of a court case. Members thought that under Section 23 of the Territorial Lands Act the withdrawal of public lands for public purposes, including land claims, would be clearly understood. In order to designate certain parcels of land in the Yukon for specific public purposes, including the settlement of aboriginal land claims, and to remove the possibility of new third party interests being created in such lands, lands have been withdrawn from disposition under Section 23 of the Territorial Lands Act. In so far as mining is concerned, prohibition orders under Section 98 of the Yukon Placer Mining Act have also been promulgated.

Although the Yukon Quartz Mining Act contains no provision to withdraw lands or to prohibit mining on certain lands, as in the case of the Yukon Placer Mining Act, it has always been the government's position that a withdrawal made under section 23 of the Territorial Lands Act is considered a reservation within the meaning of section 14 of the Yukon Quartz Mining Act. Section 14 provides for exceptions to the general right to acquire mineral rights under the Yukon Quartz Mining Act. That seems to be fairly straightforward. I think everyone following that would understand clearly the process that we have been going under in terms of the basic assumption.

However, the government's position with respect to the applicability of the Territorial Lands Act withdrawal orders to the Yukon Quartz Mining Act was challenged in the courts by Mr. L. B. Halferdahl when he staked 265 mineral claims in an area withdrawn for the settlement of the Kluane Tribal Council claim. We are all familiar with that particular process. Mr. Halferdahl's mineral claims were refused by the Mining Recorder. That was pretty straightforward. We appreciate that those claims would be refused, with the Mining Recorder perhaps not quite clear in terms of which of these acts took precedence.

However, the matter was brought to the Federal Court and on July 12, 1988, a judgment was handed down in favour of Mr. Halferdahl. In his judgment, the Justice based his decision mainly on the fact that because subsection 3(3) of the Territorial Lands Act states that: "Nothing in this Act shall be construed as limiting the operation of the Yukon Quartz Mining Act," any withdrawal orders made pursuant to the Territorial Lands Act could not have an effect on the Yukon Quartz Mining Act.

In other words, claim staking under the Yukon Quartz Mining Act cannot be curtailed by orders pursuant to the Territorial Lands Act. Mr. Justice Collier had ordered the Mining Recorder to accept Mr. Halferdahl's claims.

That really caught everyone by surprise. I remember the day the order came down. I think there were a lot of comments around the House of Commons that this surprised everyone and something obviously had to be done.

In order to protect all these various withdrawn areas in Yukon, which I think account for almost 70 per cent of the entire Yukon land mass, from further staking, the Minister of Indian Affairs and Northern Development, the Hon. Pierre Cadieux, announced in the House on February 13, 1990, his intention to bring forward legislation to rectify the problem. This legislation, if eventually passed, would be retroactive to the date of this public announcement.

We have heard that the Council of Yukon Indians has concerns that the retroactivity ought in fact to go even further to protect its interests in terms of very specific claims. Because I know those listening are interested in the situation in Yukon, I want to make it very clear that this proposed legislation that we are debating today at second reading stage would affect only Sections 17 and 98 of the Yukon Placer Mining Act and Section 14 of the Yukon Quartz Mining Act. It is also proposed that the Yukon Placer Mining Act be strengthened to ensure that lands required for the settlement of aboriginal land claims may be considered as lands required for public purpose.

As well, it is proposed that the equivalent of Section 14 of the Yukon Quartz Mining Act be expanded—and I want to emphasize that point—by adding equivalent prohibition provisions to those contained in the amended Section 98 of the Yukon Placer Mining Act. Both of these mining acts are proposed to be further amended in order to validate as at February 13, 1990, all existing withdrawals under the Territorial Lands Act and prohibitions under Section 98 of the Yukon Placer Mining Act,

and any orders passed between February 13, 1990, and of course when these amendments take effect.

It is most important that this retroactivity take place, otherwise the existing Yukon Quartz Mining Act and the existing Yukon Placer Mining Act would take precedence over these lands which, for various reasons, ought to be removed in the best interest of the public. In most cases in Yukon we are dealing with Indian land claims.

Having said that, I want to get into some of the details of the Yukon Quartz Mining Act and the Yukon Placer Mining Act as they presently stand and some of the changes that we would be recommending. In the consideration of time, however, I will simply say that we will raise these in committee. I think that that precision and exactness would have a more appropriate place in committee discussion as opposed to the discussion of the principle of the bill that we are doing now at second reading.

Let me conclude by simply saying that we support the major thrust of this legislation. The legislation is timely. While the settlement in Yukon does not necessitate quite the consideration that we would normally have given this legislation, we feel that it is appropriate now to send it off to the appropriate legislative committee, bring forward the appropriate witnesses and move expeditiously to pass it through all stages and get it off to the Senate for ratification there before it is finalized. This will set the record straight in law on just what the opportunities are for the miners of Yukon and to ensure that the rights and interests of the general public are adequately protected.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Madam Speaker, I do not want to take more than a couple of minutes. I just want to make a comment on this particular bill.

Basically, it is a bill on land use. I know that land use across the provinces is considered to be a provincial responsibility, but that land use as far as the Northwest Territories and Yukon, to a certain extent, is concerned is still a federal responsibility. This points directly to the dangers of not having in place the kind of regulation and thus the lack of control that allows development of land to be made at the behest of the person who thinks they can make a few bucks on it rather than the common good of the people.

• (1050)

In many cases, particularly in Yukon since the finding of gold, the development and the mining of gold was considered to be much more important than anything else in the development of Yukon.

We have the same kind of situation right now in the rain forests of Brazil where large areas of the rain forests are being devastated so that some placer mining can be done. That is the type of thing that happens if you do not have in place the regulations and controls necessary to allow development of land for the good of all people.

I know this particular legislation is before us basically because of the concerns about the land claims of the aboriginal peoples of Yukon. That in itself is a major story, I suppose, and something that needs careful understanding in terms of aboriginal rights and their definition.

It does also deal specifically with the use of land. My point in getting up even for these few minutes is to put before the House and the people of Canada the fact that we in Canada must look much more closely at regulation. We must not think that deregulation of all industries in terms of all use of land is acceptable. We must recognize that we should have in place the kind of legislation which allows us to make sure that development occurs in such a way so that the rights and the best interests of all Canadians are recognized.

I say this particularly now because we are recognizing that over the last 50 years in Canada we have not put in place regulations which have protected the environment, the land and our standard of living, the standard of living that we think we should be able to have in Canada. We have not put the regulations in place and now find ourselves suffering and having to make changes which are much more costly than they would have been if we had put them in place in the first instance.

This piece of legislation, as I understand, will go to a legislative committee now. I hope that some of the concerns of the people of Yukon will be recognized and dealt with in committee.

Madam Deputy Speaker: On questions or comments, the hon. member for Labrador.

Hon. William Rompkey (Labrador): Madam Speaker, I know time is short but I want to make a few comments

on this bill to say that the bill certainly goes in the right direction, but that it does not go far enough.

I want to support the recommendations of the Council of Yukon Indians. I want to draw particular attention to the third recommendation of the Council of Yukon Indians, that is, legislation must take into full consideration the recent Supreme Court decision of Sparrow in British Columbia.

That court decision, it seems to me, will have ramifications all across the country, as has been pointed out by the First Nations. I just want to point out to the government the situation that is occurring in my own riding now, not with regard to placer mining but with regard to fishing which I think bears on this point.

The government has restricted food fishing for trout in the Lake Melville area to three weeks, whereas normally people in that area, most of whom are members of the Labrador Métis Association, would be able to fish for food throughout the season, as I think is their historic right.

Second, a recent government regulation has restricted the salmon quota on the coast of Labrador and has reduced that quota by 43 per cent. This is at a time, I might say, when there was a crisis in the cod fishery and at a time when there was an ice blockade on that coast. It seems to me that that court decision has implications for this situation as well.

I draw to the attention of the government that while it is moving in the right direction it must, as the Council of Yukon Indians point out, take into consideration in all future legislation and in regulations the decision of the Supreme Court with regard to Sparrow.

Aboriginal people do have rights in this country, not simply to the protection of their lands during and after the land claims process, but in respect to their food fishery as well.

It seems to me the government should revise those regulations that it has brought in this year. It should be cognizant of the Sparrow decision in all future legislation and regulations that it brings in with regard to native people in this country.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Motion agreed to, bill read the second time and referred to a legislative committee.

* * *

CANADIAN POLAR COMMISSION ACT

MEASURE TO ENACT

Hon. Gilles Loiselle (for the Minister of Indian Affairs and Northern Development) moved that Bill C–72, an act to establish the Canadian Polar Commission and to amend certain acts in consequence thereof, be read the second time and referred to a legislative committee.

Hon. Shirley Martin (Minister of State (Indian Affairs and Northern Development)): Madam Speaker, I realize I have just a couple of minutes before we move on to other orders of the House. I am looking forward after Question Period to providing the House with the government's position on Bill C–72.

I must say that I just returned last night from Iqaluit where I spent the last couple of days. For the first time as a Canadian I had the opportunity to appreciate truly the north. I feel that many Canadians are missing a very important part of their heritage by not taking the opportunity to visit the northern parts of our country.

My hon. colleague across the floor was there with us yesterday as we met and listened to Innu people and northerners speak about their concerns about the Arctic, about the beautiful opportunities that we have there, as well as about the problems that are there as far as the environment is concerned and the possible pollution that is approaching the Arctic.

Certainly, there have been steps taken by this government to work on the Finnish initiative and other initiatives to protect the environment of the north.

As we enter into debate on Bill C–72, which is a bill to establish the Canadian Polar Commission, we see that this is a step which we feel will further enhance the opportunities of the people in the north, and also put us in a position to act more positively internationally on the scene. The Arctic is a very important part of our country,

but it is also affected by the actions of other countries in the northern hemisphere.

The eight countries that are working together on northern opportunities for the Arctic are very, very important in the future not only of Canada but those countries as well. As we enter into debate following Question Period, I look forward to imparting to the House the information about Bill C-72 and the establishment of a Canadian Polar Commission.

• (1100)

[*Translation*]

Madam Deputy Speaker: It being eleven o'clock, pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

CRIMINAL CODE

Hon. Bob Kaplan (York Centre): Madam Speaker, in spite of my respect for the Supreme Court of Canada and its enlightened jurisprudence, I must express disappointment in its decision on C195.1 of the Criminal Code (street soliciting).

For my part the dissenting judgments of Madam Justices Wilson and L'Heureux-Dubé reflect more fully the value we place on free speech and the availability of other solutions to the important goal of freeing neighbourhoods from the plague of public commercial sex. I recommend, for example, the study by Paul Fraser of Vancouver.

The House committee which is studying the impact of this law, 195.1, has had a lot of evidence that the law has not worked nearly well enough to justify its existence.

The courts impose ineffective light sentences because they feel accurately, I believe, that the vast majority of prostitutes whom they sentence are more victims than criminals. We need to relieve neighbourhoods of the blight of street soliciting, but we need a better solution.

[*Translation*]

UNEMPLOYMENT

Mr. Phillip Edmonston (Chambly): Madam Speaker, Tory neglect in the riding of Laurier—Sainte-Marie goes beyond lack of representation in this House. At a time when unemployment in the riding is over 20 per cent, this government is trying to increase unemployment even further with its high interest rate policy and its failure to do anything for East Montreal.

Half the families in Laurier—Sainte-Marie are single-parent families, and eight out of ten of these single parents are women. These people have suffered under this government. They have suffered as a result of cutbacks in co-operative housing and funding for women centres, and they have suffered due to a lack of manpower adjustment programs.

It will be a long and hot summer for the Conservatives in Laurier—Sainte-Marie, Madam Speaker. Voters in the riding are going to judge this government, and once again, the Tories will have every reason to fear their candidate will lose his deposit.

On the Liberal side, when Jean Chrétien, the next leader of the Liberal Party, winds up his leadership campaign, he may well see a second member for the New Democratic Party in Quebec, Ms. Louise O'Neil, elected on August 13.

* * *

[*English*]

HOUSING

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, as the population in Canada ages it becomes increasingly important that the federal government take action and an active role in providing adequate and affordable housing for our senior citizens.

That is why I am pleased to be representing the Minister of State for Housing in my riding at the June 16 opening of the new Masonic seniors complex in Woodstock.

The federal government will be making a contribution of approximately $50,000 annually over a period of 35 years. This direct contribution is in addition to the

insured loan of $600,000 provided by CMHC required to construct this complex.

This initiative is another strong indication of our government's commitment to assist the elderly in our society in maintaining a decent standard of living. I commend the Minister of State for Housing for his support in making this project a reality.

* * *

[*Translation*]

THE CONSTITUTION

Mr. Gilles Rocheleau (Hull—Aylmer): Madam Speaker, with only a few days to go until June 23, 1990, by which date the Meech Lake Accord should be ratified—a date that is also an important occasion for the future of my political party—I would like to congratulate all those who said a forthright yes to Quebec and to its expected return to the constitutional table.

The support of all three parties in this House and the unconditional support of seven Premiers in English Canada, including Peterson, Vander Zalm and Getty who represent the provinces with the largest population, is very significant, and I find this very heartening.

A nation cannot evolve unless its leaders are determined to see it evolve, and I hope that in future constitutional discussions we will be able to apply the principles of honesty, integrity and openness on behalf of the unity of our country.

* * *

[*English*]

LITERACY VOLUNTEER AWARDS

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Madam Speaker, at the opening of the Canadian Library Association's annual convention yesterday, I had the opportunity of announcing on behalf of the Government of Canada the establishment of Canada's Literacy Volunteer Awards.

The awards program will work in partnership with the Canadian Library Association, the Canadian Association of Public Libraries, the Canadian Library Trustees Association, the Association for the Advancement of Science and Technique of Documentation, the National Literacy Secretariat, and the members of Parliament.

Canada's Literacy Volunteer Awards will recognize individuals and organizations in our community who have made an outstanding contribution to the promotion of literacy. We encourage more Canadians to become involved in the fight against illiteracy.

On behalf of the Secretary of State I want to thank the organizations which have worked with us on the creation of the program for their co-operation and for their commitment in promoting literacy in Canada.

* * *

THE ECONOMY

Hon. Warren Allmand (Notre-Dame-de-Grâce): Madam Speaker, when the economy was improving in 1984, this Conservative government had all the answers and took credit. Now that the economy is in decline, this same government washes its hands and blames others.

Yesterday the Department of Consumer and Corporate Affairs reported a 34 per cent increase in bankruptcies since last year, with a 21 per cent increase in corporate bankruptcies.

Last Friday Statistics Canada reported that unemployment rose from 7.2 per cent to 7.6 per cent in the month of May, with over one million Canadians out of work and a loss of 165,000 manufacturing jobs over the past year.

When will the government wake up and readjust its economic policy? High interest rates are not the answer at this time, and the government should take moderating action.

* * *

VETERANS AFFAIRS

Mr. Benno Friesen (Surrey—White Rock): Madam Speaker, the Minister of Veterans Affairs had good news for British Columbia's veterans last Friday. The Minister of Veterans Affairs and British Columbia Health Minister John Jansen signed an agreement to provide 200 long-term health care beds for veterans.

This agreement, worth up to $35 million over the next five years, provides for the capital cost of priority beds for veterans in centres as needed throughout the province. The distribution of these beds is to be decided upon in co-operation with the province. This will ensure that veterans who are no longer able to carry on in their own

homes will at least be able to continue living closer to their communities.

Through this agreement the federal government is responsible for two-thirds of the capital cost of the new beds, and Veterans Affairs Canada will pay a daily co-payment fee to the province for each veteran occupied bed.

If I may, I quote from Mr. Jansen: "This agreement represents a major improvement in the level of service to veterans—and demonstrates the strong co-operation between the provincial and federal governments on matters concerning veterans."

* * *

HEALTH CARE

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, the time has come for this government to live up to its mandate and show leadership in the health care delivery system in Canada.

When a country is faced with hospital crisis from coast to coast to coast; when deaths of cardiac patients are being reported in major centres because of shortages of acute care beds, nurses, or technicians; and when children with life-threatening illnesses are being turned away from children's hospitals because of acute bed closures, the Tory government must rethink its fiscal responsibilities and priorities.

The Minister of National Health and Welfare must ask himself: "Is this the time to be putting a lid on federal health care support?" He must then, on behalf of all Canadians, those Canadians who trust and rely on him, convince the Minister of Finance that federal belt-tightening is weakening Ottawa's presence in health care and threatens the universal system set out in the Canada Health Act.

* * *

NATIONAL ACCESS AWARENESS WEEK

Mr. Brian O'Kurley (Elk Island): Madam Speaker, June 10, 1990 marked the beginning of the third National Access Awareness Week in Canada.

This week we celebrated the achievements of persons with disabilities and worked toward the elimination of remaining barriers to their full economic and social integration.

Governments at all levels have programs and services which benefit persons with disabilities. Many of these are related to areas that were highlighted during Access Awareness Week: transportation, housing, employment, recreation, and education. As a result we may tend to think of these in terms of specific government initiatives. However, during the past week it helped to give attention to other aspects of the disabled's integration into our communities.

• (1110)

I hope National Access Awareness Week provided all of us with the occasion to become informed about the events which are ongoing in our communities. By sharing in these activities we will not only gain in awareness but also find new ways of helping to meet the challenges faced by disabled Canadians.

* * *

CANADA DAY

Mr. Mac Harb (Ottawa Centre): Madam Speaker, in a couple of weeks, on July 1, we will celebrate our country's one hundred and twenty-third birthday.

For such a young nation, we have a lot of which to be proud. We are very lucky to be Canadians. Our country is one of the best places in the world in which to work and to live. Other countries look to Canada as a leader in world co-operation and development. Those of us who have travelled outside the country can appreciate how very fortunate we are.

[*Translation*]

Now is the time to get together to celebrate everything we share as a people. Our natural resources, our fundamental rights, our diverse cultures and our tolerance are what makes Canada a country that is appreciated throughout the world.

[*English*]

For the last 123 years Canadians have worked together to make our country what it is now. I am confident that this same spirit will carry us into the next decade and indeed into the next century. This is the land of compassion. This is a land of opportunities.

On behalf of the people of Ottawa Centre, Happy Canada Day.

* * *

HOUSING

Ms. Barbara Greene (Don Valley North): Madam Speaker, during National Access Awareness Week I would like to draw the attention of the House to the efforts CMHC has been making to provide greater accessibility in the area of housing.

Under the social and co-operative housing programs, the common areas of each project must be accessible in order to obtain mortgage insurance from CMHC and to qualify for federal subsidies.

The sponsors are required to provide a minimum of 5 per cent of their dwellings as mobility units, ones which can be readily outfitted to meet the specific needs of people with disabilities. Further, the sponsors can obtain full financing and subsidies on the cost of adapting these dwellings to the needs of specific clients.

As well, CMHC has assisted over 9,000 households to adapt their homes to meet the needs of family members with disabilities, through the Residential Rehabilitation Program. We can be proud of the proactive position of CMHC, which brings reality to the slogan for National Access Awareness Week: "Independence, That's Living!"

* * *

PASSENGER RAIL

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, the federal government has been repeating incessantly that Canadians have given up on passenger rail and that it is the way of the past.

We have known all along that that is not the case. Industrialized countries, our competitors around the world, are moving to modern rail.

The latest to choose rail in Canada is one of our most important centres for innovation, creativity and culture. I am speaking of course of MuchMusic. This June, MuchMusic's veejays have been riding the rails, across the country, with the latest in videos, promoting the first ever Canadian Music Video Awards.

On behalf of VIA supporters everywhere, I applaud MuchMusic on choosing an efficient, environmentally friendly mode of transportation.

If I can make my own RSVP request, it is for this government to listen to the people and restore the passenger service it cut so foolishly in January.

* * *

NATIONAL ACCESS AWARENESS WEEK

Mrs. Coline Campbell (South West Nova): Madam Speaker, this week national, provincial and local organizations, in co-operation with the Department of the Secretary of State, are marking National Access Awareness Week.

It gives all Canadians an opportunity to work together to answer the following question: What can we do to ensure the integration of all people with handicaps into community life?

As one of my constituents wrote this week:

> I just want to comment that to someone who has difficulty climbing stairs, there is no such thing as two short flights of stairs—if there are two sets of stairs, that is automatically too many for comfort. The alternative?

They were told by people to stay in their cars on a ferry, yet there is a sign on the ferry which says that people cannot stay in their cars. They are faced with a double question. Being handicapped, does one leave the ferry? Does one stay in the car? What does one do?

In this week of national awareness things like that should not be happening to handicapped Canadians. I hope that after this week people will have achieved some greater awareness of the difficulties.

* * *

THE SENATE

Mr. Scott Thorkelson (Edmonton—Strathcona): Madam Speaker, I would like to commend the Prime Minister for accepting the nomination of Stan Waters from Albertans and appointing him to the Senate. I offer my congratulations to Mr. Waters.

The process of reforming the Senate is under way.

Don Getty has shown courageous leadership in holding the Senate election and in moving Senate reform to the top of the national agenda.

Alberta's Liberal senators should take note of the prevailing democratic winds. Stan Waters' first duty is to encourage other senators to not stand in the way of democratic reform of the Senate. Albertans would like to see the election of at least seven new senators from Alberta five years from now in a newly reconstituted Senate.

Some people and parties talk a lot about Senate reform. Our government is actually doing something about it.

Congratulations to the Prime Minister, Premier Don Getty and other First Ministers for their tremendous accomplishments.

ORAL QUESTION PERIOD

[*English*]

MEECH LAKE ACCORD

Hon. Herb Gray (Leader of the Opposition): Madam Speaker, my question is for the Deputy Prime Minister.

In recent days, the aboriginal peoples of Canada have expressed deep concern and, in fact, a deep sense of grievance, about the outcome last weekend of the First Ministers' Conference.

I understand that the Minister of Justice and other ministers met the leaders of aboriginal peoples in Ottawa yesterday. I would like the Deputy Prime Minister to tell us what was the outcome of the meeting. Has a result satisfactory to these native leaders been achieved? If not, what does the Government of Canada intend to do to respond further to the deep concerns and the deep sense of grievance of aboriginal peoples of this country as a result of the outcome of last week's constitutional conference?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, first, I am sure the hon. Leader of the Opposition would acknowledge that the Meech Lake Accord and the document that was signed last week contain some very important provisions with respect to the aboriginal people.

Therefore, it is certainly in everyone's best interests to see that the Meech Lake Accord and the documents that have been signed by the First Ministers would be ratified as quickly as possible.

With respect to the meeting that took place yesterday, not only Senator Murray but the Minister of Justice and the Minister of Indian Affairs and Northern Development attended the meeting of Indian leaders. It was a very friendly and amicable meeting. The Indian leaders laid out their positions very clearly. The ministers listened and took cognizance of their concerns. They have undertaken to deal with each of them in a very specific way.

I can advise my hon. friend that discussions with respect to the points that were raised yesterday are ongoing at the present time.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Madam Speaker, I have a supplementary question for the Deputy Prime Minister.

The Premier of Newfoundland has invited all provincial premiers and the Prime Minister of Canada to address the Newfoundland House of Assembly on the 1987 constitutional amendment.

I therefore ask the following question: Will the Prime Minister himself go to Newfoundland to speak there and if so, when will he go?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, the Prime Minister and the Premier of Newfoundland have been in contact almost on a daily basis discussing this very important issue.

As the Prime Minister indicated in response to a question earlier this week, if there was a feeling that his presence would be helpful in the ratification of the Meech Lake Accord, clearly he would be prepared to visit Newfoundland. I think that is still a matter for consideration.

Hon. Herb Gray (Leader of the Opposition): Madam Speaker, I have a further question for the Deputy Prime Minister.

Legislators in Manitoba have said that they believe that the Constitutional Amendment of 1987 will not be ratified by their legislature by June 23. I ask the Deputy Prime Minister if the government is of the view that

there is a means of extending the deadline, should that prove necessary, just exactly what does the federal government intend to do and what is its response to this particular situation in the province of Manitoba?

• (1120)

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, in Article 1 of the document that was signed last week, there is a clear undertaking on the part of the Premiers of New Brunswick, Manitoba and Newfoundland, to use every possible effort to achieve a decision prior to June 23, 1990.

We still believe that that target can be achieved and we also believe that every effort is being undertaken by the respective legislatures to achieve that target. The fact that there is a procedural wrangle is something that we anticipate the respective legislatures, in this particular case the legislature of Manitoba, will deal with. The federal government is offering its assistance in every way, shape and form, as well as with the aboriginal people as a result of the meetings yesterday and ongoing discussions to see whether we can be helpful in breaking the logjam.

Madam Deputy Speaker: The right hon. member for Vancouver Quadra.

Some hon. members: Hear, hear!

Right Hon. John N. Turner (Vancouver Quadra): Madam Speaker, my question is also for the Deputy Prime Minister.

It now appears that the Meech Lake Accord will not meet the deadline in Manitoba. The Manitoba legislature adjourned a few minutes ago until Monday and it is becoming more pessimistic in that Assembly every minute.

Let no one put the blame on Elijah Harper or on the aboriginal people of this country. The blame rests squarely on the shoulders of one man. The man, who, in his own words, chose to roll the dice and he chose the date when to roll the dice. By delaying the First Ministers' Conference, he has gambled with the future of our country. That is what he has done.

I put this question to the Deputy Prime Minister: Will he go immediately to his leader, the Prime Minister of our country, and suggest in the strongest terms, that the current constitutional crisis is now his, and his alone, and his responsibility.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, let me assure the right hon. member that we are not putting the blame on anyone and certainly not putting the blame on Elijah Harper, just to make that very clear.

There are procedural rules and privileges that any member can exercise in the democratic process. I find it very strange that at this late hour, particularly as the right hon. member suggests that there is a crisis, that he would engage in the kind of political rhetoric that he has just engaged in. I will simply refrain from commenting on the latter part of his question.

Right Hon. John N. Turner (Vancouver Quadra): Madam Speaker, the Premier of Newfoundland and Labrador and the Premier of Manitoba both warned the Prime Minister on several occasions during the past few months, that legislative time was running out. So did the hon. Leader of the Opposition. Yet, the Prime Minister refused to heed those warnings of his two colleagues. He allowed time to run and he allowed pressure to build.

I want to ask the Prime Minister again, if he will impress upon his leader that the consequences are grave and that the responsibility for solving what has now become a very grave issue, lies with the Prime Minister of Canada who put us in this mess.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, I do not want to be argumentative but I think the right hon. member would recall that the first effort in breaking the logjam came from the legislature of New Brunswick, wherein they brought forth the idea of a parallel resolution which was followed by immediate action on the part of the federal government in setting up the Charest committee.

That is a fact. That process did take place and quite frankly, notwithstanding what the right hon. member suggests, there was an undertaking by all First Ministers to use every possible effort to pass the Meech Lake Accord prior to June 23. We believe that that undertak-

ing is serious and we believe that they will use every possible effort to see that is achieved.

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MONTREAL PORT CORPORATION

Ms. Audrey McLaughlin (Yukon): Madam Speaker, my question is for the Minister of Transport.

The Montreal Port Corporation, a federal crown corporation and its general manager, Dominic Taddeo, seem to be on a virtual shopping spree with Canadian taxpayers' dollars.

I have a copy of an invoice for $1,725 billed to Mr. Taddeo at the Port of Montreal for Montreal Canadiens season hockey tickets, an invoice also showing the Port of Montreal entertained ten people at a gala at a staggering $500 apiece. The Port of Montreal was also billed for $4,428 for Expos season tickets.

Can the minister confirm that the Port of Montreal actually paid these bills and, if so, does he think this is a good use of taxpayers' money?

Hon. Doug Lewis (Minister of Transport): Madam Speaker, I will take my hon. friend's concerns under advisement. I must admit that I try to brief myself for Question Period, but no minister's briefing includes going through all the invoices of every crown corporation or every local port authority. We just cannot do that. We try to come here and answer questions. There is another forum for my hon. friend's questions. Obviously, if she wants those answers, she could put the question on the Order Paper.

In the alternative, I come here to try to answer the questions I can answer, and I will certainly look into my hon. friend's concerns.

Ms. Audrey McLaughlin (Yukon): Madam Speaker, the Montreal Port Corporation has been purchasing land as well near Contrecoeur using federal Tory fundraiser Maurice Mayer as its agent. Mr. Mayer, it seems, was in line to make a very good commission. I have one invoice of August last year showing he had billed $186,637 for his services.

Can the minister tell us how much money in total Mr. Mayer made on this transaction and why was not the port itself or Public Works handling this transaction, as they are able to do?

Hon. Doug Lewis (Minister of Transport): Madam Speaker, obviously within the ordinary course of business the Port of Montreal purchases land. That comes as no surprise to any member of this House nor any member of the public.

What I really want to ask my friend is whether she has evidence of any impropriety in any of the transactions that she talks about, or is this just another allegation floated out there in an effort to smear innocent people?

Ms. McLaughlin: Madam Speaker, the minister knows full well that it is the duty of this House to ensure that taxpayers' dollars are accounted for and spent well on behalf of the taxpayers.

[*Translation*]

Since there are many ethical questions about the land purchases in Contrecoeur and the excessive spending of members of the board of the Port of Montreal, will the minister order an inquiry?

[*English*]

Hon. Doug Lewis (Minister of Transport): Madam Speaker, since we have a question on the floor of the House, since I have suggested that I will look into my hon. friend's concerns, obviously I will look into them. We do not go running off calling for inquiries until we make some investigations and ask ourselves if there is an answer to my hon. friend's allegation. If you want a smear campaign, I will not give it to you that easy.

* * *

TRADE

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, I would like to raise a question with the Deputy Prime Minister concerning the trade figures in a release by Statistics Canada today.

The Deputy Prime Minister would recognize that once again we have experienced a substantial decline of over $1 billion in our trade figures. Perhaps more dramatically, we have a $750 million decline in our trade with the United States. I would remind him that in 1984 we had a $20 billion surplus in trade with the United States.

• (1330)

How can the government continue to support the continuing high interest policy, high dollar policy, and a trade agreement which is leading to the erosion and

destruction of the industrial and trade capacity of this country?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I think my hon. friend knows that we continue to have a surplus. The reason for the declining surplus is due to the imports, primarily of machinery and of high tech goods, in order to get our economy ready to be extremely competitive under the free trade environment.

We have had record imports of new machinery and new capital goods—which is an indication of tremendous confidence in the Canadian economy—in the manufacturing and service sectors to make us very competitive in the decade ahead.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, the reason we have a trade decline is because the government's economic policy is creating that problem.

Since the minister is now answering questions on the trade issue, how does he explain the fact that in the automotive trade industry, the most important industrial sector in the country, we now have a deficit of $131 million? It is the first time in years that we have experienced a major decline in the automotive trade sector.

Combined with the loss of 165,000 jobs in manufacturing in the year since we signed the free trade agreement, does he not understand and agree that what we are experiencing is the de-industrialization of Canada?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, we have heard this de-industrialization theory for the last five or six years in Parliament.

The truth is that in the automotive sector almost one-quarter of all the automobiles being produced on this continent are being produced in Canada. We have put in place a context of competitiveness for the auto sector far above that of the United States. Cycles change, they go up and down, but over all we are in a much better position than the United States when it comes to our proportion of automobile production in North America.

THE ECONOMY

Mr. Jim Peterson (Willowdale): Madam Speaker, my question is directed to the Deputy Prime Minister. In the first five months of this year, 4,424 Canadian businesses and 15,050 individual Canadians were driven into bankruptcy by the government's high interest rate policy.

How many more Canadians must lose their homes, their farms, their businesses, and their jobs before the government comes to its senses?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, we share the concern of the hon. member about these bankruptcies. I would like to remind the hon. member that they are considerably fewer than they were under the Liberal government.

He should also know, and I think he does know, that we are at the end of a record cycle of very vigorous economic growth. The economy has been working over capacity for some time and there are some pressures and disruptions that we need to correct.

He talks about the symptoms, interest rates, but the problem is inflation. As long as the inflationary pressure is there, we will have to continue to maintain our monetary policy.

Mr. Jim Peterson (Willowdale): Madam Speaker, let us look at the result of the government's monetary policy. Bankruptcies are up. Job-creation is down. Foreign control is up. Research and development is down. Our April trade surplus plunged 88 per cent. Canada lost 172,000 manufacturing jobs since January of last year.

Will the minister act now to stop this economic free-fall or, like Candide, does he still believe that this is the best of all possible worlds?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, from May, 1989 to May, 1990 there have been 124,000 jobs created in the country. This is not an economic free-fall.

My hon. friend quotes the bankruptcy statistics. It is important that we understand and have sympathy for those in a position of bankruptcy. The number is 4,400. Put that against the job creation in the last year in the small business sector. We have had over 200,000 small businesses start in the last year alone, unincorporated,

and 138,000 incorporated. That is just a little over 1 per cent of all the new start-ups in small business in Canada.

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, the minister has suggested that somehow all these jobs have been created. In fact, unemployment rates are up as well as personal bankruptcies. At the same time, the inflation rate has fallen to the lowest point it has been at since 1987. In short, the justification for high interest rates is disappearing and the damage to people from those high interest rates is growing dramatically.

Does the government recognize that to protect Canadians, it must now finally, reduce interest rates in the country?

Hon. Gilles Loiselle (Minister of State (Finance)): Madam Speaker, the fact that the CPI has declined is indeed good news. However, we have to look at the reasons why it has. We see that two factors, basically, have caused this to occur. For example, the increase in taxes from the federal and provincial governments in the spring have been more or less swallowed. There is also the fact that companies' profits are the lowest they have been in the last seven years, a situation that cannot continue.

We have a very artificial situation here. Meanwhile, the ongoing pressures are there, especially for the unit labour costs. The pressures are very real and in no way can we relax our effort to deal with this because this is the real threat to the Canadian working people.

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, it is typical of the government to blame workers for its mistakes.

The fact is that average weekly earnings have declined by 2.9 per cent since 1984 when the Conservatives came into power. The fact is, too, that at this stage in the cycle, as the minister puts it, output is slowing down and therefore naturally unit labour costs increase. It means nothing in terms of indicators. It is just a statistical output.

Will the minister recognize that it is his own high interest rate policy which is slowing down output and, therefore, creating the rates of higher unit labour cost that he says he is fighting? In short, will he get out of the vicious circle he is in by cutting interest rates right across the country?

Hon. Gilles Loiselle (Minister of State (Finance)): Madam Speaker, I wish it was that easy. Our policy has been approved and supported by all organized groups, the OECD and others.

With regard to unit labour costs, we are not blaming labour, we are just looking at the facts. To develop themselves, our business and industry have to be competitive. Our competitiveness has continually decreased over the last few months. This is what needs to be tackled, otherwise we will never be able to compete and more jobs will be lost. This is certainly something we do not want to occur.

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BRITISH COLUMBIA FLOODING—EMERGENCY RELIEF

Mr. Al Horning (Okanagan Centre): Madam Speaker, my question is directed to the Acting Minister of National Defence. The severe rain storms in British Columbia, and in particular in my constituency of Okanagan Centre, have caused severe property damage and a tragic loss of life.

Can the minister responsible reassure the people of British Columbia that the federal government will provide assistance under the disaster financial assistance arrangements to the Province of British Columbia?

• (1140)

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I would like to confirm with the hon. member that the federal government will indeed provide financial assistance under the guidelines of the Disaster Financial Assistance Arrangements and a federal Emergency Preparedness Canada official will be appointed immediately to work with British Columbia officials to co-ordinate this federal response.

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IMMIGRATION

Ms. Mary Clancy (Halifax): Madam Speaker, in the absence of the Minister of Employment and Immigration, my question is directed to the Deputy Prime Minister. The Siu family of Toronto is under deportation order because they have retained legal status in China.

They and their child will be persecuted in China because they were refused permission by the government to reproduce.

Will this government abandon its policy of deporting Chinese nationals who are seeking to have, and to protect the lives of, their children?

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Madam Speaker, the hon. member for Halifax, being an experienced lawyer as she is, would know that the process involved means that the decisions are taken by immigration adjudicators and then the Immigration Refugee Board, both independent bodies.

As far as the deportation to China is concerned, the hon. member should know that the Minister of Employment and Immigration has suspended all deportations and the suspension remains in effect as of now.

Ms. Mary Clancy (Halifax): Madam Speaker, that sounds very comforting, but it is not very comforting to the Siu family when they are being told that once their child is born they will have to return. We know that children in China who are unregistered are being refused food and medicine. A little compassion goes a long way, maybe as far as experience.

My supplementary question is for the same minister.

[*Translation*]

Why does the government refuse the Siu family the basic right to give birth to their child in safety? Why does the government insist on putting the future of this child and its parents in danger?

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Madam Speaker, with her experience as a lawyer, the hon. member, as I said earlier, should know that all cases where the Immigration and Refugee Board orders someone deported, for example.

[*English*]

—must be reviewed on compassionate and humanitarian grounds. This case will be reviewed like all others.

[*Translation*]

CONSUMERS

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, my question is for the Minister of Consumer and Corporate Affairs and concerns the appointment of Nicolas Murray, chairman of the board of the Consumers Association of Canada, to the position of president of the government's GST information office.

Why has the minister undermined the credibility of the consumer protection agency by offering a patronage position to Mr. Murray behind the back, and I repeat behind the back, of the executive of the Consumers Association of Canada?

[*English*]

Hon. Otto Jelinek (Minister of National Revenue): Madam Speaker, of course I do not accept the premise of the hon. member's question, but I want to inform him and the House that last evening there was a full board meeting of the Consumers' Association of Canada. At that meeting, Mr. Murray, in the interest of consumers across Canada, offered his resignation which the Consumers' Association accepted with regret. A Consumers' Association press release of this morning reads, in part:

> This move allows Mr. Murray to assume his new position as chairman of the new consumer information office unencumbered. CAC is pleased with the—appointment of Mr. Murray, an outstanding consumer information communicator. CAC feels it is important to have Mr. Murray's agency report directly to the public through Parliament.

Which of course he will.

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, this very instant I have received the same communiqué. There is one sentence which the minister left out, that is:

> The CAC board has accepted the offer of Mr. Nickolas Murray to resign from his position as president of CAC.

My question is directed to the Minister of Consumer and Corporate Affairs, the present non-informed or non-informative minister. The roughest guesstimate one can extract from the minister's non-informed declarations is that of the $19 million budget provided to the

GST Public Relations Information Office, staffing and office space would amount to about $3 million.

How much of the remaining $16 million will be spent on the government's GST propaganda?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the hon. member talks about uninformed or misinformed. I think there is no one who has spoken on this matter in this House who is more misinformed than the hon. member who just asked the question.

The fact of the matter is that Mr. Murray, a consumer advocate for many years, is a very good choice on the part of the government. In the interest of consumers he took it upon himself to offer his resignation last evening.

I talked to him this morning and he said this to me: "The most important thing in my mind is to serve the consumer to the best of my ability as head of the Consumer Information Office and I will be able to do just that".

There is no propaganda. There is no misinformation. What this is, is to support—

Mr. Bellemare: You should work for Barnum and Bailey.

Mr. Jelinek: If you would keep your mouth shut and your ears open you would learn something.

Madam Deputy Speaker: The hon. minister may want to conclude his answer by speaking through the Chair.

Mr. Jelinek: Madam Speaker, this is character assassination by the hon. member of Mr. Murray. On the part of the Government of Canada this is supplementing the market-place which will allow consumer prices to be passed on to consumers, providing the information that is necessary and required by consumers across this country.

* * *

EMPLOYMENT

Mr. Derek Blackburn (Brant): Madam Speaker, my question is for the minister responsible for small business. It concerns the shutting down of Fruehauf Canada Limited, which was announced earlier this week, terminating 334 jobs. This morning Solaray in Brantford announced it is shutting down permanently, throwing 125 more people on to the unemployment lists.

In both cases it was brought to my attention that it was caused by a combination of high interest rates, deregulation in the trucking industry and the free trade deal. The president of Fruehauf Canada Limited blamed the free trade deal publicly. He said it is because there is no such thing as a level playing field between the Canadian and American manufacturers.

The minister knows that a nation that loses its ability to make things, to manufacture, loses its ability to survive. What in God's name is this government going to do to stop this ridiculous decline in the manufacturing industry in Canada?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, in terms of what the government is going to do immediately, we have a full range of assistance programs which we will be making available. More important in the broader context, we have a consolidation of Fruehauf. It is moving from Brantford to Ingersoll. The consolidation is occurring in Canada. It is not occurring elsewhere.

There has been a slow-down in orders, which led to the original problem. The management made it clear that it was a slow-down in orders primarily, not the FTA, that was the problem.

More important, Madam Speaker, we must remember that in southern Ontario, from where the member comes, we have had endless openings, one after the other. Chrysler has had a $400 million expansion. Stelco has had a multimillion dollar expansion. Freightliner has had an over $100 million expansion, and there are 1,000 new jobs in CAMI just down the road from Brantford.

So things are strong in southern Ontario, thanks to the free trade agreement and thanks to the new competitiveness of our economy.

Mr. Derek Blackburn (Brant): Madam Speaker, what the minister says is extremely misleading. The trucking industry in Canada was about 80 per cent Canadian-owned a year and a half ago. By the end of this year about 65 to 70 per cent of it will be owned by the Americans because of the free trade deal, and that includes the manufacturing of tractor trailers as well.

My supplementary question is directed to the Deputy Prime Minister. In conversations with congressmen in Washington this week, I learned that they are extremely

apprehensive about jobs going to Mexico if the United States enters into a free trade agreement with Mexico. They said the same things to me this week that we were saying two years ago about Canadian jobs going to the United States.

I want the Deputy Prime Minister to tell this House and the nation today that Canada will not enter into a free trade agreement with Mexico at the risk of losing what manufacturing jobs we have left.

• (1150)

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, there are further details about the Fruehauf development which I think the House should know as well. We have found a need in the past to change the licensing agreement for trucking with the Ontario government. The GATT has found this inappropriate. That has nothing to do with the FTA, it has to do with GATT, and that has affected the over–all potential of this company. The consolidation is occurring in Canada, in Ingersoll.

More important, the hon. member should know that it is companies such as Fruehauf that are going to benefit enormously in the years ahead from the removal of the most iniquitous tax we could ever put on an industry like that, the manufacturers' sales tax.

After the Senate sees the sense of this, come January 1 one industrial capacity after another in southern Ontario, the Brantford area especially, is going to gain enormous strength as a result of this change.

* * *

FISHERIES

Mr. Lawrence MacAulay (Cardigan): Madam Speaker, my question is for the Deputy Prime Minister. Last month Canada lost a crucial decision by the free trade lobster panel. The United States intends to increase the minimum size of lobsters again in 1991 and 1992, also under the pretence of stock conservation.

Will the minister specify what he will do to avoid the impact of the next two increases and to minimize the fishermen's loss due to the latest ruling?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, this question is essentially similar to what this House has heard in the last two or three weeks. There is a slight difference. He wants to know what more we are doing.

There are two major things the government is doing of which the hon. member should be aware. The first is the promotional campaign that the Government of Canada is putting forward for large lobsters and, indeed, for small lobsters—large lobsters in the United States, small lobsters over all.

What is happening is that the inventories have been selling down very, very nicely. We have moved from about a $20 million inventory to an inventory of about $2.4 million. This promotion program is working well. In addition, we want to work with the industry, with the unions and others to come up with another approach to deal with the difficulties the small lobster export industry is facing. They are difficulties which can be met through promotion and co–operation with the industry.

Mr. Lawrence MacAulay (Cardigan): Madam Speaker, I am sure that the fishermen in eastern Canada will certainly appreciate that when they are selling their lobsters below cost.

My supplementary question is for the same minister. The minister is no doubt aware of American state legislation which makes the import of processed lobster very difficult. Will the minister now specify what he will do to guarantee access to the American market for processed Canadian lobster?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, the member, of course, wants iron clad guarantees in all situations, but here is what I can tell him. The conversations going on now with the industry are focusing on that matter in particular. I expect that given the new context, some creative new ideas will emerge. We are seeing them emerge. That, together with the promotion campaign, will hopefully address what the hon. member is concerned about.

* * *

ROUTE CANADA

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Madam Speaker, my question is directed to the Minister of Transport. I am sure he and all the members on his side of the House know that the deal that sold CN Route to the Fingolds and to Manfred Ruhland was truly a lousy deal. Everyone on this side, and certainly all the employees of CN, past and present, know about this terrible

transaction. The minister should know that you cannot continue to Watergate the facts of this deal.

Will the minister table today all of the agreements of purchase and sale, the financial agreements, and all of the consents that were entered into to complete the sale, and the audited statements just prior to the sale of Route Canada?

Hon. Doug Lewis (Minister of Transport): Madam Speaker, I reject completely the premise of my hon. friend's question. My friend knows that this company was losing between $30 and $40 million a year. That is good Liberal business practice, but it does not work anywhere else. The only alternative was to shut down the company. We sold it and gave the employees a chance to make a go of it. Under those circumstances, it was a normal business transaction by CN with respect to one of its subsidiaries and that information remains with CN, and not with the government.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Madam Speaker, I have a supplementary question for the same minister. I appreciate that answer. I really feel that the employees had nothing to do with the success or failure of that company, after it was sold. The success or failure was due to the mismanagement by the Fingold's and Manfred Ruhland.

To verify what the minister has just told us, we need the books and the records of the company. All we are asking is for him to table those records so we can ascertain for ourselves whether the deal was a lousy deal or a good deal.

Hon. Doug Lewis (Minister of Transport): Madam Speaker, my hon. friend knows that those records are with the Registrar in Bankruptcy because the company is going through bankruptcy proceedings. That is where the records are. This is a normal thing. That is why we have a Bankruptcy Act.

Two weeks ago I was in Thunder Bay where there was a demonstration by the grain handlers because they are concerned about the amount of grain going through that port. Yet my hon. friend never raises a question about events current to his riding. I think he should get up to date with the concerns of his people.

TRADE

Mr. Nelson A. Riis (Kamloops): Madam Speaker, my question is directed to the Deputy Prime Minister, who will be well aware now that three Canadian firms are bidding to sell up to 12 million tonnes of water to the city of Santa Barbara, California. This is the first of an ongoing series of bids.

Yesterday, in response to a question from me, the Secretary of State for External Affairs said that the government is opposed to large scale water exports by interbasin transfer. Does this include canal transfers, pipeline transfers and supertanker transfers of water as well?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, in order to respond in detail to my friend's question I think it best to consult the 1987 Water Act. Under that act any proposal to export water must be consistent with the federal water policy of 1987. That policy clearly states the government's opposition to any large-scale water exports by interbasin transfers. The FTA does not oblige Canada to export water to the United States. The hon. member knows that.

In the case of Santa Barbara the situation is quite different. I understand that three Canadian companies were on the city's short list of bidders and the companies will, of course, have to meet the province's licensing requirements. But we are not talking about any interbasin transfers.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, not long ago the Prime Minister was quoted in *Fortune* magazine as follows:

> If someone wants to buy a little of our oil, a little of our water—hell, we're in the business. That's what it's all about.

My supplementary question is for the Deputy Prime Minister. With the Prime Minister having said he is prepared to sell our water to the United States, is this government saying that it is prepared to accept massive supertanker sales of Canadian water to the United States?

The government ought to know that once you turn on the tap with the United States, and other cities add on to this tap, there is no way that Canada is going to be able to turn it off.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, when the hon. member talks about massive sales of water he truly is all wet.

We have all read the free trade agreement. The free trade agreement could not be more clear. Two things that it allows is the sale of bottled water, which probably makes good commercial sense for water bottlers, and tank containers of water. Beyond that, the free trade agreement does not allow this.

I again invite the hon. member to read the 1987 Water Act.

* * *

HOUSING

Ms. Barbara Greene (Don Valley North): Madam Speaker, my question is for the Minister of Housing. There are 5,000 low income families on the waiting list for co-op housing in Toronto. According to *The Toronto Star*, one of the units in a subsidized co-op housing project intended for low and moderate income persons is being occupied by the NDP member for Trinity—Spadina who makes $80,000 a year.

What is the minister going to do about this situation?

• (1200)

Hon. Alan Redway (Minister of State (Housing)): Madam Speaker, as the hon. member will know, part of the co-op housing philosophy is to have a mixture of incomes in a particular project. However, the hon. member will also know that it has been the federal government's policy since 1985 to ensure that all of our money is targeted toward low and modest income people.

This year the co-op housing program is being reviewed by the federal government and situations such as the one pointed out by the hon. member are extremely unhelpful in that particular situation.

Madam Deputy Speaker: I will allow two single questions. The hon. member for Glengarry—Prescott—Russell and the hon. member for Burin—St. George's.

TOURISM

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, my question is for the Minister of State for Small Businesses and Tourism and it concerns the ad contract given to Camp and Associates for tourism promotion.

As the minister knows, his government, in answering my access to information request, has refused to make public the ratings of each bidder for that contract. Of course, by coincidence, Camp and Associates was the bidder that got the contract.

I want to ask the minister just exactly what it is that the government has to hide.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, I have two very important revelations for the hon. member this morning. First, he should be reminded that Treasury Board guidelines dictate the choice of the advertiser for the Government of Canada. Treasury Board guidelines put together a panel of public servants who make this decision and the decision, as the hon. member knows, was made from six invited firms that came to bid on the work.

Mr. Boudria: You whited out the pages.

Mr. Hockin: A further revelation, which is so important, since Camp has taken over the advertising for Tourism Canada, Canada has now a very strong image in the United States, and it is our major job to advertise in the United States.

In 1984 when we took over, on nine attributes of tourism the United States came first in seven and Canada came first in two. The results that I received last month indicate that on those nine attributes Canada is now first in seven and the United States is first in only two.

* * *

COMPETITION BUREAU

Hon. Roger C. Simmons (Burin—St. George's): Madam Speaker, I would like to direct a question to the Acting Minister of Consumer and Corporate Affairs. He will be aware that the Director of the Competition Bureau has complained publicly that he is the last to hear about mergers, that companies are entering into mergers and telling him after the fact.

This is something that we have been saying for a year or so has been happening. He has given notice that he is not going to take it any more. I ask the minister what action the government is going to take to stop this practice so that the Competition Bureau is not reduced to being a rubber stamp for big industry.

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, as the hon. member knows, the last part of his question is totally false. The Competition Bureau is not a rubber stamp to the industry. It never has been, is not, and will not be in the future.

Nevertheless, the Minister of Consumer and Corporate Affairs today is out of this Chamber on official government business. He will be back next week. I will take the question as notice and I am sure the minister will respond accordingly.

ROUTINE PROCEEDINGS

[*English*]

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I am pleased to table, in both official languages, a number of Order in Council appointments which were made by the government.

Pursuant to the provisions of Standing Order 110(1), these are deemed referred to the appropriate standing committees, a list of which is attached.

* * *

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

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

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

[*English*]

COPYRIGHT ACT

MEASURE TO AMEND

Ms. Barbara Greene (Don Valley North) moved for leave to introduce Bill C-316, an act to amend the Copyright Act (fair use).

Madam Deputy Speaker: Shall the hon. member have leave to introduce the said bill?

Some hon. members: Agreed.

Ms. Greene: Madam Speaker, after considerable consideration and consultation, I have produced a bill which I think goes a long way to alleviate the concerns of users about the copyright legislation currently in place, while protecting the initiatives of the government to encourage the establishment of collectives and protect creators' rights.

This bill actually provides an incentive for creators to join collectives and make their work accessible to users. At the same time, it provides an appropriate balance with respect to the rights of users such as educators, librarians, politicians and other people in our society who need to communicate, and the rights of society in general.

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

* * *

[*Translation*]

NATIONAL CAPITAL ACT

MEASURE TO AMEND

Mr. Don Boudria (Glengarry—Prescott—Russell) moved for leave to introduce Bill C-317, an Act to amend the National Capital Act (description of National Capital Region).

Madam Deputy Speaker: Does the hon. member have leave to introduce the bill?

Some hon. members: Agreed.

[*English*]

He said: The bill that I am proposing before the House today is to amend the boundaries of the National Capital Region in an easterly direction, extending to an area at or near Plantagenet, Ontario.

[*Translation*]

Madam Speaker, the purpose of this bill would be to extend the territory of the National Capital as far to the east as the existing territory now extends to the west of Ottawa.

Madam Speaker, this bill enjoys the support of all municipalities concerned.

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

Some hon. members: Agreed.

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

Madam Deputy Speaker: When will the bill be read the second time? At the next sitting of the House?

Some hon. members: Agreed.

* * *

[*English*]

TRADE ADJUSTMENT BENEFITS ACT

MEASURE TO ENACT

Hon. Lloyd Axworthy (Winnipeg South Centre) moved for leave to introduce Bill C-318, an act to provide for the payment of benefits to Canadian establishments laying off employees.

Madam Deputy Speaker: Is it the pleasure of the House that the hon. member shall have leave to introduce the bill?

Some hon. members: Agreed.

Mr. Axworthy (Winnipeg South Centre): Madam Speaker, the bill I am introducing is for the establishment of a trade adjustment review board that would have the responsibility of designating those industries or locales that are affected by substantial lay-offs or job dislocation caused by trade matters or other changes in the industrial area. It would then be able to provide or to utilize its powers to apply various benefits to workers under the present programming of the government, and also to provide ways of organizing these. I think it is a proper response to the major and serious industrial changes going on in Canada at the present time.

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

Routine Proceedings

POINT OF ORDER

NOTICE OF PRIVATE MEMBERS' BILL

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, on April 3, 1989, something over a year ago, the hon. member for Kamloops gave notice of a private members' bill to amend the Parliament of Canada Act (estimates).

I must say that I have been sitting on the edge of my seat since April 1989 waiting for the hon. member for Kamloops to introduce this bill. I thought the contents would be most interesting since I presume he is amending the presentation of Estimates to this House. I know his interest in procedure and form, and I wonder if he could indicate when we might see this bill?

Mr. Nelson A. Riis (Kamloops): At the earliest opportunity, Madam Speaker.

* * *

• (1210)

PETITIONS

CRIMINAL CODE

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Madam Speaker, it is with pleasure that I present a petition signed by many Canadians on a subject which is extremely important to them.

Canada Post Corporation does not have strict regulations governing the distribution of publications that are deemed by many to be offensive. Those who are trying to bring up their children in a responsible manner with healthy morals deserve to be given the opportunity to do so with the minimum of interference.

The petitioners state that a change in the review standards by Canada Post could prevent the recurrence of incidences of wide-spread outrage and complaint. They petition Parliament in large numbers to change the Criminal Code accordingly.

GOODS AND SERVICES TAX

Mr. Mac Harb (Ottawa Centre): Madam Speaker, I have two sets of petitions, one of which has been signed by over 2,000 Canadians who are opposed to the goods and services tax on books, newspapers, and magazines.

They ask the House to reject this bill when it comes back before the House again.

I also have another set of petitions on behalf of people who are opposed to the GST.

VETERANS AFFAIRS

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, I have a double entry in today's petition lottery.

The first petition has over 700 signatures primarily of residents and citizens of the city of Winnipeg protesting the major cut-backs in veterans' benefits that the government took in the last budget. They are asking for restoration of the full range of those benefits in view of the great service veterans provided to this country.

GOODS AND SERVICES TAX

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, the second set of petitions has over 1,700 names registered by people in the city of Winnipeg concerning the goods and services tax and asking the government once again to reconsider its very serious decision to impose this tax upon consumers.

ABORTION

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, I have petitions today from 2,240 Canadians from Ontario, Quebec, Manitoba, and from my own province of British Columbia.

The petitioners state that, since the choice to bear children or not to bear children is a matter of personal choice and not a matter of criminal law, since the Canadian Medical Association already has guidelines and regulations in place concerning abortion and that criminal sanctions do nothing to address the reasons why women seek abortions and do nothing to reduce the number of unplanned pregnancies, they call upon this government not to proclaim Bill C-43.

GOODS AND SERVICES TAX

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Madam Speaker, it is my honour and duty on behalf of a number of citizens of Ontario, Kapuskasing, Moonbeam and Toronto, to present petitions which call upon the government to reject the current proposed goods and services tax which shifts the tax burden to ordinary Canadians and put in place tax reform which would be much more fairer to all Canadians.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I am pleased to table yet another petition signed by residents of the province of Newfoundland who object to the government's goods and service tax.

These petitions were gathered at the behest of my distinguished colleague, the member for Bonavista—Trinity—Conception, who brought this petition to Ottawa to present on behalf of these persons who are opposed to this tax. They are also opposed to the 31 previous tax increases imposed on them by this spendthrift government, and they are opposed to the continuation of the proposal to impose this tax and call upon Parliament to reject it.

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, I am pleased to again present several hundred names collected in my riding and elsewhere from citizens opposed to the goods and services tax. I recognize by the addresses that probably 90 per cent of the signatures on this petition are seniors who are concerned that their already limited income will be even further diminished by the imposition of this tax. The petitioners remind the House that the Liberals on behalf of Canadians strongly oppose this new goods and services tax and they pray that Parliament does not adopt it.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Madam Speaker, I too rise pursuant to Standing Order 36 to present on behalf of my colleague, the hon. member for Bonavista—Trinity—Conception, a petition from the people of Newfoundland.

They call upon this government to reject the proposed goods and services tax as it is an unfair tax burden on the people of Newfoundland as well as people elsewhere in Canada.

VIA RAIL

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I have two petitions to present today. One is from a number of employees of CN, as well as CP Rail in Kamloops, who are concerned about the government's cut-backs to VIA Rail services.

They simply cannot believe that the government of the second largest country in the world, geographically, would not have a decent passenger rail system which is environmentally friendly. They are asking the govern-

ment to invest in a first-class passenger rail service for the country as opposed to curtailing parts of it.

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have a petition from a number of constituents of Kamloops and other parts of central British Columbia who point out that the 7 per cent goods and services tax will have an adverse affect on the tourism industry and the hospitality industry generally and will put Canada in an unfair competition position *vis-à-vis* the United States.

They believe that literally thousands of American tourists will stay home as opposed to visiting Canada, and thousands of Canadian tourists will go to the United States to avoid the 7 per cent GST on their goods and services related to tourism.

That is to say nothing of the tax on reading which now makes us the only country in the world that does so. Naturally they are asking the government to come to its senses and stop this tax. If they were here, they would call on the Liberals in the Senate to kill the bill as well.

* * *

QUESTIONS ON THE ORDER PAPER

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

Madam Deputy Speaker: Shall all questions be allowed to stand?

Some hon. members: Agreed.

* * *

POINT OF ORDER

IMMIGRATION—MAHMOOD HASSAN RANDEREE

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, before we move to Government Orders, I want to acknowledge the decision of the government to agree to accept the refugee application of Mahmood Hassan Randeree. The case has caused some major discussion in the House of Commons over the past two weeks.

I want to express my appreciation to the Minister of Employment and Immigration for listening to those entreaties and to acknowledge the fact that the government had made a mistake and was wise enough to correct that mistake.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, in the absence of the Minister of Employment and Immigration, I would like to thank the hon. member and tell him that we certainly do appreciate that message and it will be related to the minister.

GOVERNMENT ORDERS

[*English*]

CANADIAN POLAR COMMISSION ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Siddon that Bill C-72, an act to establish the Canadian Polar Commission and to amend certain acts in consequence thereof, be read the second time and referred to the legislative committee.

Hon. Shirley Martin (Minister of State (Indian Affairs and Northern Development)): Madam Speaker, I rise to continue debate on Bill C-72, an act to establish the Canadian Polar Commission, which was first announced in Leningrad last November by the Prime Minister. Now it seems rather fitting that we are discussing legislation to fulfil that promise after the recent visit of Mr. Gorbachev to Ottawa.

The Prime Minister has continuously acted on his commitment to enhance Canada's role in the international forum. The establishment of the Canadian Polar Commission is a culmination of this leadership in enhancing Canada's role in circumpolar and scientific affairs.

I have been very fortunate of late to spend time in the north. As mentioned earlier, I returned to Ottawa yesterday after visiting Yellowknife and Iqaluit to participate in the Arctic environmental strategy consultations, another important initiative of this government.

Not many Canadians have had the opportunity to travel to our north. I can assure members that since

becoming Minister of State for Indian Affairs and Northern Development my appreciation for the north, in particular for all northerners, has increased tenfold.

At the end of last month, the Minister of Indian Affairs and Northern Development embarked on one of the most interesting excursions that he has had to date. During this trip not only did he participate in the historic signing of the eastern Arctic land claim, but he also spent a night in an igloo and experienced first–hand polar science by visiting the Igloolik Research Centre.

• (1220)

There are many components of northern life that amaze me, but one that is particularly salient is perhaps the environment and, in even broader terms, the science of the north and northern life.

Polar science and the ongoing research happening in this country is for the benefit not only of Canadians but for all people who live in a northern environment. Furthermore, it expands the understanding and respect for the north which all Canadians should share.

Tremendous progress has been made recently in the north. The Council for Yukon Indians and the Dene–Métis have reached the final agreement stage, and the TFN has signed an agreement in principle. I am sure everyone realizes that the environment of political certainty and stability created by these settlements bodes well for the continued economic and political development throughout the north.

However, this economic and political development is not a random occurrence without rhyme or reason. Development has been carefully orchestrated by this government's commitment to a solid policy and program framework in the north. The approval of the *Northern Political and Economic Framework* in 1987 effectively demonstrated this commitment.

This northern framework points our way toward developing the north in a sound and sustainable manner. I believe such development will be further enhanced through increased knowledge that will be provided by the Canadian Polar Commission.

As I mentioned earlier, the Prime Minister has heartily supported the creation of the Canadian Polar Commission, but he is not alone in this support. Two extensive studies commissioned by the Department of Indian Affairs and Northern Development have both recommended its creation, but the need for this commission does not simply respond to my department's point of view. Over the years there has been widespread support for a polar commission that includes territorial governments, aboriginal groups, private enterprise, research institutes, and universities. This bill fulfils that need in an effective manner.

The creation of this commission is an initiative which fulfils an important role in Canada and ultimately among circumpolar nations. The Canadian Polar Commission will promote and disseminate knowledge in and about the polar regions, not only in this country but wherever northern issues are a concern.

The thrust of this commission's activities is to monitor research and information about polar regions in an international capacity. What is more, it will foster the promotion and development of such knowledge through co–operation with organizations, institutions, and associations, private and public, national and international.

In the scientific world it is imperative that professionals and practitioners be kept informed about the extent and nature of our polar science. The Canadian Polar Commission responds to this need.

The commission will also lead to the development of a comprehensive Canadian polar information system. Furthermore, an increase in the field of polar knowledge will in accordance with Canada's foreign policy enhance Canada's international profile as a circumpolar nation by fostering international co–operation and by increasing international attention to Canada's polar regions by addressing such issues as resource development, legal or jurisdictional questions, security concerns, and global environmental problems including the greenhouse effect, the ozone layer, and water and airborne contaminants.

After sitting in on the hearings on *The Green Plan* and the Arctic environmental strategy in both Yellowknife and Iqaluit, I can tell you, Madam Speaker, that these issues are of great concern to the people who live in the north, our Inuit, our Dene–Métis, and our other northern Canadians. This commission will answer needs that have been brought forward during these hearings.

The commission will also initiate, sponsor, and support conferences, seminars, and meetings. It will provide support for the publication of studies on polar subjects as well as recognize achievements and contributions in polar matters. In this way it gives prominence to the

scientific research and its applications for Canada's polar regions.

During these times of fiscal responsibility funding for scientific research obviously cannot be lavish. However, the commission will bring greater focus and efficiency to the diverse and dispersed Canadian polar research community and will link research efforts more effectively.

The Canadian Polar Commission will receive core government funding this fiscal year of approximately $1 million, but it will be encouraged to seek non-government support for its endeavours as well.

The activities of this commission will be managed by a board of directors consisting of up to 12 members, including a chair person and two vice-chairpersons. They will be appointed by Governor in Council on the recommendation of my colleague, the Minister of Indian Affairs and Northern Development, and will serve terms of appointments of three years.

Persons appointed to this board of directors must have knowledge that will assist the commission in the furthering of its purpose. Its membership will reflect the ethnic, linguistic and regional diversities of Canada's polar regions.

Although the commission's principal office will be in the national capital region, regional offices will be established in other locations with at least one such office north of 60. The commission's presence in the north will be appropriately visible and significant with at least half of its meetings being held there. I believe this will challenge the commission to decide priority areas of focus, which will help to establish its national and international credentials.

My colleague, the hon. Minister of Indian Affairs and Northern Development, and I plan to ensure that the presence in the north is an effective presence, a presence which seeks input from northerners, particularly those appointed to the commission and those interested in its programs. We will table a report on the commission's activities each year in the House of Commons.

The creation of a polar commission is a great step toward enhancing Canada's future as a leader among the circumpolar communities of nations. It reinforces the commitment made by the Prime Minister in Leningrad last November. This commission is a response to a number of issues and priorities. Therefore I ask the co-operation of all members of the House in ensuring prompt passage of this bill.

Mr. Jack Iyerak Anawak (Nunatsiaq): Madam Speaker, I commend the minister with whom I came down from Iqaluit yesterday for her appreciation of the north. I invite all ministers and all members of Parliament to come up to the north. If they are from the other party, I will not even take credit for bringing them up there.

I am pleased to have this opportunity to participate in the second reading of Bill C-72, also known as the Canadian Polar Commission Act. We in the Official Opposition support this bill in principle because it is a good initiative and is long overdue. For too long, knowledge about the north and knowledge for the north have been at the bottom of the government's priority list.

I would like to relate how we view the fact that there has been a lot of research which has not been co-ordinated. Many people have come up to do research in the north. As a matter of fact during the middle 1970s and late 1960s there was a joke going around that every Inuit family consisted of a father, a mother, some children, and an anthropologist because there were so many of them coming up there. Most times we did not know what they were doing. We knew they were studying, but we did not know what they were studying. It got to a point where we laid down the law and said that we appreciate people coming up to do some studies, but there was some invasion of privacy in some cases. However, I think that good co-ordinated scientific research in the north will alleviate that. Northern science efforts have ebbed and flowed and waxed and waned according to the level of interest in southern Canada at a particular time.

• (1230)

The proposed polar commission has had an exceptionally long gestation. Almost five years have passed since September, 1985, when the then Minister of Indian

Affairs and Northern Development established a working group to study the feasibility and advisability of establishing a national polar institute in Canada.

The report of the working group entitled, "Canada and Polar Science" was released publicly in March, 1987. A subsequent Minister of Indian Affairs and Northern Development commissioned another report, known as "The Shield of Achilles: The report of the Canadian Polar Research Commission Study" and it was completed in May, 1988.

Both these reports confirmed the existence of serious problems respecting polar research in Canada. Both reports identified a need for a more co-ordinated integrated system of research, science, and knowledge.

There is research going on, as I mentioned earlier, but it is being done by a number of very different organizations who are sponsored by a variety of interests for a range of purposes. There is not enough sharing of information between all the players. I must state that during a meeting the minister and I attended yesterday some comments were made that there was not enough co-ordination between departments. One department did not know what the other was doing in terms of research and they were not sharing the information. There was general agreement that there should be some co-ordinated effort to have a working group consisting of several departments so that each department would know what other departments were doing.

Again there is not enough support being given to the polar research community. As a result Canada is well behind other circumpolar nations in research and development.

It is worth quoting some excerpts from the 1988 report of the Canadian Polar Commission Research Commission study:

> The great diversity and widespread dispersion of those engaged in research in and about Canada's polar regions has slowed and handicapped the development of a strong and effective Canadian polar research community.
>
> The many problems—are accentuated by the striking lack of knowledge about what is and is not being done in many fields of polar research, by a serious sense of isolation among much of that community, and by the woeful lack of knowledgeable support for polar research among major public and private institutions in Canada. Moreover, many thoughtful observers are increasingly concerned, even alarmed, about Canada's disorganized and sporadic participation in international polar research. The worlds of polar knowledge and northern public policy are uncomfortably distant from each other in far too many cases. Perhaps most troubling of all is the persistent sense of remoteness and alienation of Northern Canadians from most Canadian polar research and, indeed, from national affairs generally.

I will touch on this aspect of northern alienation in a few moments, but I want to first draw to the attention of this House a recent report of the Science Council of Canada. The Science Council's report entitled, "Harnessing Science and Technology for Cold Regions" was released last December. That report contained some very harsh criticism of the government. The report of the Science Council revealed that more than 30 federal departments and agencies, over 30 Canadian universities, numerous individual firms and industrial organizations, several provincial and territorial governments, as well as native development corporations and private organizations in both northern and southern Canada, are engaged in some aspect of the development and application of knowledge pertaining to the cold climate technologies.

However, the expertise is thinly scattered and there is widespread dissatisfaction within this community regarding the scope and focus of northern science and technology.

The council had strong words concerning the lack of sustained commitment by the government to polar research: "In Canada, there has been a failure to address the changing nature of northern scientific and technological needs. There are no clear national scientific or technological goals: nor is there evidence of national leadership".

The Science Council went on to describe how, in stark contrast to the inadequacies of Canadian national policy, many other nations in the world, including the United States, West Germany, Norway, the United Kingdom, France, Japan and Sweden have been increasing their commitment to cold climate technology.

The problems of the circumpolar world require international co-operation. Canada is a signatory to numerous bilateral and multilateral agreements which include co-operation in the polar science and technology and exchanges of information. Clearly the proposed polar commission could serve as a focus to promote polar science co-ordination. Without its own set of priorities, the Science Council of Canada believes Canada is in danger of giving away the shop.

The 1987 Canada and polar science report described in some detail how northern Canadian residents view science and research as a two-edged sword. It can be beneficial but it can also be detrimental. Quite often there is conflict between the traditional knowledge of the aboriginal people and the scientific data bases of the non-aboriginal researchers. Northerners object to the outside or southern scientific activity that excludes, ignores and dismisses their knowledge and information. They resent the fact that everything is controlled from southern Canada.

I would just like to again elaborate on some examples. Some years ago during caribou surveys in the Keewatin region in my riding of Nunatsiaq, the biologists found there was a decreasing herd at the time. The numbers were roughly 150,000, down from 450,000. At the time the Inuit hunters of the Keewatin said that that just was not the case. It was not possible and they knew it. Again, they said some have moved. Sometimes there are movements in different years, sometimes the caribou come right through, in this case, Rankin Inlet. At other times they do not come through Rankin Inlet in big herds. The Inuit hunters are very, very knowledgeable about the movement of caribou, because they have hunted for as long as we have been around the Keewatin region, which is roughly about 4,000 years, I believe. The biologists did their survey and decided that there were only 150,000.

• (1240)

It was going to start imposing quotas. People who came from the South who were allowed to hunt five caribou a year were suddenly told that they could hunt only one caribou a year. They wanted to hunt more than one. It was the Inuit who use the caribou for food and clothing who felt the hardship.

Whether it was different biologists or the same biologists, a year or two later the movement of caribou was different again. The report came back saying a mistake had been made and there were still 450,000 caribou. That is a good example of the contradiction between the knowledge of the Inuit, the authorities and the biologists at the time.

I admit that the relations between the biologists and the Inuit have improved somewhat over the past few years. The biologists realize that the Inuit knowledge is vital to research. We have maintained that it was always vital to any kind of research because of our intimate knowledge and very strong ties to the land.

I will give you another example of where it has not improved. This example is so recent that it is still ongoing. The communities of Lake Harbour, Pangnirtung and Iqaluit have hunted beluga whales for as long as they have been around, which is a long time. They have always hunted beluga whales, but earlier this year the Department of Fisheries and Oceans decided that there were not enough belugas. They wanted to do away with any form of hunting for the next 10 years.

The Hunters and Trappers Association and the hunters in those three communities told the officials that they did not know everything about belugas. After a conducting a sporadic survey they tell us there were only a few hundred. They wanted to tell the hunters that they could not hunt for the next 10 years.

The newly formed Nunavut Planning Commission intervened and decided that perhaps imposing a quota of five for each community would be sufficient. This was all right until, again, the hunters and trappers said: "What about us? What about our views? Do we not count? We are the ones who hunt the animals. We know where they go. We know their movements. We know the land because we hunt around Lake Harbour, Iqaluit and Pangnirtung."

This issue is still ongoing, but it is another case of where the people's knowledge of the land was not considered before the decision to impose some restrictions on the hunting of the beluga whales was made.

Since then, there have been ongoing discussions about that issue. I hope it will be resolved to the satisfaction of the hunters of those communities, rather than to the satisfaction of other groups.

Again, I must reiterate that the hunters are not going to kill for the sake of killing. They have never done so. They kill for food and when hunting is done in those communities, it is self-regulated. In some cases, there are quotas. We have the quota system on polar bears, but it is self-regulated if there is no quota system. I just wanted to point those things out.

There is a conflict between traditional and scientific knowledge. I just gave two examples. Unfortunately, it seems to be the case that interest about the Arctic peaks in southern Canada when there are sovereignty, military concerns or economic development interests. From a

northern perspective, very little of what has been done to date seems to have been done for the benefit of the people who live in the north.

Lately, environmental concerns have prompted renewed interest in northern research and science. Toxic contaminants from outside Canada's borders have permeated the northern food chain.

This country needs a Polar Commission. There seems to be a widespread consensus on this fact, and increasingly southern Canadians have come to realize what we, Inuit, have always known. Canada is an Arctic nation. Seventy-five per cent of Canada lies within the Arctic or sub-Arctic. Canada's northern border forms along the longest ocean shoreline in the world. Canada is a circumpolar nation. We have much to contribute to the world in terms of increasing the world's knowledge about our environment.

We have consulted with interested groups on this legislation. All are supportive of the establishment of a Polar Commission. Again, there are some concerns. The purpose of the commission should be strengthened. The commission should be given a role in establishing goals and priorities. The imperative is missing.

In addition to canvassing the state of knowledge, the commission should advise the government on national goals, objectives, and priorities. It should provide direction. The commission should have the freedom to advise the government on any matter relating to the polar regions, at any time.

I am pleased that the language used in this bill refers to knowledge rather than the term "science". It seems that the government is assuming, within the scope of the word "knowledge", aboriginal knowledge. Perhaps the government could specify that aboriginal knowledge is included. Also, the government may wish to make clear that social science, as well as physical science, is covered by this commission.

Earlier, the minister gave the location of the head office. We have some concerns about the location of the head office of this commission. The government proposes to locate its head office in Ottawa, with regional offices in the north. We suggest that the head office should be in the north, with regional offices in the south.

We have some questions about the commission's budget. We want to ensure that sufficient financial resources are given to the commission to enable it to do a credible job. Again, the minister stated, earlier, that there are going to be about 12 commissioners, including a chairperson. I would suggest that a majority of these commissioners come from the north and have a very good knowledge—and I emphasize knowledge—of the north. I think it is very important that the commission, in its deliberations, should know exactly what it is talking about and who it should call on, whether it is in terms of animals, climate, or geography. Who better than the people of the north would know these things?

• (1250)

All these issues we will discuss in greater detail in the committee. For the moment, as I said earlier, we express our support in principle.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I listened with interest to the previous two speakers and have enjoyed their comments. I am delighted to have an opportunity to add a few comments to those already made.

This particular piece of legislation to create an arctic commission is long overdue. If my memory serves me, I believe that we are the only polar nation that does not have a commission in place. I must say that, on behalf of the New Democrats in the House, we are pleased with this initiative coming out of the study made public at the end of May, 1988, and now we are taking action on this legislation.

I want to say from the outset that we are a northern nation. As a matter of fact, I think the global perception of Canada is just that, we are a northern people. The fact that the overwhelming majority of our land mass is Arctic or sub-Arctic only emphasizes the need for such a commission. The fact that our Arctic coastline is, by far, our longest coastline, brings home the fact that much needs to be done.

I recall, not long ago, being with the parliamentary delegation visiting the U.S.S.R. and meeting with the Arctic Institute of the U.S.S.R. We heard about all the Arctic and sub-Arctic research going on, in not only the hard sciences, but the social sciences and in all aspects of the northern environment, both in terms of physical aspects, as well as the human and cultural aspects. They

elaborated at some length and indicated the role of their polar commission and the research that was going on and, more importantly perhaps, the research that was being co-ordinated by their commission.

They then asked us what Canada had of a similar nature. It was slightly embarrassing because we had to think very quickly as to just what we had that was even similar and we could not come up with anything, other than to point out that we have a number of institutes around the country. I think particularly of the Canadian Institute of North America, based at the University of Calgary; and the Boreal Institute at the University of Alberta in Edmonton. There are others where there are serious specialized activities going on regarding research into northern Canada and northern Canadian issues.

Let me begin by talking about Bill C-78, an act to establish a Canadian polar commission, by saying that we support this bill in principle. However, we have many concerns that we would like to see addressed in order to ensure that the commission is an effective and functioning body and not simply window-dressing for the government to give the impression that it is doing something regarding the northern parts of the country and, I might say, northern issues globally.

In principle, we support the bill. At this reading, which is second reading where we discuss the principle of the bill, it is important to say, right off the top, that we support this bill in principle.

The government first announced that a commission would be established in August, 1988 in response to the excellent study by Professor Thomas Simons, from Trent University, entitled: "The Shield of Achilles".

When members of Parliament read the report, an excellent report which pointed out the need for such a commission, we were very motivated and encouraged by the fact that the government indicated it planned to move. That is a long time ago but, finally, it is moving and I guess we should be thankful for that. Nothing much was done.

The Prime Minister, when he visited Leningrad in November of last year, announced the establishment of the Canadian Polar Commission. That was one of the announcements he made in the Soviet Union, based on the rather embarrassing experience that some of us had being there just prior to the Prime Minister's visit. However, the Conservative government once more announced that a polar commission would be established and *The Green Plan* was released this spring.

Most of the initiatives pertaining to the Arctic, which were included in *The Green Plan*, unfortunately were just old and rather over-used initiatives. That is why we wish to ensure that there will be some real results from the establishment of this commission.

We believe that Canada should be a leader in the area of circumpolar co-operation in the broad range of areas of scientific, social, historical, environmental, human rights and the rights of indigenous peoples. We feel, as a result, that the establishment of this commission is a step in the right direction. However, as I said earlier, we have many, many concerns.

I think it is fair to say that people around the world expect of us, as a developed country with a fine educational and research basis, that we should lead the way on a number of polar research issues. While we have made incredible gains in certain areas, at certain institutes, and in certain departments, the co-ordination of this has been overlooked and certainly things could be an awful lot better.

The mandate given to the commission, while very broad, should ensure that the function of the commission is to set priorities for the government and to keep the government on track addressing the very real issues facing our north, not just academic dissertations, but something more than a dissertation that will sit on the shelf and see no action.

I must say with some regret that this happened with a study done back in 1987 on Broughton Island which found that there were very high levels of PCBs in the food chain and in the blood samples of the local people. Two-thirds of the children had abnormally high PCB levels, yet no action was taken on the piece of research. We hope with the polar commission in place there will be some incentive not only to study the problems but to take action on them.

We ought to ensure that the commission co-ordinates the work being done by various government departments and agencies and that the wheel simply is not being reinvented time and time again regarding arctic issues.

One ought to mention when the research was being done on the creation of this commission, there emerged from an inquiry across Canada an incredibly strong consensus by Canadians from all walks of life that a Canadian polar research commission was not only desirable, but required urgently. Whether we were hearing from polar researchers presently in place or from universities, industry, aboriginal leaders, politicians, govern-

ment officials from federal territorial and provincial levels, various research organizations or granting councils, or many interested Canadians, we found that they wanted a Canadian polar research commission in place as quickly as possible. It will do us all well to act on this piece of legislation as quickly as we can without being careless but move expeditiously. I am certain we can once we have begun this stage of the bill.

The great diversity and widespread dispersion of those engaged in research in and about Canada's polar regions has slowed and, in some respects, handicapped the development of a strong and effective Canadian polar research community. The research that takes place is rather disorganized and sporadic, and I must say that the worlds of polar knowledge and northern public policy are uncomfortably distant from one another. There is a desperate need for co-ordination. We are hopeful that the commission will provide that necessary infrastructure to co-ordinate these efforts.

• (1300)

It is important that the commission not undertake initiatives that duplicate the responsibilities or the efforts of others. It ought not to take over activities where the work can be done by others, perhaps more effectively or more efficiently. Instead, it should build upon, complement and support the work of the many diverse existing Canadian institutions, programs and organizations that are dedicated to the development of polar knowledge.

This is something that not only the commission ought to guard against, but should ensure that it not simply duplicate work, and I must say the excellent work, that is being done currently in our country.

We should recommend in the strongest terms possible that the Canadian Polar Research Commission must be concerned with the full range of knowledge in and about the polar regions and not be limited to the contemporary and restricted meaning of the word "science", or even to define formally notions of research as might be expressed in universities or industrial research and development ventures.

I am thinking of heritage and cultural issues. The indigenous knowledge of northern aboriginal people, the large and small scale technological developments appropriate to northern development and the whole range of the humanities and social sciences together form important components of polar knowledge. The commission must address the development of these facets of polar knowledge with the same enthusiasm it demonstrates for the development of polar knowledge in the natural and applied sciences.

I believe it will be reflected in the committee hearings that too often when we think of polar research or northern research, we think in terms of the pure sciences. An appeal will go out to broaden the scope of the work of the commission as much as possible.

When the report entitled *The Shield of Achilles* was being developed, the views expressed by those sought out for their views indicated an appreciation and a recognition for the fact that we have a broad sweep of the terms "research" and "science".

It is also important that while we call the commission an Arctic commission we also recognize that the definition of the word "north" means a variety of things to many people. Depending on the discipline or perhaps the individual, the definition of what constitutes the northern part of Canada will vary from person to person or from institute to institute or from source to source.

I believe the mandate of the Canadian Polar Research Commission should reflect the broadest sense of the word. I agree that while no clear line of demarcation presently exists between the north and the rest of Canada, we all would recognize the nordicity of our country developed by Professor Hamelin, who I think is from the University of Quebec at Laval, which offers what is probably the best guide but which is nonetheless the real sense that most Canadians have of what is the north and what is not.

In order to give guidance to the work of the commission, our definition of the north would certainly include research in and about Yukon, the Northwest Territories,

the Arctic Seas, Nouveau Quebec, Labrador and certain northern parts of our provinces.

I want to refer briefly to what the mandate of the commission ought to be. The primary functions of the commission should be to monitor continuously the development in Canada and elsewhere of knowledge in and about the polar regions and to report regularly and publicly thereon. It is important we see that the work of the commission will go beyond simply research into Canadian issues.

Also, the mandate should be to promote and encourage the development of polar knowledge in Canada, and to encourage national, public and private institutions and organizations to support the development and dissemination of such knowledge.

I might add that it should advise the Government of Canada when requested, on any matter relating to polar regions, and perhaps from time to time on areas about which the commission is not necessarily requested to do so.

The mandate should also include the commission to act as a source of information about polar research matters for Canadians and Canadian institutions, and to foster contact and co-operation among members of the Canadian polar research community and between that community and the international polar research community.

I do not think we can over-emphasize that in recognition of all the countries that are polar nations involved in the polar community, there is a need to have this type of co-ordination between countries. That is probably as important as the work that we do within our own country.

Obviously the role of the commission in this international research should encourage the commission to devote an appropriate portion of its time and its resources to monitoring, fostering and reporting on Canadian participation in international polar research. The rapidly growing interest in circumpolar co-operation and the general importance of international Arctic affairs demand that Canada have a focal point for knowledge about Arctic research. I believe that the commission would provide that focal point.

It is recommended that the commission be composed of 12 commissioners. I suppose that is arguable. But I suppose 12 commissioners, as long as they are working commissioners, would be appropriate. Other members have also indicated that we feel very strongly that a significant number must be residents of northern Canada, as well as being knowledgeable about northern Canadian issues.

I do not think there is any question that those who have spent their entire lives, or a major part of their lives, living in the north or working in the north would be appropriate to be named as members of the commission because we see these commissioners as not being a typical board of directors but, in fact, very much working commissioners.

In conclusion, it is important that the commission report to Parliament. If there is one thing that the Parliament of Canada is interested in, and perhaps ought to be much more interested in, it is what is going on in our northern regions. Therefore the suggestion that the commission report directly to a minister and through that minister to Parliament is appropriate. This of course would assume that all of the commission's reports, including an annual report on the state of polar research in Canada and elsewhere, should be made public, tabled in Parliament and then sent to provincial and territorial governments and to other interested institutions and persons.

The budget of the commission needs to be adequate. I know that we have been given a basic budget that outlines what ought to be included. But I must say that in my first examination of this budget I think it is extremely modest. The work required of the commission in the first few months of its existence is critical, especially in terms of its establishing its credibility in the eyes not only or our scientific community but of Canadians generally. Without being specific about areas of the budget which I would like to see increased, and there are two or three which probably could be even decreased, a substantially larger financial commitment would be appropriate. However, I will leave that matter until we get into discussing this legislation at the committee.

We support this bill in principle. We believe it requires a very specific and clear mandate. We believe that it ought not to overlap with work being done presently and that it ought not to involve itself with work that can be better done by others.

We look forward to the work in the the legislative committee and to hearing not only appropriate witnesses from the aboriginal people and various research organizations, but interested people in northern development, as we define the north, to ensure that the commission not only is an effective and efficient commission but the best polar commission going.

[*Translation*]

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Motion agreed to, bill read the second time and referred to a legislative committee.

The Acting Speaker (Mr. Larrivée): May I call it two o'clock and proceed to Private Members' Business?

Some hon. members: Agreed.

• (1310)

[*English*]

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

PRIVATE MEMBERS' BUSINESS—BILLS

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke) moved that Bill C-300, an act to amend the Criminal Code (obscenity) be read the second time and referred to a legislative committee.

He said: Madam Speaker, in a statement on February 8, I brought to the attention of the House an incident that had occurred involving a lingerie company's catalogue that had been delivered to residents on three Canadian Forces Bases in Ontario.

The catalogue in question arrived unwrapped and contained pictures that are obscene. In many cases children in the families were the first to see the catalogue. This has upset many parents who feel that their fundamental right to choose what is acceptable or not has been challenged. This is best described by a paragraph in a newspaper article which states:

> The call for changes was sparked by a full-colour booklet that contained pictures of semi-clad women sent to residents of three military bases in Ontario late last year.
>
> Porrier, who was offended when one of the 30-page catalogues arrived in her mailbox, was angry that it arrived without an envelope to prevent children from seeing it.

She and others have since complained.

That is why I bring this bill forward. I will read the first paragraph of the bill which really sets out its purpose. It states:

> 1. The Criminal Code is amended by adding, immediately after section 168 thereof, the following:
>
> "168.1 (1) Everyone who makes use of the mails for the purpose of transmitting or delivering unsolicited visually obscene material is guilty of an offence punishable on summary conviction.

Hence the purpose of the bill is to strengthen the provisions of the Criminal Code dealing with the mailing of obscene material.

The targeting of Canadian Forces Bases was unfortunate and a bad judgment call in itself. It indicates that the producer felt that he was tapping a willing market. This was insulting to those people. Content aside, this fact provoked those who received the catalogue.

In her letter to me one resident said:

> My right to choose what is acceptable, or not acceptable in my home has been challenged—I feel violated. My freedom to choose has been taken from me. And something that I do not wish, has been thrust upon me.

In an effort to obtain some answers I wrote to Canada Post asking for an explanation of the review process that governs any distribution. I will just read one paragraph of that letter to Canada Post in which I stated:

> From your legal point of view, I understand that the circulation of this catalogue does not violate any Canadian laws. I would like to clarify Canada Post's position on this issue. What criteria applies to the distribution of publications that might be deemed by some to be obscene? What is the review process that governs any distribution? What standards are applied to the distribution itself?

I got a reply from Canada Post. In part, it reads as follows:

> The Corporation is obliged to deliver mail which is tendered to it which does not violate the provisions of—the Criminal Code and the Transportation of Dangerous Goods Act—
>
> In your letter you have asked what review process is used to govern the distribution of unaddressed admail and what standards are applied to the distribution itself. The standards which are applied are those which are set by the Criminal Code—The review process which is used provides that where the employee at Canada Post Corporation who receives the mail piece believes that it may be obscene, he may refer this matter to his superiors who can then contact our Legal Affairs Branch for a legal opinion on the matter. Through our divisional and national control centres, it is possible for an employee to complete this process within a very short period of time, usually within a matter of hours.

My reasons for introducing the bill are these, and I have stated some already. There is an obvious lack of clarity in the Criminal Code with regard to such mailings. There is no question about that.

In introducing this bill I am seeking to strengthen the Criminal Code by providing stronger guidelines for Canada Post. This bill will make it possible to respect people's right of choice and what they consider to be their codes of morality.

It is realized that there are varied opinions on this mailing. Many people would not think twice about it, whereas others are extremely upset by it.

Therefore, what I am endeavouring to do is to provide through legislation a reason for Canada Post to improve the standards of packaging of such items, thus forcing the producers to reconsider their packaging and mailing methods. In doing so we will also be protecting the right of choice and respecting people's moral standards.

The catalogue in question arrived unwrapped and contained pictures that are borderline obscenity or pornography. In many cases children in the families were the first to see the catalogue. As a result, Mr. Speaker, you can understand why some parents were justifiably upset.

The Fraser committee into prostitution and pornography in Canada has recommended more context sensitive and precise definitions of obscenity. Unfortunately, these legislative amendments have not been adopted. For that reason I have introduced Bill C-300.

In introducing this bill, I am seeking to strengthen the Criminal Code by providing stronger guidelines for Canada Post. This bill makes it possible to respect people's rights of choice.

At present, Canada Post is simply following the guidelines that it has to work on. It will continue to do so. It claims that it is not up to it to monitor the mail. It probably reacts more than it acts, although some of the things that come to its attention are certainly questioned. But there is a great area in between that is very questionable.

In this bill I am trying to put a clarification into the Criminal Code as to the meaning of obscenity and to strengthen the hands of Canada Post by amending the Criminal Code accordingly. I would appreciate it very much if the House would take these matters into serious consideration. The very fact that the producer of this particular catalogue targeted three military bases in Canada without sending it at that time to other communities in Canada shows that he had a lack of respect and a lack of judgment for those communities, and I do not think that is fair ball. The Criminal Code should be there to protect people from these publications, if they do not want to receive them. That can only be done if we put the guidelines in for Canada Post to follow.

• (1320)

I thank members of the House for their attention.

Mr. Bob Horner (Mississauga West): Mr. Speaker, I rise today to discuss Bill C-300, which would amend the Criminal Code to include a provision dealing with one aspect of the mailing of obscene matter.

The control of pornography and obscenity has been a concern to Canadians for a long time. It is connected with our concerns about sexual assault and also the way in which our society views women and children.

The report of the Special Committee on Pornography and Prostitution, the Fraser committee, which was referred to by the hon. member who introduced this bill, concluded that there were two kinds of harm flowing from pornography. The first was the offence to the general public who were involuntarily exposed to it. The second was the broader social harm to the values of equality that are enshrined in Section 15 of the Canadian Charter of Rights and Freedoms. I know the hon.

member voted in favour of the enshrinement of the Canadian Charter of Rights and Freedoms.

We are not alone in attempting to deal with this concern. The Attorney General's Commission on Pornography in the United States recently supported an attack on pornography. In its final report it concluded that the problem was in some ways getting worse.

In Canada, the Criminal Code has contained provisions against the sale and distribution of obscene material for a number of years. Other federal legislative provisions deal with it as well. For example, the customs tariffs have prohibited the importation of materials of an immoral or indecent character. Provincial legislators have created censorship laws and bodies to enforce them and municipalities have regulated the sale and display of obscene publications within their jurisdiction.

However, the legal scene has changed since the charter came into force in 1982, enshrining as fundamental freedoms in section 2(b) the "freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication".

Chief Justice Dickson recently wrote that freedom of expression was entrenched in the Constitution "so as to ensure that everyone can manifest their thoughts, opinions, beliefs, indeed all expressions of the heart and mind, however unpopular, distasteful or contrary to the mainstream".

In our consideration of the issue of pornography, as with many other issues in Canadian life, the charter has created a number of situations in which values must be weighed against one another and a policy developed that will meet our concerns about a social problem while at the same time respecting the fundamental freedom of others. This weighing process must take into account not only the situation of a person attempting to sell hard core pornography, but also other concerns such as artistic or literary merit and the needs of the scientific and medical communities for technical literature that might in other contexts be considered obscene.

This bill would, for instance, prohibit the mailing of a book containing reproductions of some of the greatest works of art. The legislators will attempt this reconciliation of values and interests.

The problem with this proposed bill is that it attempts to deal with a very difficult problem. I commend the hon. member for introducing this bill because it is a difficult problem. But I believe it is being dealt with in a piecemeal fashion.

We must bear in mind the importance of this fundamental freedom and the careful balance that must be made in attempting to reduce its protections. In that it has not fully balanced considerations such as the one that I mentioned about artistic and other community values, I say that this bill is premature. I strongly suggest that this is a matter that should be reviewed in full and in detail by the Minister of Justice as part of a complete package before any legislative action is taken.

I would ask that the Minister of Justice proceed to give us a legislative package that we can work on.

Mr. Ken Atkinson (St. Catharines): Mr. Speaker, I rise to enter this debate on Bill C-300, introduced by the hon. member for Renfrew—Nipissing—Pembroke. I also acknowledge the incident that the hon. member set forward as the reason for his letter and his bill. We can certainly understand the unsolicited nature of the material that was sent to these particular residences.

It seems though that the unsolicited nature of the material arriving is more to the point than the actual definition of obscenity that the hon. member has put forward in this particular piece of legislation. The difficulty that I have with the Private Member's Bill is the definition that is put forward in this particular piece of legislation.

The matter of obscenity is one that has consumed individuals and legislators for quite some period of time in order to find the balance between what is acceptable and would allow artists and other individuals to have the freedom to express themselves. On the other side of the coin is what society abhors and would not want to have our children and other individuals see.

It is obviously a matter of censorship and where do we draw that line. It is something that has been going on for ages and it will continue. It is something with which we will deal. There was an attempt in the last Parliament to deal with certain aspects of it.

Section 168 of the Criminal Code provides:

> 168. Every one commits an offence who makes use of the mails for the purpose of transmitting or delivering anything that is obscene,

indecent, immoral or scurrilous, but this section does not apply to a person who makes use of the mails for the purpose of transmitting or delivering anything mentioned in Section 166(4).

Section 166(4) outlines exceptions to the offence created by that section which I just read with respect to the restriction on the publication of various reports of judicial proceedings. If a Crown prosecutor or anybody else was dealing with some obscene material as set out under this section, they would be able to be transmitted through the mail to these individuals. They would not be caught by this section. This is the only restriction that applies to this particular section. I would indicate that the matter has already been dealt with in the Criminal Code.

The hon. member's proposed bill would add another section after the one that I have just cited, basically dealing with unsolicited obscene material.

Mr. Hopkins: "Visually obscene material". You are not on the same subject.

Mr. Atkinson: Visually obscene material, and I grant that that is what is in the bill as proposed. As I indicated, it is already a crime to send obscene, indecent, immoral or scurrilous materials through the mails. If this particular material was considered under that subsection, it would be obviously caught by that particular matter.

• (1330)

What is the definition of obscene? The statutory definition of obscene materials is those in which there is an undue exploitation of sex or of sex and violence.

The exact nature of unacceptable images and written descriptions is not set out in the Criminal Code but has been left to judicial interpretation. The courts have based their interpretation on what is referred to as the community standard of tolerance.

With respect to the community standards test, guidance is provided by the following statement from the judgment of the Supreme Court of Canada in its 1984 decision in *Towne Cinema Theatres Ltd.*:

> What matters is not what Canadians think is right for themselves to see. What matters is what Canadians would not abide other Canadians seeing because it would be beyond the contemporary standard of tolerance to allow them to see it.

This is an objective standard that is decided by individuals in the community through a jury trial. They apply this particular standard to what they consider to be visually obscene material or any obscene material in any other medium.

This has proven to be a good way to deal with the matter, because a jury of the peers in that community are the ones who decide what is tolerated within that particular community.

It is something that shifts, as well, over time. That is the reason that obscene or visually obscene has not been defined in the Criminal Code up to this particular time. I think we can all agree that over the years that line has shifted as standards change within a particular community.

That is the reason that judicial interpretation has been used for this particular definition of obscene. It has proved to be a workable definition relating to each individual community.

If we take a moment to examine what is presented by the hon. member in Bill C–300, we will see that the proposal is an amendment as I mentioned immediately following Section 168. It would introduce a special restriction on the use of the mails for unsolicited, visually obscene material.

Visually obscene material is defined in this bill to include "any matter or thing in or on which is depicted (a) a nude person; (b) a female person who is not nude but whose breasts or any part thereof is not covered by something which is not non–transparent; (c) a person who is not nude but whose (i) genitalia or any part thereof is not covered by something which is not non–transparent, or (ii) buttocks or any part thereof is not covered by something which is not non–transparent."

The bill obviously is based on two concerns. First, that the mails are used to distribute materials which include depictions containing nudity or revealing any part of the buttocks, genitalia, or the female breast. Second, that the mails are used to send such materials when they are unsolicited.

That is more the concern that I would read into this particular bill and also from what the hon. member mentioned as the incident precipitating this particular piece of legislation being brought forward.

We have to think for a moment about how far–reaching such an amendment would be. I will give an example which I think would raise some concern for members of this House.

If an individual was given a subscription to *Sports Illustrated* and then subsequently the swimsuit edition of *Sports Illustrated* arrived at an individual's home, it would be considered to be on an unsolicited basis. I would dare to say that from the definition included in this particular bill, from what I have just read, that particular issue of *Sports Illustrated* would be considered obscene. At the very least some portion of a female breast is depicted as well as possibly bare buttocks, but it is considered one of the tamer forms of available publications. If this publication is caught by this law, one can see what difficulties would ensue.

It is a real difficulty to define what is obscene. My hon. friend has made an attempt to do it, but I would submit that what has occurred in trying to define visually obscene material is that the standard has been drawn too tightly and not something that should be decided by each individual community as set out already in the Criminal Code.

I have other concerns with the proposed bill as well. In my view a provision of this nature would be anomalous. It creates a special statutory definition of obscene with respect to using the mails for unsolicited, visually obscene material. That definition would be different from the definition used for obscenity in other sections of the Criminal Code. There would be this difference for one type of material as opposed to another.

In trying to deal with the whole aspect of obscenity and pornography, it would create a great deal of difficulty. As my friend, the hon. member for Mississauga West indicated, it is probably a premature matter. I commend the member for his attempt at the unsolicited aspect of it. In defining obscenity, I think he would run into these difficulties with the piece of legislation that is put forward.

Between 1977 and 1988 there were 43 bills introduced into Parliament, including six public bills to change the law governing pornography. The most recent of these was Bill C-54 which died on the Order Paper on October 1, 1988 when Parliament was dissolved. That bill proposed to define as illegal the visual presentation of explicit sexual behaviour which was further defined in detail. Arts, literary, museum, and media groups, as well as the National Action Committee on the Status of Women, considered the definition of pornography to be too broad because it included explicit sex.

We are dealing with a definition in the proposed Bill C-300 which does not even refer to specific sexual acts. Bill C-54 caused a great deal of controversy, not only for the reverse onus that it put on an individual, but as I mentioned for the various groups that felt the definition of pornography included in it would restrict a lot of people, to the point, having sat on a library board in my municipality, where the library board and the officers of the library were concerned that they could be called to account for this book or whatever they had in their library. It does create some concerns.

Obviously that piece of legislation is important and something that should be revisited. Everyone in this House abhors the depictions of sexual violence against women and sexual acts against children. It is something that should be dealt with. We will have to try to work toward a definition and a process that will allow us to do that.

It is interesting that in 1987 an Angus Reid poll found that only 37 per cent of Canadians thought the definition of pornography should include depictions of sexual intercourse between consenting adults. Therefore one might conclude from this that the majority of Canadians consider nudity or partial nudity in visual presentations to be acceptable.

• (1340)

Quite frankly, in my view, if one looks at the community standards test to which I referred earlier, I rather doubt that most Canadians would be intolerant of their neighbour sending or receiving a subscription to a magazine or catalogue as was mentioned.

The unsolicited aspect of it, as I say, is the matter that my friend is trying to get at, but with the definition that is included here I do not believe that we could support the bill. We will go on from there. I believe it is inopportune at this time to consider any amendments to the Criminal Code to deal with the matter of pornography or obscenity.

[*Translation*]

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, I rise in the House today to voice my objections to Bill C-300, the purpose of which is to amend the Criminal Code to make the mailing of unsolicited visually obscene material an offence. Mr. Speaker, my objections obviously do not arise from a belief that such practices should be encouraged but are based on the fact that this amendment is not useful. Its substance is remarkably vague. It is the reverse, Mr. Speaker, of that spirit of tolerance

that encourages most Canadians to support the free expression of ideas and the free distribution of photographic, audio-visual or other material.

The Criminal Code provides that using the mails to transmit obscene, indecent, immoral or scurrilous material constitutes an offence.

Mr. Speaker, the purpose of the proposed amendment is to broaden the concept of obscenity, but only when the mails are used, since the other sections of the Code dealing with the use of obscene material are not affected by these amendments.

I can well imagine that some people do not appreciate receiving letters or packages in the mail containing pictures or photographs of persons who are nude or whose bodies are not decently covered. Fortunately, the Criminal Code prohibits such practices when the content is indecent or obscene.

However, the scope of this amendment would seem to be far too broad. If it were passed, it would be possible to prosecute, under the Criminal Code, a person who uses, for commercial or other purposes, works of art or nude or semi-nude persons represented therein.

Strictly speaking, the proposed amendment would make it an offence to send by mail photographs of the ceiling of the Sistine Chapel, just because a person of the female sex is not entirely covered. Imagine!

Mr. Bellemare: And of the male sex!

Mr. Jourdenais: And also of the male sex, my colleague is perfectly right! What about Adam?

So, Madam Speaker, considering the tenor of my comments, it is probably unnecessary to stress the problems with interpretation—as you know, the same subject may elicit varying interpretations,—often leading to 20-minute arguments and speeches in the House—as well as the uncertainty the bill would cause if it were passed.

We need only consider how difficult it would be to determine exactly what the word "covered", used twice in the amendment proposed by the hon. member, is supposed to mean. What happens to the snapshot or that well-known ad where we see a child with part of its buttocks open to view? A baby—and this is supposed to be obscene? Can we reasonably claim that this snapshot is obscene? However, Bill C-300 before the House today criminalizes the mailing of such photographs. Does anyone disapprove of this kind of photograph? I think the hon. member is pushing obscenity too far.

There are of course any number of examples, but I am confident that my colleagues here in the House, and we are not supposed to comment on those who are absent, Madam Speaker, they are perfectly right— However, I am sure they would feel the same way I do about the bill before the House today and its lack of precision.

Madam Speaker, Canadians don't want reactionary measures that will make our country the laughing stock of the rest of the world. Canadians have shown, and continue to show, tolerance for the views of others. As far as obscenity is concerned, tolerance is especially important and desirable, considering the wide range of opinions in our society on what should be considered obscene.

This tolerance has been expressed on many occasions, and the government must try to promote tolerance with legislation that is appropriate to the circumstances.

To paraphrase a former Justice of the U.S. Supreme Court, Justice Potter Stewart, it is very difficult to define obscenity. However, Madam Speaker, one thing is certain: We know it when we see it.

Madam Speaker, how can anyone claim to see anything obscene in a photograph of the ceiling of the Sistine Chapel or of Michelangelo's David? Nevertheless, that is the kind of conclusion forced on us by the amendment proposed by the hon. member which gives a definition of obscenity which, I am sure, fails to meet any of the current standards of Canadian society.

Once again, Madam Speaker, I am not saying that all Canadians should be delighted to receive pictures in the mail that may be somewhat offensive. My point is that our legislation already provides that this use of the mails is illegal when our society's standard of tolerance is exceeded.

The question is not necessarily what the individual considers to be in good taste, but how far Canadians are prepared to tolerate certain things and to what extent their tolerance level has been exceeded in each specific case.

Madam Speaker, with respect, Bill C-300 merely imposes a view of the world that no longer corresponds to current standards in Canadian society. The bill tabled by the hon. member opposite makes illegal what the vast majority of Canadians do not consider to be obscene.

In cases where there is genuinely obscene material, the Criminal Code provides that this is an offence. I see no reason to go beyond what the Criminal Code already provides. We as Canadians are proud of the range of opinions and views expressed in our society and of our ability to respect them.

Madam Speaker, we must not undermine this tolerance, which is our strength as a people, by passing legislation whose impact is considerable and goes well beyond the existing social consensus on the difficult question of obscenity.

For six years I have seen and heard the hon. member opposite in this House, and I know him to be very respected and a man of extraordinary integrity. Before drafting my speech, I gave the matter considerable thought, but I cannot accept Bill C-300, for all the reasons I just mentioned.

Therefore, Sir, I cannot support your bill.

• (1350)

[*English*]

Ms. Barbara Greene (Don Valley North): Madam Speaker, I would like to thank the member for bringing forward this motion and I think it is certainly a measure worthy of consideration.

I trust that the minister will report to the justice committee on this important matter in a reasonable period of time. I, too, think it should be looked at as part of a larger package.

I have some specific concerns about the proposed motion, because the kind of pornography that I would like banned is much more specific. It is not simple nudity. I personally do not have any problem with the portrayal of women's bodies. I do not think that is pornography. What I and I believe most people are really concerned about is when women's bodies, children's bodies and men's bodies are portrayed in a degrading or dehumanizing way. It is the type of portrayal that frequently sends a hate message to society.

I think this legislation is too general to address such an issue. It is suggesting that the depiction of women's bodies in general is wrong or hateful. The bill is much too simple and would require a number of amendments.

The kind of legislation that I would support would attack the worst of the pornography that is in our society. Most of us can agree on what is generally offensive material, which is material that combines violence with nudity or children being used in a sexual way. We can only really attack the worst kinds of pornography in our society through legislation but even that is a small part of the total answer to this problem.

As a media studies teacher, this is one of the subjects that we were trying to grapple with. Legislation can never address the influences upon young people in our society and the tremendous amount of mainstream pornography that confronts us. Pornography can be far more insidious because many people do not even know when they are seeing material that dehumanizes other human beings.

For example, if one looks through a popular women's magazine that one could find on the stands in a Loblaws store or any other supermarket, one can see pictures and products that promote rape myths about women. You will see pictures in which women are depicted as enjoying pain and being violated. You will see pictures that treat women as things, simply there for sexual purposes. There are images of domination and violence against women in our society, making other people think this is sexually attractive.

Think of some of the names of products in our society that suggest that women are, in fact, simply meant to be violated. I think of products with names like Impulse, which suggests that women are always ready, or Poison, the perfume. A recent Calvin Klein Obsession ad frequently depicts a woman surrounded by a group of young men. In some of them, there was a hazy type of photography used, so that it appeared that everybody was nude. We had what was being used simply to sell Calvin Klein perfume or the Calvin Klein name for jeans and so on, the picture of what was, in effect, a teen gang bang.

To young people in our society, these kinds of images infiltrate their consciousness. It looks to them as if this is fun. However, of course, when we hear from rape victims, it is no fun at all.

In one unit in my program in media studies we had a play and discussion on date rape. The particular play pointed out many of the myths about young women and about what happens in a particular date scene, and some of the myths that young men have about women as well. For example, when a young woman wears a sexy dress, some young men may think that she is looking for more than a simple date. At that particular session when we talked with the students, three young female students actually collapsed and experienced a tremendous traumatic feeling about the whole thing because it had happened to them. We were prepared for this in advance and, as teachers, had to deal with these children. They were taken out of the room and talked to. They were just ordinary young girls that had gone out on a date, expecting to go out on a date, expecting to have fun, go to a movie with a young man, and ended up being raped. That was three in a group of about 100 young people.

In fact, one hears some young men say things like "she was looking for it". What gives some young men the idea that when a young girl wears an attractive dress she is looking for more than a good time, that we all think is a good time? I think it is the constant invasion into the minds of young people through the media. It is totally unavoidable. If one looks at ads in the subway, even in the city as we drive around, one can constantly see images of young women looking as if they enjoy being violated.

I think of another ad in which shoes are being sold. In fact, I can think of several shoe ads. In one particular ad in *Vogue*, the woman's head looked like it was being kicked. Her expression, of course, was a dull kind of expression, the eyes sort of glazed over, and her mouth was very large and open with very large pink lips. Again, a very sexy looking attractive face combined with a violent action. It looks to people, in the subconscious very frequently, as if pain and sexuality are attractive.

This kind of insidious attack in our society is something that is really frightening. This is one reason why, in Ontario, media studies education has been made a mandatory part of the curriculum. It is also one reason why I am very concerned about copyright legislation. There are many advertisers who do not want teachers to look at their material and decode it with students. I am sure they would certainly like to attack many media studies teachers when they examine these sorts of things in classrooms, because we do copy them, make slides out of some of the ads, and go over what is happening so that the students can see how they are being manipulated when they go out into society.

Rock videos are some absolutely startling examples of mainstream pornography that certainly are very, very damaging. Almost always young male rock singers dominate women. Women are depicted as things. They very frequently have uniform-like outfits on. They do not do anything; they are just there to look attractive. They are seldom playing instruments. They are simply sex objects. They are there, I am sure quite consciously on the part of the rock video makers, simply to be a sexy figure that is associated.

• (1400)

The young men almost invariably are placed higher on the stage. The woman is always down. The woman is only there for the purpose of appearing sexy. There are many insidious things that rock videos do besides dealing with sexuality. They also depict authority figures in a very negative fashion. So, it extends much further than just women.

Education is probably the best answer to the problems of mainstream pornography throughout our society. An alert and aware population, that can see when it is being manipulated, can counteract the insidious influence in our society.

I have also thought that we should be rewarding, using a positive approach, rather than just dealing with it through legislation. We could provide awards for the positive values that are presented by advertisers and by the media. One can see many examples of advertising that exerts a very positive influence in our society. It is very effective. Rather than this constant preoccupation with negative values, if positive values were promoted by advertisers, they would probably sell better products and society would be better as a result.

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Madam Speaker, it is a privilege to rise to speak to this bill

sponsored by a long-term member of Parliament, my friend from the Official Opposition.

Private Member's hour reflects the best of the Parliament. It has changed over our joint tenure in the House, his much longer than mine of course. In the past, Private Members' bills would go year after year being talked out and going to the bottom of the list. They had virtually no chance of ever coming to the fore.

Private Members' Business today has much more significance. It does not mean a bill always goes through the first time, the second time, or even the third time, but because a certain number of bills are drawn and have to come to a vote. The government, and certainly the bureaucracy, have to spend much more time thinking about Private Members' bills. I commend my friend for taking the time to develop a bill for us to debate. This helps the people of the country see what we are about.

The intent is certainly legitimate. There is absolutely no doubt that there are major abuses of the obscenity legislation as defined in the Criminal Code. We can all recognize them on the extreme end of obscenity. We would all agree that there are abuses and, indeed, the existing Criminal Code does a pretty good job on it.

The problem we run across as legislators, of course, is in the middle where we are trying to draw the specific line at artistic freedom, and between our own personal beliefs of what is right and wrong and what is acceptable and unacceptable. When something crosses the line, we should use the full weight of society—all the police forces and the judicial system—by throwing people in jail for short or even long periods of time for breaking the laws. The longer I have been here, the more hesitant I have become to substitute my view for the many views that exist in the community. I guess it reflects a number of counterbalancing pressures that we find.

• (1405)

Having said that, there is no doubt that it is up to Parliament, after a sufficient amount of debate and consideration of different types of bills, to come up with a decision. Our distinguished friend has put forward his proposal.

To a certain extent, it depends on which area of the country one is from. There is no doubt that my riding has a more small "c" conservative view on obscenity. There are pictures in books which would be more objectionable to more people in my riding than in certain other ridings. That reflects that I come from a constituency with a small city, small towns, many farmers, and some deeply fundamentalist religious groups that are truly and honestly offended.

Having said that, within the city of Lethbridge, a small city of 60,000 people, there are a group of people who are not nearly so offended. Indeed, they would argue passionately about my friend's definition which would define even a picture of a nude as obscene and not allow it to be sent through the mails. They would honestly and legitimately not agree with that because they are in no way offended. They refer back to the long historic development of humans and artistic freedom being able to depict these types of things.

I wish we could have a committee stage because I would ask my friend whether his definition would include even medical books that show a nude person for medical purposes. I know he personally would not intend that to be the case, but as I read the definition, I was a bit worried as to whether that would be covered. Maybe it would not. That is the advantage of the bill ultimately coming to a vote. It would then go off to a committee which could hear lawyers, church people, the artistic community, and ordinary citizens to get their perspective on this bill.

As I say, it depends a bit on whether one is from a big city or a small town. It depends on the region of the country we come from. As well, Canada is becoming more and more part of the global community. There is absolutely no doubt that our young people, having been raised on a diet of television, feel that the world is much smaller and much more theirs than do some of us who are older. That means, of course, with additional trade, commerce, and travel, that the world standard has to be taken into consideration.

As we move up to a broader level of generalization, we know that more individual perversity, odd, and queer things can occur. But in this country, since 1982 particularly, when we entrenched as part of our fundamental law freedom of association, freedom of speech, and freedom of religion, the country has been put into a whole new dynamic. That was eight years ago. Eight years in the life of a nation is a drop in the bucket. In eight years, the ideas of people change.

Fifty years ago some of today's *Playboy* magazines probably would have landed the publisher in jail. One hundred years ago they would have had their heads chopped off. We all know that in the criminal law we have gone from over 700 offences for which people would be killed by virtue of capital punishment. Canada has no offences on the civil side for which the state can impose capital punishment and we have just one in the military where capital punishment applies during active wars.

Our whole conception on a global basis is changing quite dramatically. Whenever Parliament draws a line, it is almost instantaneously out of touch with that infinite variety of relationships and attitudes that people display as we go from a rural society into an industrial society. Now we are moving into an even more complex type of society which people generally refer to as an information society. It is highly technological.

I think we should be careful. I very much appreciate the effort that my hon. friend has made. I am sure he will continue to push with this bill. I am sure he will put it on the list again and in one of the next sessions it will probably be drawn. Then members of Parliament will have to go through a very detailed process internally. We will have to listen to the witnesses who come to give their perspective on the bill. We will have to consult with our riding associations and people in our riding. Then we will have to stand, be counted, and draw a line. That is the way the system works.

Madam Speaker, I see my time has expired and I thank you for the time.

Madam Deputy Speaker: The time provided for the consideration of Private Members' Business has now expired.

[*Translation*]

Pursuant to Standing Order 96(1), this item is dropped from the Order Paper.

At this point, I may remind hon. members that Mr. Nelson Mandela, Deputy President of the African National Congress, will address members of the House of Commons and the Senate, in the Commons Chamber, at eleven o'clock a.m, pursuant to order made Wednesday, June 13, 1990.

[*English*]

It being 3.00 p.m., the House stands adjourned until Monday next at 1.00 p.m., pursuant to Standing Order 24(1).

The House adjourned at 2.12 p.m.

HOUSE OF COMMONS

Monday, June 18, 1990

The House met at 1 p.m.

Prayers

PRIVATE MEMBERS' BUSINESS—BILLS

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

Hon. Bob Kaplan (York Centre) moved that Bill C-255, an act to amend the Criminal Code (lotteries), be read the second time and referred to a legislative committee.

He said: Madam Speaker, I am very happy to have won the lottery which permits Bill C-255 to be dealt with at this time. I do not know how many Canadians are aware that the order in which bills appear for debate is chosen by lottery. It is something of an irony that the subject of the bill, which I am pleased to be able to address now, is lotteries, not the kind which chooses bills for debate in the House of Commons, but the lotteries which take a dollar or two away from ever-growing numbers of Canadian citizens with a very small likelihood of them winning or making any return at all.

I am not rising to oppose the principle of lotteries, although I do oppose them. All the studies show that lottery contributions constitute for the poorest in society a larger proportion of their income than of the average person or certainly of the well-to-do.

I have recently seen interesting studies which show that of all forms of gambling, including slot machines and horse racing, a person has the least likelihood of winning and the smallest return from a lottery. The provinces of our country and the states of the United States, where a lot of these statistics come from, take an ever-growing portion of the proceeds, amounting on the average to 49 and 50 per cent of all the proceeds while administrative costs amount to 35 per cent.

I am not putting forward a bill to prohibit lotteries. The purpose of this bill is to prohibit the advertising of lotteries. I am hoping to be able to demonstrate to the House in the next few minutes that this second best way of dealing with the social problem would really go a long way to putting lotteries and gambling back into the place to which they should be limited to in our society.

There is no better way to tell the story than to tell the House about my own experience as a member of Parliament when I was first elected in the days when all forms of lotteries were illegal in Canada.

[*Translation*]

It was during the 70s. There were two kinds of gambling in our society, at a time when lotteries were illegal. There was the Irish Sweepstakes, which was very successful. We had a network of ticket vendors—at least one in each community—who sent the money to Ireland, and we had a percentage of the winners. It was common knowledge at the time that the Irish government used the money to finance hospitals in Ireland.

[*English*]

That was one of the great forms of gambling that we had in the days before lotteries became legal. The other is the illegal numbers racket which plays a very small part, if any part at all, in Canadian society today. I remember when I had something to do with policing in Canada, taking a more than average interest in how the numbers racket was progressing. I learned that organized crime no longer looked to it as a great source of funds any more. In other words, the introduction of the lottery had achieved two very good purposes which were the evils that I addressed as a legislator when I was persuaded to support the idea of a state-run Canadian lottery.

• (1320)

Why should we export gambling money out of Canada for the purpose of building hospitals in other countries when the money could be kept in Canada and used for our own social purposes?

Second, knowing of a human weakness that leads certain people to gamble, why should we drive them to the underworld for the expression of that personal weakness, allow organized crime to profit from it and foster a criminal lifestyle for all the people who are involved in that illegal way of gambling?

I supported the bill which was presented to the House of Commons. There were lots of moral arguments for and against gambling. In the city of Toronto where I come from, I would say that most people, and I am talking now about a community which is probably more Christian than any other religion, consider gambling wrong. Yet there is no unanimous opinion about that even within the Christian faith.

Since my interest in this subject has come forward I have had arguments with Catholic theologians who want to make the point, if I get them correctly—and I certainly invite them to speak for themselves—that whether gambling is moral or immoral depends on what is done with the proceeds. If the proceeds are used for moral purposes, it is moral. If they are used for immoral purposes, it is not.

For me there is a larger question. In the culture of Toronto, there is a work ethic associated with earning and a sense, which I must say I share, that the best way to make money is to work for it. Societies where that is a value, benefit from the work ethic. In a society where gambling is an equally available way of making money, you find more and more, as I do in my own community, that if you ask the young kids how you can get rich nowadays, the only two things they will suggest are winning a lottery or becoming a rock star.

Part of that comes from the tremendous amount of advertising that lotteries now enjoy in Canadian society. I want to make the point that the level of advertising is just too high and invite the House, which enabled the provinces to run these state lotteries, to change the law so that they will no longer be able to advertise them.

I do not think it is the responsibility of the state to stop people from doing foolish things with their money. It is a free country. If people want to waste their money, if they want to gamble with it, it should be up to them. But I do not think the state should encourage people to do foolish things with their money.

I want to talk about some of the forms of advertising that I have seen. It becomes obvious that having the state encourage people to express a character weakness, encouraging them to spend money on lotteries which have odds that are not usually disclosed to the people who buy lottery tickets, there is really no other conclusion but to say that a small investment, a small gamble by someone who can afford it, is not a very big problem. But as we see the statistics which show who gambles, how quickly it is increasing, and how much is being spent on gambling, what a substantial percentage of some of the low incomes in Canadian society, I really feel we have a responsibility, not to stop people from foolishly wasting their money, but at least, as I have said, not to encourage them to do so.

The advertisement that inspired me to put this resolution together and bring it forward is one from my own province of Ontario. It is an advertisement which asks people who are thinking of gambling to always bet the same number. They tell you to pick your lucky number and run with that number. I have checked with the officials and apparently this works by encouraging people day after day, week after week to always pick their same lucky number and to bet it every time and that they will have a better chance of winning than if they just bet a different number every time.

A mathematician can tell you that the odds of any number winning are exactly the same, whether it is the same one you bet yesterday, or a new one. So in a sense it is a measure of false advertising to tell people directly or indirectly that they have a better chance of winning by betting the same number every single day.

The insidious purpose of having people pick a number and then bet the same number every day is that they then feel beckoned to bet every time a lottery comes along. The next phase of that advertising campaign was that now you have a number, don't let a day go by with a lottery for which you did not buy a ticket because that could be the day that your number came up. If you bet a different number every day, they would not have that argument. It is a powerful argument and one to which

more and more people are succumbing, even though the argument is totally illogical.

Last summer, there were a series of advertisements in the province of Ontario that led to this bill being drafted. The advertisements reminded people that even while they were away at their cottages the lotteries were being run. So, even while you are at your cottage, make sure that a day does not go by without you having bought a ticket that day because your lucky number may come up.

When I saw that advertisement, I thought that it just had gone too far. Surely there is a responsibility at the level where these lotteries were conceived, which was in this place, to examine the degree to which lotteries are being increasingly used. I would also like to see an examination of the amount of advertising money that is spent, the percentage of the proceeds that is used for good works, compared to the percentage that is used for ever-increasing amounts of advertising. I want to commend this bill to the House.

I can see by members opposite nodding that they would be prepared to give this bill all three readings today. I would be content simply to see the bill referred to a committee. I think it would be a desirable thing to do because when and if this bill becomes law, it imposes a sanction that applies only to provincial governments. Therefore, since only they are allowed to run lotteries in the country of the sort that I am proposing to limit advertising for, it ought to go to committee.

Provincial governments and their lottery corporations should be given notice of our concerns. We should have research staff and some studies should be done in a Canadian context which would show the extent to which gambling is increasing and the extent to which the advertising of lotteries is becoming a bigger and bigger part of the cost of the whole business.

Also I certainly think it would be worth while to study the impact of buying lottery tickets on the families and on the individuals who are buying lottery tickets.

[*Translation*]

Madam Speaker, I thank you, and I hope that this bill will at least be referred to a parliamentary committee.

[*English*]

Mr. Benno Friesen (Parliamentary Secretary to Solicitor General of Canada): Madam Speaker, I am in a little jam on this one. I agree with much of what the member has just said about gambling *per se*, but I find it difficult to support his motion. I guess what bothers me is that he was part of the government that brought in Lotto Canada and now he wants to restrict the advertising of it. I find that a bit of a contradiction, particularly since the member bringing this measure forward was Solicitor General for about four years between 1980 and 1984 and had ample opportunity at that time to bring forth the kind of measure that he is talking about now. He could have encouraged it in the cabinet at that time. Maybe he did and was not successful, I do not know.

• (1330)

I remember when Lotto Canada was introduced with fanfare. It was our belief that the federal government should not be in the gambling business. I remember that you had to be very well connected to the Liberal Party to get a franchise for selling Lotto Canada tickets. I remember most of all how a colleague of mine whose wife was contacted to be an agent for Lotto Canada. Somehow the communications had got mixed up in the Liberal Party and they thought that she was connected with the office of one of the Liberal members of Parliament. After she had been offered the franchise, they found out much to their chagrin that she was not the person they thought she was. She said "Well, that's fine. I don't really need it. I have an appointment with *The Globe and Mail* anyway." All of a sudden the franchise was forthcoming. That is the first thing I remember about Lotto Canada. The second thing I remember was the time that boxes of Lotto Canada tickets were missing.

When we formed the government in 1979 we were convinced that the federal government should not be in the lottery business in the first place. We divested ourselves of that under the leadership of the Right Hon. Joe Clark. We divested ourselves of that business because we did not believe that we should be doing it. We turned it over to the provinces for their administration and for their financial profit.

I do not hold to the lottery business at all. I have to say to the member, who was a member of the government at that time, since his government brought the lotto business into Canada, how did he expect the business to be propagated, by word of mouth? You know "Hey, pal, I've

got a ticket"? No, no. There was going to be advertising, and there was. If you will recall, there was heavy advertising on television of Lotto Canada tickets at the time. There was no hint that we should not be doing it at the time. Now we have it under the jurisdiction of the provinces.

This is what bothers me most of all about his motion, that at one time it was in the federal domain and there was nothing in the legislation at that time to restrict advertising of the lottery system. Now that it is in the provincial domain, we are supposed to restrict advertising for lotteries. I grant him that particularly lifestyle advertising is injurious and leads people to believe in some fantasies that are unhealthy, and that is not good. He has just cited the reason for bringing in the legislation tabled, and it happens to be Ontario advertising, and it could have been any other province as well, but has he made any overtures to the Government of Ontario, who are his soul mates? Has he asked it about the advertising it is doing so that it does not propagate what could become a disease, a fixation in advertising?

Once one introduces a measure like lotteries—I would rather that it would not be here—and then tells the provinces: "Here is what you cannot do with it," there is an element of paternalism that enters into it. I cannot believe that the provinces are going to be happy with any kind of instruction from the federal government about what is or what is not acceptable about the way they promote what we have already given them the right to promote.

I cannot believe that the provinces think they are so immature in the whole area of ethics, morality and promotion of this that they need guidance from the federal government on how guidelines ought to be set up for the promotion of this industry.

The hon. member's other point is that low income people tend to use their disposable income, of which they have a restricted amount, to buy lottery tickets that they may not be able to afford. This hurts them. If that is the pattern, I agree that it does. Would he then also suggest that, for example, if there is a higher percentage of cigarette smoking among low income people that there ought to be a diminished amount of advertising toward them, or that we ought to take fewer tax dollars from them? Should we increase the taxes for them?

Once one gets into a kind of socioeconomic grouping, I think one runs into trouble. I wonder about penny stocks. If there is ever an arena for gambling, it is in the whole area of penny stocks. Maybe that should be included. I guess the biggest problem that I have is the serious degree to which legislation like this could antagonize the provincial governments. I do not think we need that kind of confrontation in federal-provincial relations.

Now that we have an industry that I do not support and that I do not think is good, but which is entirely within the domain of the provinces, we ought to let the provinces do it and not try to pass legislation that instructs them in a kind of paternalistic way on how to conduct their activities.

Mr. Doug Fee (Red Deer): Madam Speaker, none of us in this House or anywhere in this country would want to support a vice that contributes to poverty or addiction, not even an addiction to gambling.

As we all know, this can very well lead to personal and social problems. This bill is just a little extreme. By legislating against advertising for provincially operated lotteries, we do not address the real concerns that I am certain lie behind this bill. Canadians allow a rather ironic situation to exist in the legal status of gambling.

As the hon. member for York Centre pointed out earlier, most Canadians look at gambling as morally wrong. At the same time, they are willing to accept it if the proceeds are used for socially acceptable uses.

The general approach toward gambling in Canada has been to prohibit all forms of gambling under the Criminal Code, except those that are specifically permitted under that code. At the same time, there are several forms of permitted gambling in Canada. Almost all of us are familiar with the betting that is permitted on games of chance and wheels of fortune at fairs and exhibitions across the country.

In the next few months—I am assuming we will get a parliamentary break and if we do—most of us will be visiting those fairs and exhibitions. We will see the games of chance. We will have our own opinions and moral judgments on whether they should be there or not. The fact remains that they are accepted as part of most of our summer fairs across Canada.

Most of us will also know that private bets between individuals who are not engaged in the business of betting are generally permitted. If I may offer a wager, I would wager that most members of this House participated in hockey pools during the recent Stanley Cup play-offs. Some of us will also have acquaintance with the permitted exception for paramutuel betting operated by race associations on horse races.

This latter permitted exception, as all members of the House will know, incorporates regulation by the federal Minister of Agriculture. These permitted exemptions notwithstanding, it is the permitted exemption for lottery schemes which has become the most well known form of gambling in Canada in recent years.

• (1340)

The Criminal Code creates a permitted exception to the prohibition against lotteries where a lottery scheme is directly operated by a province. As many of us will recall, in 1985 Parliament amended the Code to eliminate the permitted exception that had existed for the federal government to operate a lottery scheme.

Parliament has also enacted in the Criminal Code a permitted exception to the prohibition against lotteries where a province licenses a charitable or religious organization, the board of an annual fair or exhibition, or an operator of a concession, leased by a fair or exhibition board, to operate certain lottery schemes. These lottery schemes include bingos, certain types of casino games and what we would traditionally call a lottery or a draw. In very narrow circumstances, there is a permitted exception to the prohibition against lotteries where a province licenses an individual to conduct a lottery scheme. The cost of a chance to win in a licensed private lottery scheme must not exceed $2, and the value of each prize must not exceed $500.

It is only the permitted exception for a lottery scheme which is directly operated by a province that would be subject to the limitations in advertising contemplated in Bill C-255. If Parliament were to pass this bill into law, it would not affect any advertising that might be done for lotteries that are licensed by a province but which are not operated by a province. Should this bill pass, I fear that we would immediately throw the federal government into a pitched battle with the provinces. If it is passed, any person who broadcasts, publishes or posts an advertisement for a lottery that is directly operated by a province, would commit a crime, with the exception of a person who posts an advertisement inside a retail establishment.

Bill C-255 would also apply to a person who causes these advertisements to be made. The crime would be a hybrid offence. That is, the Crown could elect to proceed by way of the more serious indictable offence, or it could prosecute the offence as a summary conviction offence.

One immediately thinks of the television, radio and print media as contemplated offenders. On a closer look, one might think of provincial government officials and ultimately one would have to think of elected provincial government leaders.

Given that the conduct of lotteries as a permitted exception to the Criminal Code's prohibition against gambling has emerged from federal-provincial consultations, one can expect that provinces would look to the bill as a direct and nefarious attack. Nor is it inconceivable that those members of the public who participate in provincially-operated lotteries would be perturbed by a paternalism that would deprive them of access to information concerning lotteries and prize offerings. Many persons would view this proposed legislation as an attack on freedom of speech that would be difficult to justify as a reasonable limit imposed by law under Section 1 of the Canadian Charter of Rights and Freedoms.

I would like to think that this bill is not a mean-spirited attempt to take a deep-cutting swipe at revenues generated by provinces. I remind all that provincial lottery revenues are often used to fund community and sporting organizations. It may well be that the thinking behind this bill centres upon those individuals who become addicted to gambling and suffer the personal, family and professional difficulties, including the commission of crime to finance gambling. I am not insensitive to these problems. However, if this is the thinking that has inspired the bill, it would seem to me that there are better ways to cope with these problems than by invoking society's strongest sanction, the criminal law penalty against the advertising of provincial lotteries. Such approaches would necessarily involve the provinces, academics and therapists in the treatment of gambling addiction.

If there is a need to address concerns of compulsive gambling or gambling addiction, then the groundwork of statistical and therapeutic research should be laid and strategies to address the concern should be developed in concert between the provinces and interested parties. For this, much persuasive effort may be required to convince provincial governments. However, a criminal sanction should not be invoked against advertising the provincially-operated lotteries in order to address gambling addiction. If I am wrong and the intent of this bill is to take a big bite out of the provincial revenues from provincially-operated lotteries, the only conceivable object would be to force provinces to look at other means of revenue generation to make up any shortfall from lottery revenue losses.

Under Bill C-255, provinces could raise revenue through lotteries. However, they would have their lottery income reduced because they could not advertise. The elected members of provincial governments would be told that for the provinces' own good, Parliament had decided that provinces must prefer other methods of revenue generation to lotteries. Without getting into a debate on the morality of gambling in provincially operated lotteries, I simply note that in a society that does not share a homogeneous set of values it is impossible to find a consensus or even a widespread view that the advertising of provincially operated lottery schemes is morally repugnant or individually and socially harmful to the point of requiring the creation of criminal law sanction against the advertising of provincially operated lotteries.

Certainly public participation in provincially operated lotteries could be characterized presently as enthusiastic. This enthusiasm is not novel or is it unique to Canada as government lotteries have existed and flourished for centuries in some European countries.

Unlike many of the arguments against casinos, criticism of the operation of what are traditionally known as draws or lotteries focuses on revenue debates and primarily upon who contributes the revenue. This area is entangled with debate making value judgments about lottery gaming which is attractive to low income persons. The income of the participants is seen by some as a reason to limit the lotteries. Others say that the low income person should have the freedom to enjoy his recreation. These ethical issues turn on the philosophical debate about the individual freedom to participate in lotteries and considerations of government encouragement of consumption in the form of government operated lotteries. I doubt very much that Canadian society could find a consensus in this debate.

I do not feel that Bill C-255 should be supported. It wades into the heavy sea of ethics and philosophy to find a basis for criminal sanction against advertising provincially operated lotteries. Instead, the criminal sanction should only prohibit conduct which carries moral culpability or blameworthiness because it creates a risk of harm or because there is a need to express society's moral rejection of a conduct.

I do share the concern about gambling that was expressed by the hon. member for York Centre and reinforced by the hon. member for Surrey—White Rock, but I cannot support legislating restrictions against provincial advertising.

[*Translation*]

Mr. Jean-Pierre Hogue (Outremont): Madam Speaker, I welcome this opportunity to rise in the House today to comment briefly on Bill C-255, whose purpose is to amend the provisions of the Criminal Code concerning lotteries.

With respect, I do not think this bill should be supported by the House. I do not question for a moment the excellent motives behind this bill. However, considering what is provided under the Criminal Code, the scope of the bill is such that it would practically wipe out what so far has been allowed. It would be like taking away with one hand what the other has given.

The purpose of Bill C-255 is to prohibit all kinds of advertising, except inside retail stores, for all kinds of lotteries which are authorized, in any case. Madam Speaker, perhaps I might recall for the benefit of hon. members what is provided in paragraph 207(1)(b) of the Criminal Code, to which the bill refers. This paragraph reads as follows:

> 207.(1) Notwithstanding any of the provisions of this Part relating to gaming and betting, it is lawful
>
> (b) for the government of a province, either alone or in conjunction with the government of another province, to conduct and manage a lottery scheme in that province, or in that and such other province, in accordance with any law enacted by the legislature of that province—

This means that the advertising ban would apply to authorized lotteries operated by any of the provinces. Madam Speaker, I find it hard to understand why only provincial lotteries are covered by this amendment. Why not allow advertising when lotteries are operated at exhibitions or fairs? What is the difference? Is the basis on which a charitable or religious organization operates this kind of system so different that it should be not allowed to advertise but not the province? Madam Speaker, I do not agree. I think both should be allowed to attract the kind of people that are interested in this kind of activity.

• (1350)

In both cases, Parliament wanted to allow the provinces and these organizations to collect funds that in the end are used for the public good. Provincial lotteries enable the provinces to finance other programs for the benefit of local residents, while giving participants a chance to have some fun.

More than 15 years ago, some people called this a voluntary tax. In any case, authorized lotteries are a way for the provinces to collect funds without having to use other, less attractive means of collecting money. At least the customer gets something in return for his contribution!

Obviously, the purpose of advertising is to make people aware of the existence of these games. However, I think the ultimate objective is desirable, which is to let more people participate in order to collect more money for the government.

Madam Speaker, it is hard to understand why we must go after the provinces that are only trying to use one of the means at their disposal to lighten our fellow citizens' tax load. As far as I know, the provinces' use of lotteries has not yet led to such a storm of protest from the public that Parliament has to intervene by using its power under the Criminal Code.

On the contrary, from what I hear, people are telling us that they are pleased with the present arrangements and do not think that they constitute high-pressure sales. Madam Speaker, this means that the vast majority of our fellow citizens would be deprived of a way to find out about games or new games, which in turn would deprive governments of funds they need to finance and manage social programs in their province.

We must be, and of course we are, aware of the good intentions of those who favour such a bill: there is no doubt that they want to eliminate what they consider to be gambling binges. At least, that is what I hope is the purpose of this amendment.

Unfortunately, Madam Speaker, as you very well know, I really doubt that such an amendment could prevent someone who has a need or a compulsion to gamble and he or she will continue to do so in other ways that may be more underhanded and harmful.

It is well known that people who are compulsive gamblers will do what they must to satisfy their gambling addiction to lotteries and games. The absence of advertising on television and in other media will not stop those who are bitten by that bug from finding out about these games and spending money that others do not think should be spent on them.

Our fellow citizens who are filling a need will certainly not be cured by a ban on advertising for provincial government lotteries. Even a total ban on lotteries would do no good in such cases.

No, what must be done for these compulsive gamblers is to provide programs to help them break their habit similar to programs that exist to help alcoholics overcome their addiction.

To continue my analogy, Madam Speaker, what this bill proposes would be like authorizing the sale and advertising of liquor in retail stores while making it an offence to advertise elsewhere, the idea being that this would help alcoholics shake their habit. We know perfectly well this is wishful thinking.

In addition, when we consider that the provinces stand to lose revenue, just because some people hope to abolish what they see as disastrous, it is clear that any chance of success is practically non-existent, while the provinces would run a very real risk of incurring financial losses.

Madam Speaker, so far gambling, when properly managed as it is today, is economically useful to meet the provinces' real needs, while the provinces can then redistribute part of this money for the benefit of their residents.

Madame Speaker, Bill C-255 is a typical example of a piece of legislation that, presented in good faith, unfortunately misses the target and seems to create more problems than it solves.

It seems to me there are many drawbacks and that very few benefits would ensue as a result of this measure. No one is against virtue, nor will anyone criticize a measure to prohibit gambling because it upholds virtue.

However, this measure is faulty because it does not achieve what it was intended to achieve. In fact, it is a threat to a program that is eminently desirable—allowing the provinces to collect certain sums of money that are then put to appropriate use to meet local needs, as I said earlier.

All things considered, Madam Speaker, Bill C–255 should be rejected, while all the requisite programs for gambling addicts should be made available to those who want to stop gambling.

Madam Speaker, psychology teaches us about the risk concept, which covers a very broad area and has yet to be resolved. However, psychology also teaches us that individual needs must be met in some way or other, and advertising is not a factor that will affect the individual's impulse to gamble. These problems can only be dealt with through support programs and programs that promote individual responsibility.

As is always the case with legislators who are asked to approve measures designed for the good of the public, we are confronted with options that are well–intentioned but also have a negative aspect.

In the case of Bill C–255, we feel the negative aspects loom much larger than the positive impact intended by this bill. That is why the bill will not accomplish its purpose. It will not achieve its objective and, Madam Speaker, in that case, the bill should not be passed.

[*English*]

Mr. Dave Worthy (Cariboo—Chilcotin): Madam Speaker, in that I do not have much time, I will try to make my points as quickly as I can.

I have several concerns with the bill. The principal one is my deeply rooted and very sincere belief that legislation should only be enacted when it is absolutely necessary. Many people in this country feel that laws are there to try to make people become something they are not. I am strongly convinced that legislation should only be enacted when it is shown that there is a deep rooted need to have that legislation in place.

The intent of Bill C–55 is to restrict advertising on all provincially—

Madam Deputy Speaker: I am sorry to interrupt the hon. member, but the time provided for the consideration of Private Members' Business has now expired.

Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

[*Translation*]

It being 2 o'clock, the House will now proceed to Statements by members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

VILLE–DE–LAVAL

Mr. Guy Ricard (Laval): This year, Madam Speaker, Laval celebrates the 25th anniversary of its founding. As a matter of fact. It was on August 6th, 1965, that the 14 municipalities of Île Jésus merged to become the city of Laval.

Since then, Ville–de–Laval has grown economically and seen its population increase from 196 000 in 1965 to nearly 300 000 in 1990.

It is thanks to the dedication of its founding father, Me Jean–Noël Lavoie, Laval's first mayor, and his successors, Mr. Jacques Tétreault, the current member for Laval–Centre, Messrs Lucien Paiement and Claude Lefebvre, as well as Mr. Gilles Vaillancourt, the current mayor, that Laval could experience such development and growth.

My thanks go to its founding father and its leaders! May this 25th anniversary become a corner stone for prosperity in the years ahead!

Finally, Madam Speaker, my colleagues Jacques Tétreault and Vincent Della Noce, join me in wishing all Laval citizens, men and women, a very happy twenty–fifth anniversary.

[*English*]

HEALTH AND WELFARE

Mr. David Berger (Saint-Henri—Westmount): Madam Speaker, rumours have been circulating for several months and today we have confirmation from the Minister of National Health and Welfare that $4 million will be cut from the budget of the National Health Research and Development Program.

This program is the only source of research funding in Canada for public health, preventive medicine, health promotion, health education, and health services research.

I received copies of letters sent to the minister from disbelieving researchers who work in these fields. One such person works in environmental health studying the risk of cancer due to chemicals in the environment.

These researchers tell me that such a cut will have a devastating effect on their work. Some research teams will disband; new ones will be stillborn.

We hear every day about the need to control health-care costs in an ageing society. Cutting funding for research in preventive health and public health research is not the way to do it. It is sheer lunacy. I hope that the government will reconsider this ill-advised decision which is sure to be counter-productive.

* * *

MEECH LAKE ACCORD

Mr. J.W. Bud Bird (Fredericton—York—Sunbury): Madam Speaker, this week the fate of Canada's Constitution hangs in the balance. All reasonable Canadians share the aspirations and concerns of those who seek to advance the security of their respective rights and freedoms in our Constitution, be they men or women, French or English, aboriginals or of any ethnic origin.

In my view, opposition to the accord is not the way to achieve such goals. To the contrary, I believe that ratification of it is an absolutely essential prerequisite to advancing any cause for constitutional reform in Canada at this time.

We must all recognize that from the very moment our Constitution was patriated in 1982 without Quebec's participation there has been virtual paralysis with respect to any change or future development.

The Meech Lake Accord is designed to cure that paralysis and to make it possible for other issues to move forward constructively and to be resolved.

The best way to build our nation for every interest is to affirm the Meech Lake Accord now. The worst way for any interest will be to block it.

* * *

THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Madam Speaker, the world, not just Canada, faces environmental catastrophes of a magnitude unknown to human existence.

Twenty thousand species will become extinct this year and half of all species on earth will become extinct over the next 50 years if we continue the human industrial assault.

Two acres of tropical rain forest are clearcut or go up in smoke every second. In Canada one acre is clearcut or burned every five seconds, every minute, every hour, every day of the year.

Our oceans are under assault. In recent days whales, seals, fish, even starfish by the millions, have been washing ashore dead from radiation in the White Sea north of Moscow. The hole in the ozone grows over the Arctic and now over Canada. Global warming continues despite the pleadings of scientists world-wide.

Today the environmental assessment and review legislation is to be tabled. It has long been promised. Consultations went on for a year back in 1987. In 1988 Tom McMillan promised on October 20, "We are prepared to subject every federal undertaking and every undertaking on federal lands to a thorough environmental impact study." Lucien Bouchard promised the same.

Since 1974 the EARP has been based upon a cabinet policy, solely an Order in Council.

Despite strong rulings by the Federal Court on the Rafferty-Alameda and a unanimous ruling by the Federal Court of Appeal on the Oldman Dam, both projects continue without completed assessments.

Assessments must apply to projects, to impacts, to domestic policy and to our international policy and projects as well.

* * *

SOFTWOOD LUMBER INDUSTRY

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Madam Speaker, last week, the Secretary of State for External Affairs said sarcastically and arrogantly that "overstating a case does not make up for not having one". He was referring to opposition requests for action in cancelling the Memorandum of Understanding with regard to the softwood lumber industry in Canada.

When is this government going to realize that its policies are destroying what was once a healthy lumber industry?

The Memorandum of Understanding which slaps a 15 per cent export tax on softwood lumber, coupled with current interest rates and the artificially high Canadian dollar, has forced the closure of lumber mills throughout the province of Ontario. In a riding such as mine, where the lumber industry is a major employer, these job losses amount to a disaster.

I urge the government to take action now, before more lumber mills are closed and more people are forced into unemployment by the silly policy of this government.

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OCCUPATIONAL HEALTH AND SAFETY

Mr. Bruce Halliday (Oxford): Madam Speaker, I am grateful to have this opportunity, coming as it does during Canadian Occupational Health and Safety Week, to recognize the role of Health and Welfare Canada in maintaining and improving the health and safety of federal government employees.

The department's responsibilities are carried out primarily through the Public Service Health Program, which provides high quality and comprehensive occupational and environmental health services to client groups. These services consist of health protection and promotion activities designed to support and enhance the physical, mental and social well-being of clients.

Current priorities of the Public Service Health Program include measures to increase the response capacity to post-trauma stress disorder resulting from serious accidents and incidents in the workplace, continuation of the hepatitis B vaccination program for high-risk groups and continued emphasis on investigating complaints about indoor air quality.

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ATLANTIC FISHERIES ADJUSTMENT PROGRAM

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I have reviewed the Atlantic Fisheries Adjustment Program in detail and I am very concerned.

In general, I find that it contains many references to ongoing consultation and continuing discussions with respect to diplomatic talks on overfishing, the provision of assistance to individuals and communities, and the disbursement of assistance for diversification projects. What it does not contain are definite provisions for guaranteeing the long-term future of the fisheries or clearly defined action to assist individuals and communities.

A specific concern I and many of my colleagues have is that the inshore fishery in Newfoundland is particularly dismal and unproductive this spring. People who have been at it for years have never seen it so bad.

The Atlantic Fisheries Adjustment Program ignores those fishermen and plant workers who make their living from the inshore sector and the communities in which they live. They are understandably and genuinely worked up, while the situation is ignored by the government. They want the Minister of Fisheries and Oceans to address this problem now.

* * *

LIBERAL LEADERSHIP

Mr. Ken Atkinson (St. Catharines): Jean Chrétien, where do you stand on the Meech Lake Accord?

Last week, Mr. Chrétien issued a written statement saying: "I, therefore, will not be making any further statement on the subject at this time".

A Copps campaign spokesman said that his position is insulting to the intelligence of the Liberal delegates. I could not agree more. This week, Canada is at the crossroads; yet, the man who wants to be Prime Minister

is silent. Those who aspire to political leadership must stand up and be counted on the great issues of the day.

Mr. Chrétien, where do you stand on the Meech Lake Accord? Yes or no, Mr. Chrétien? Yes or no?

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GOODS AND SERVICES TAX

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, tourism operators across Canada have complained that the goods and services tax will make it more difficult for them to compete with their American counterparts.

What about the American counterparts who own resort facilities right here in Canada? Canadian-owned operations right next door to American-owned facilities operating in Canada are stuck with the 7 per cent GST while their American neighbours get off scot-free.

Here is how it works. Many fishing and recreation resorts on the west coast of Canada are American-owned and offer U.S. customers package vacations paid for at their U.S. outlet. They even fly in all their supplies. Because the client pays the money at the U.S. office, he is exempt from the GST which must be paid by a Canadian firm. This puts legitimate Canadian resorts at a 7 per cent disadvantage and puts a lie to the Tory promise of a level playing field. Just like free trade, the GST is going to kill initiative and harm our tourism industry.

* * *

• (1410)

LIBERAL LEADERSHIP

Mr. Peter L. McCreath (South Shore): Madam Speaker, the man who this weekend intends to become leader of the national Liberal Party, Jean Chrétien, remains completely silent about the greatest recent national issue, the Meech Lake Accord.

Mr. Chrétien, where do you stand? There will be no place in history for those who in times of great crisis strive to maintain their neutrality. Your leadership rival, the member for LaSalle—Émard, says there are 26 million Canadians who have an opinion on the accord and are prepared to express it. Mr. Chrétien is the only one who is not. Mr. Chrétien, come out of the storm cellar. Do you support Meech Lake, yes or no?

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[*Translation*]

GOODS AND SERVICES TAX

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, I wish to congragulate the Consumers' Association of Canada for dissociating itself from the Government's blatant interference by quickly accepting Mr. Nickolas Murray's resignation as its president.

By appointing Mr. Murray as head of the new GST consumer information office without first asking him to resign his position, the government had created a conflict of interest situation with its underhanded interference with the affairs of an independent organization.

[*English*]

Not only did the government attempt to undermine the Consumers' Association of Canada's credibility, it also managed to embarrass itself once again by creating a legally impotent government agency. The Conservative government has once again deceived Canadian consumers by attempting to appease them rather than to protect their interests.

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[*Translation*]

QUEBEC MINING ASSOCIATION

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, the Quebec Mining Association's annual meeting has been going on in Montebello since yesterday, on the theme "Quebec's mines in their world and in the world".

Three major thrusts were defined for the future of the Quebec mining industry in the next few years.

Development of new gold mining techniques: the top priority will be the development of a veinstone mining technique.

Replenishment of reserves of common metals: the main resources that now exist will be depleted in the next three to five years and exploration must be undertaken immediately.

Major improvements must be made in the areas of health, safety and the environment. Although the Quebec mining industry is doing a great deal in these areas, much still remains to be done.

[*English*]

CANADA POST

Hon. Ralph Ferguson (Lambton—Middlesex): Madam Speaker, this Conservative government is intent on closing down rural Canada. Canadians in rural Canada are being treated as second-class citizens by Canada Post and this government. We now see their secret agenda.

The village of Newbury, Ontario, like many other municipalities across Canada, has asked to be given the right to run its postal service as Canada Post is closing down the local post office.

Canada Post wants these communities to buy the postal buildings but will not allow them a priority bid to continue to provide quality postal service. Why? Because Canada Post is afraid that once the municipalities provide first-class postal service to rural Canadians rural Canadians will rightfully ask why Canada Post could not.

I call on this government to reverse this unfair policy and to provide all Canadians with equitable postal service. I ask the minister today to allow municipalities like Newbury the opportunity to provide postal services to their citizens as an option, rather than go the route of privatization.

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FORESTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, the United Nations is sponsoring an international convention on proper forest policies to be pursued by member countries by the fall of 1991.

The need to recognize forest practices that allow for proper harvesting and the preservation of unique areas must be developed. In Canada, this policy can be developed if we have some signed forest agreements in co-operation with the provinces so that we can obtain and have a truly sustainable forest industry.

I call on the Government of Canada to announce its intention to participate in the development of these policies and hold full public hearings so that we can have a truly sustainable forest industry.

INDIAN AFFAIRS

Mr. Bill Casey (Cumberland—Colchester): Madam Speaker, last week I was pleased and honoured to attend a ceremony transferring responsibility for family and children's services for native people in Nova Scotia from the province of Nova Scotia to the Micmac Family and Children's Services Organization.

This is the first time responsibility for family and children services has been turned over to native people in Canada and it is another important step toward self-determination. This is important because native adults will now be able to apply their standards and culture to family and children services. It is even more important to the children who see the adults managing the plan as role models and show at a very early age the responsibility for their futures is in the hands of native people.

I want to congratulate Joan Gloade, Chief Lawrence Paul, the staff of the regional office of Indian Affairs in Amherst and all others involved with this exciting step forward on the part of native people.

ORAL QUESTION PERIOD

[*English*]

MEECH LAKE ACCORD

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Deputy Prime Minister.

I understand that this morning Senator Murray, the Minister of State for Federal-Provincial Relations, and senior officials of the government met with leaders of the Manitoba Assembly of Chiefs in Winnipeg.

It is reported that Senator Murray and officials presented a new series of proposals to the aboriginal leaders with a view to breaking the impasse over the 1987 constitutional amendment which currently exists in the Manitoba Legislature.

Will the Deputy Prime Minister tell the House what exactly was contained in these proposals and what has been the response of the leaders of the Assembly of Manitoba Chiefs to these proposals?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Yes, Mr. Speaker, if I am provided a certain latitude in the House, I could outline specifically six points that were made in the meeting that took place this morning. With the consent of the House, I would be prepared to table the letter.

Essentially, the undertaking by the federal government was to ensure that a federal-aboriginal process, which set the agenda for First Ministers' conferences, would be established, and that the First Ministers' conference with respect to aboriginal affairs, which was alluded to in the document of June 9, would be accelerated.

The second commitment by the Government of Canada was to full constitutional recognition of the aboriginal peoples as a fundamental characteristic of Canada.

Third, there is an undertaking to have representatives of the aboriginal peoples participate in any future First Ministers' conference held to discuss the recognition clause, or the Canada clause, as it has become to be referred.

Fourth, the Prime Minister would invite aboriginal peoples to further future First Ministers' conference where matters involving aboriginal concerns are directly affected. They would be able to participate at those conferences.

Fifth, a joint definition of treaty rights would be established. Finally, the federal government proposed to establish a royal commission on native affairs which would be broad and comprehensive in dealing with the various issues affecting the aboriginal community.

My understanding is that following this meeting, the chiefs met to consider the proposals. I understand that they are holding a press conference right at this very moment. Our preliminary indication is that they are rejecting this as a move to break the log-jam and they will be expressing a view that they are not interested in pursuing these discussions further.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): In the light of this possible answer from the native leaders, I ask the Deputy Prime Minister what the government's next step will be, because it is a very serious situation, one that was created by the government, and the Canadian people are asking for a concrete response.

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, if I were the Leader of the Opposition, I would not be so quick to level blame.

There is a process going on. The undertaking that was agreed to and signed by the First Ministers of June 9 indicated they would use every possible effort to achieve the passage of the Meech Lake Accord by June 23, 1990. I should remind the hon. Leader of the Opposition that this is really a matter for the Manitoba Legislature to consider.

• (1420)

There is a procedural problem that is currently under way, and we hope that the Legislature of Manitoba will work towards the achievement of the undertaking that was signed by the premier of that province. I think all we can do is help and facilitate the Manitoba Legislature. That is precisely what we are doing.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, Canadians expect a more precise and meaningful response to the question as to exactly what the government intends to do if the concerns of the Assembly of Manitoba Chiefs cannot be met by the June 23 date. It is time for the government to become a lot clearer on how it intends to deal with this situation.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, any time an hon. member prefaces his or her question with the word "if", it becomes a bit of a hypothetical situation.

In fairness, given the delicacy of this particular issue, I think it would be most inopportune to speculate as to what might or might not happen. There is an undertaking agreed to by all First Ministers that they will use their best efforts in passing the Meech Lake Accord by the deadline. We can only assume that that commitment is still firm. We have every reason to believe that it is, and we have every reason and hope that that will be proceeded with.

[*Translation*]

EXTERNAL AFFAIRS

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, my question is directed to the Deputy Prime Minister. Following Nelson Mandela's historic visit to this House, I wish the government would tell us whether it intends to make a positive response to Mr. Mandela's request that economic sanctions against South Africa be maintained, and second, could the government explain why, despite its statements on economic sanctions, the level of Canada's trade relations with South Africa still remains very high?

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I believe it has already been made clear by the Prime Minister and the Secretary of State for External Affairs that the Government of Canada intends to continue with the present economic sanctions until such time as there is a clear indication that the apartheid system in South Africa has been done away with. I do not think there is any doubt about policy in that regard.

With respect to the question of trade with South Africa, it is minimal with the exception of some very necessary material that we import for use in certain of our Canadian industries. There certainly has been no increase in trade with South Africa.

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, I differ with the minister because, according to the data that we have, despite all the reassurances given by the government, trade seems to be moving up. Therefore, there is a discrepancy between what the government is saying and what is actually taking place.

As a supplementary question, I would like to ask the Deputy Prime Minister if he is ready to ask his government to reconsider its decision to refuse to give direct subsidies to the ANC.

The government has instead recommended the creation of a solidarity fund. Through the auspices of Senator Graham, we on this side will participate with others in Canada to raise funds to help the democratic effort that will take place in South Africa. More particularly, we should help the political aspirations of the ANC.

Is the government ready to match dollar for dollar contributions given to the ANC by Canadian citizens?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, one of the constant principles of our foreign policy is that we do not provide financial assistance to any political organization overseas. That is a principle that has been endorsed by all three Canadian political parties and approved on a number of occasions when there has been a parliamentary review of foreign policy. We cannot provide funding for the political work of the African National Congress.

We have provided humanitarian education assistance to ANC members through NGOs here in Canada and international organizations were active in encouraging a funding dialogue between the ANC and other groups in South Africa. We are prepared to provide constitutional advice and assistance to them and to assist as they head into crucial negotiations. We have encouraged private fund-raising initiatives organized by the Nelson Mandela Fund, which is also endorsed by the three political parties in Canada.

The principle, as I say, is clear and accepted up to now by all three political parties that we do not provide financial assistance to any political organization overseas.

* * *

MEECH LAKE ACCORD

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Deputy Prime Minister. The Deputy Prime Minister said earlier, in response to a question from the Leader of the Opposition, that there is a procedural problem in Manitoba.

I beg to differ, Mr. Speaker. I think there is a very long-standing problem of lack of respect and consideration for aboriginal issues in the country which has culminated in the problem we see now regarding Meech Lake.

The government has said in its Throne Speeches, and in fact last week the Prime Minister said: "—the first victims of 1981-82 were not Quebecers. They were aboriginal peoples—"

The government has spoken very well about aboriginal concerns but has taken very little action, except the action taken during the budget to cut back on funding for aboriginal communications.

Given the concerns of aboriginal people and the little attention that has been paid to them by successive governments, would the Deputy Prime Minister immediately commit to re-establish the programs that cut back the aboriginal programs in order to demonstrate some good faith to aboriginal people in the country?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, as minister responsible for the aboriginal constitutional process, I would draw the hon. member's attention to the fact that in the Meech Lake Accord, in the companion resolution, and in the proposals that the federal government has put forward just this week with respect to aboriginal leaders in Manitoba, the Government of Canada has taken the lead in trying to ensure that the underlying causes of difficulties faced by aboriginal people in Canada are addressed in a serious way through addressing the question of aboriginal self-government.

It is important for the hon. member to recognize that the failure of the Meech Lake Accord would deal a very serious blow to the aboriginal constitutional agenda. She should be supporting the ratification of the Meech Lake Accord and the companion resolution as the most significant key to the serious and long-term permanent resolution of aboriginal issues in the country.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is directed to the Deputy Prime Minister once again.

Can the Deputy Prime Minister explain to Canadians and to aboriginal people how cutting 100 per cent of core funding for aboriginal political organizations helps them participate in the constitutional process.

How does cutting 100 per cent of funding for aboriginal newspapers help them participate in the constitutional process? Will the Deputy Prime Minister commit to show good faith to aboriginal people to restore funding for aboriginal political organizations and for aboriginal communications?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, in the budgetary process all Canadians have been asked to participate and share in the challenge of reducing the deficit.

Some hon. Members: Oh, oh!

• (1430)

Ms. Campbell (Vancouver Centre): Don't do damage to your jaws over there, or your knees.

With respect to the aboriginal constitutional process, I have already made a commitment to aboriginal groups in this country to fund them in the process leading up to aboriginal constitutional negotiations. They have had that commitment from the Government of Canada already.

At a meeting last Thursday evening and at a previous one on May 28, that commitment was reconfirmed by myself and the minister responsible for federal-provincial relations.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, clearly the government does not want to show good faith to aboriginal people by restoring funding.

Some hon. Members: Hear, hear!

Ms. McLaughlin: I remind the government that 100 per cent of the core funding was cut for the Assembly of First Nations and 29 other Indian organizations, including the First Nations Confederacy of Manitoba.

My question for the Deputy Prime Minister is this. We know that there are only five days left until the June 23 deadline. In Manitoba, the legislation has not yet been introduced in the legislature, and there are 2,000 people on the waiting list who wish to appear at the public hearings.

The Prime Minister made it clear last Monday that he had a master plan. It was his master plan that created the events of the First Ministers' Conference.

Now that the master plan is unravelling and the Prime Minister is having to admit that he has to deal with those people who were treated unfairly in this process, can the Deputy Prime Minister tell us what this government's plan is for the Constitution?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I hope that the hon. member will have an opportunity to read the letter that the Prime Minister sent to Chief Fontaine, because I think it clearly outlines two things. First, there is our commitment and determination to deal with the problems of the aboriginal peoples.

Ms. McLaughlin: What about last year, the year before and the year before that?

Mr. Mazankowski: She asks what about last year. Included in here is our commitment and our follow through in negotiating an agreement in principle with the Dene–Métis on their comprehensive land claims, as well as with the Yukon Indians and the Nishga Tribal Council, comprehensive land claims with the Council of Yukon Indians, and negotiations that led to agreements in principle with the Inuit of the Northwest Territories on their comprehensive land claim.

There has not been this kind of progress made in the last 50 years.

Some Hon. Members: Hear, hear!

Mr. Mazankowski: The efforts of the Prime Minister and this government in terms of moving toward self-government saw many First Ministers' Conferences held. Without Quebec sitting at the table, it was very difficult to proceed. That commitment is restated again in this correspondence to Chief Fontaine.

I am sure that when the hon. leader of the New Democratic Party reads the letter she will agree that there has been tremendous progress made. There is progress being made today, and there is that commitment for the future.

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MONTREAL PORT CORPORATION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Minister of Transport. It concerns the administration of the port of Montreal.

Now that the government has had the weekend to look into the issue raised in the House on Friday, can the minister tell us by what strange, happy coincidence a Tory fund raiser and friend of the Prime Minister, Mr. Maurice Mayer, got the untendered contract for $225,000 to purchase properties for the port authority?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I am advised that port of Montreal expansion has been talked about for several years, that the board of directors narrowed it down to 11 sites, decided upon one and then decided to hire one agent to do the land assembly. My hon. friend will realize that you do not do land assemblies on the front page of the newspaper. You hire one person who is competent in the field to negotiate. Maurice Mayer was that one person competent to do it. He did it to the satisfaction of the board of directors which appointed him.

I would point out to my hon. friend that all transactions were within the range of the estimates of the Department of Public Works and that all Treasury Board guidelines were followed.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, what are friends for?

[*Translation*]

I have a supplementary for the Minister of Transport. Could the minister or his colleague, the Minister of Public Works, tell the House why Public Works employees were unable to do the work themselves? And is the government prepared to ask the Auditor General of Canada to investigate this matter?

[*English*]

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I will let my hon. friend in on a secret about assembling land. If you are a big owner you do not go out to try to do the purchasing. Anybody who has something to sell knows they are going to boost the price.

My hon. friend should check with some of his relatives. They know how to assemble land a lot better than he does—and she could tell him how to do it.

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BILL C-69

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, in the absence of the Minister of Finance I will address my question to the Minister of Justice.

The Minister of Finance and the Minister of Justice will have heard of the decision of the Court of Appeal of British Columbia which ruled that the Government of Canada has no authority for capping its obligations under the Canada Assistance Plan Act as proposed in Bill C-69.

Will the government now do the honourable thing and withdraw this bill from consideration in the other place?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Yes, Mr. Speaker, I have heard of the decision of the B.C. Court of Appeal. The Government of Canada will be appealing the decision of the B.C. Court of Appeal.

It is important to point out that Bill C–69 contains not only provisions to limit the federal contributions to the provinces under the Canada Assistance Plan, but that there are other important fiscal restraint measures, including the two–year freeze on federal payments under the Established Programs Financing, which are in the bill. That alone will account for federal savings of $900 million this year and $1.5 billion next year.

Although the government will seek the view of the Supreme Court of Canada in relation to the CAP measures, we will in the meantime respect the views of the B.C. Court of Appeal. But we will consider means to ensure that other provisions in Bill C–69 are enacted as expeditiously as possible.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, Justice Lambert in the Court of Appeal said: "Honest self–assessment by honest taxpayers is the basis of raising revenue in Canada. The foundation on which that type of taxation rests would be removed if Canadians could not trust their government to keep its agreements. I expect that the overwhelming majority of Canadians would say that this country must be as good as its word".

Why will this government not act the way honest taxpayers do, honour its obligations and withdraw this bill?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, with all respect, the Government of Canada differs from the decision made by the B.C. Court of Appeal. But we will respect the decision until such time as the Supreme Court of Canada can review it.

I have made it very clear that the Government of Canada has always observed declarations. The decision is only a declaration; it does not strike down legislation or anything that serious. We will honour the spirit of the judgment of the B.C. Court of Appeal pending our own appeal to the Supreme Court of Canada.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I would like to address a question to the Deputy Prime Minister regarding the Canada Assistance Plan.

If, as the Minister of Justice said, it is the intention of the government to respect the decision of the B.C. courts until such time as it is able to appeal, does that mean that this government believes that its commitment under the Canada Assistance Plan Act is not a binding commitment?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I do not think that this is the place to relitigate the case that has been heard at some length in front of the B.C. Court of Appeal.

The Government of Canada respectfully differs from the conclusions drawn by a majority of the B.C. Court of Appeal and believe that the issues are sufficiently important to be heard by the Supreme Court of Canada.

We have already indicated that we will respect the spirit of the judgment of the B.C. Court of Appeal while we seek a review by the Supreme Court of Canada.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I hope the minister is not trying to say that we cannot discuss this matter because it is going back before the courts.

• (1440)

I would like to ask the minister or whoever chooses to answer this question—and it seems no matter who we ask we get a different respondent—this. Did the government not seek a reference from the Supreme Court before proceeding with Bill C–69? What advice did the government get before proceeding, before throwing this whole country into confusion and turmoil over what is going to be put forward to the provinces under the Canada Assistance Plan?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, obviously the government considered the legal implications of its action and was of the view that what it was doing was appropriate.

I do not mean to get into a long legal discourse here, but some of her hon. friends and colleagues in law could advise her that some of the issues raised in the reference by British Columbia in the B.C. Court of Appeal are novel and different. This is the first time an application of the principle of legitimate expectations has been

heard with respect to government activity. With respect, we differ with the conclusions drawn by the B.C. Court of Appeal.

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GOODS AND SERVICES TAX

Mr. Douglas Young (Gloucester): Mr. Speaker, my question is for the Minister of State for Finance.

He will undoubtedly know that Air Canada employees have now joined thousands of other unionized workers across this country in protecting themselves against the goods and services tax.

Further, people are aware that the projections of the Minister of Finance that Canadian workers would lay down and not fight back against this attack on their disposable income has not worked.

Does the government now recognize that this government-fuelled inflation is going to continue to create havoc in the economy, with Governor Crow pursuing his high interest policies? Does it now recognize that that demand for wage and price moderation is not going to hold and that the goods and services tax should be withdrawn?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, the short answer is no.

The tentative agreement that was signed by Air Canada and its employees was nothing more than a COLA clause. COLA clauses have been negotiated for a number of years. There is nothing new in this.

Bob White is putting a new name on COLA clauses. He should be given an E for effort in public relations, but it is nothing new.

We still believe, and we have been backed up by three independent organizations, that the inflationary impact of the GST will be somewhere in the 1 per cent to 1.25 per cent range, a one-time increase in the cost of living. That has been admitted from the beginning by the government. It is nothing new.

No, we are not withdrawing it. We are proceeding with the goods and services tax because it means more jobs and more productivity for this country. It is important for Canada.

Mr. Douglas Young (Gloucester): Mr. Speaker, I have a supplementary question for the minister just for clarification because I think he has made a very important point. I want to make sure that Canadian workers understand exactly what the minister is saying.

Is the minister saying that the government understands that Canadian workers will have to go out and pursue these kinds of adjustments in their wage settlements to make sure that they can protect themselves against the inflationary impact of the goods and goods and services tax? Is that what the government is recommending?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, the government is recommending to all union and non-union employees to moderate their wage demands because increased wage demands are one of the factors forcing inflation up. That has been repeated many times in the House not only by the Minister of Finance and by myself but it has been repeated outside by many economists. The latest remarks were in the paper the other day. Economists stated that, yes, high wage demands do cause inflationary pressures, and that if we are going to wring inflation out of the economy we have to moderate our wage demands. This will ensure that we can wring that inflation out and get interest rates down on a permanent basis. That is the goal.

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REGIONAL DEVELOPMENT

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is directed to whoever is responding for the Minister of Employment and Immigration.

In January of this year the Minister of Employment and Immigration announced that two areas in my constituency had been designated Community Futures zones. Five months have passed since this announcement and the decision with respect to who will sit on the Community Futures committee has not been made.

Until these committees are established, the program cannot go forward. This has been happening across Atlantic Canada with other Community Futures committees in hard hit areas of Atlantic Canada.

Why has the minister failed to designate these committees so that jobs can be created in communities devastated by fish plant closures?

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): In the absence of the Minister of Employment and Immigration, Mr. Speaker, may I be permitted to answer? The minister is not here today for personal reasons.

The minister of course has always been very concerned with the development of Atlantic Canada. The best thing that members of the opposition could do with regard to the Community Futures Program or job training moneys for Atlantic Canada would be to suggest to their colleagues in the other place that they pass Bill C-21.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, the program was announced in January, at the beginning of the year. Surely the minister and her department had the resources then to finance the project. If they did not have the resources, why was the program announced?

There is a procedure available which is known to the government for resolving the impasse over Bill C-21. The government knows how to use it.

When will the government stop holding Atlantic Canadians hostage over Bill C-21 and live up to its promises?

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, if I were allowed I would put the question another way. When will the other place stop holding Atlantic Canada hostage and pass Bill C-21? This is the place where people are democratically elected, not the other place.

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MEECH LAKE ACCORD

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is for the Deputy Prime Minister.

In light of the comments of the Deputy Prime Minister about the offer made to the Assembly of Manitoba Chiefs apparently being turned down, will the Deputy Prime Minister inform the House what the government's plan is now?

There is a lot of concern in the country about the secrecy of the talks two weeks ago and about the process two weeks ago. In order to alleviate the concern that Canadians have about where this government is going with constitutional talks, will the Deputy Prime Minister tell the House what the plan is now that the Assembly of Chiefs in Manitoba has turned down the proposal?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I have not had the benefit of listening to the statements at the press conference made by Chief Fontaine or other spokesmen on behalf of the Assembly of Nations. Thus it would be very difficult to determine at this point in time whether in fact there is any hope for further discussions. Perhaps there is.

The Minister of State for Federal-Provincial Relations is there along with senior officials who are ready, willing and able to sit down to engage in discussions, as well as to engage in further discussions with the Government of Manitoba in trying to break the log-jam.

I am sure the hon. member realizes that this is a very sensitive and delicate stage in the proceedings. I acknowledge his co-operation and support throughout the whole process.

I can assure him and the hon. members of the House that as soon as anything further develops I will certainly be very pleased to take him into that confidence.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, in that regard, I wonder if the Deputy Prime Minister can make a commitment today that the Prime Minister will come to the House either later on today or tomorrow to make a full statement to the members of this House as to what the plan is in terms of the impasse we appear to be in right now.

I think it is very important that the Prime Minister is as open as possible during this delicate time in negotiations.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, as the hon. member knows, the Prime Minister is engaged with the visit of Mr. Mandela, and he will be with him most of the day.

I have attempted to be as forthcoming as I possibly can in my willingness to table the letter outlining all the conditions and the proposals that were put forth.

The Prime Minister has always sought the earliest possible opportunity to come before the House to explain the proceedings. I have no doubt that he will be prepared to do that as well.

I can give the hon. member the assurance that at the appropriate time the Prime Minister will come to the House and advise all hon. members as to the details of the discussions and what may be proposed for the future.

* * *

• (1450)

[*Translation*]

NATIONAL REVENUE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of National Revenue. The federal government has closed the Canadian Forces Base in Senneterre, and the mayor, Mr. Gérard Lafontaine, has asked the government to establish a regional administration centre on the premises, since the government will save Canadians $600,000 by locating these offices in Senneterre. The question is as follows: Is the minister or the government prepared to consider seriously this free offer by the town of Senneterre?

[*English*]

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, I have been advised by the Minister of National Revenue that he discussed this matter with the hon. member before.

On the minister's behalf I can inform the hon. member for Abitibi that the Department of National Revenue is continuing to review this matter, taking both the important representations of the hon. member and the mayor of Senneterre into consideration. He hopes to have an answer for him in the not too distant future.

ROUTE CANADA

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, last Friday the Minister of Transport said that the records of CN Route are with the trustee in bankruptcy. After Question Period I went to Toronto and visited with the trustee in bankruptcy. I am informed that not all the records that I had asked to be tabled are with the trustee in bankruptcy.

I am more convinced after spending at least three hours with the trustee that the 1,900 employees of CN Route never had a chance. They were doomed from the day the deal took place.

How could this government which had to sign and give its consent to every transaction concerning the sale of CN Route not look after the best interests of those employees?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, as has been read into the record on several occasions, including the two letters that I have tabled, the Route Canada situation was this. The company had been losing between $40 million and $50 million a year. You can only go on doing that for so long before you run out of money.

CN had a decision to make. It was either to shut down the company and terminate the jobs of all the employees or to sell it as a going concern to the Fingold brothers in an effort to help the employees maintain their jobs. That was the decision taken by the CN board of directors. I think it acted in all good faith on behalf of the employees who thus retained their jobs.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, we had some discussion in this House a short while ago about the bonuses paid to all of the CN executives. I wonder if those CN executives who were running this company at a $40 million and $50 million a year loss were paid bonuses for running the company so well.

The supplementary that I want to ask is this. How could the government allow the real estate and the equipment, the most valuable assets of CN Route, to be sheltered from bankruptcy so that the employees had no chance of ever gaining their severance pay, their vacation pay and their pension benefits?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, my hon. friend knows that the company mortgaged the assets in an effort to get some cash flow and pay for the business. That is one form of a shelter.

If my hon. friend knows where he can get $29 million without putting up that kind of security, I think there are a lot of people out there who would like to know where it is.

* * *

THE ENVIRONMENT

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have an article here from *The Leader Post* of Regina that states: "Former PC minister decries Rafferty work".

Why does the construction of the Rafferty–Alameda dam continue in spite of the fact that the licence to build that dam has been revoked by the courts? What is the federal government prepared to do to stop the construction until we have the results of the environmental impact assessment?

Hon. Robert de Cotret (President of the Treasury Board and Acting Minister of the Environment): Mr. Speaker, as the hon. member well knows, we have a panel that is conducting the review. We have made our position very clear to consider only construction for safety reasons. We are talking with all those who are involved in the project to ensure that any construction being done at the moment is related to safety measures. We are awaiting the panel report.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my supplementary question is for the same minister.

Is there not a great danger that the work begun is so advanced that the provincial government will ignore the results of the federal environmental assessment? In that case, what will the federal government do to ensure that its recommendations are respected and what will it do if they do not take these recommendations into account?

Hon. Robert de Cotret (President of the Treasury Board and Acting Minister of the Environment): Mr. Speaker, the environmental review process is well under way. This process is continuing and we await the report. It has been clearly indicated that the only work that was to be done is safety-related.

I think that my hon. colleague will understand that in such a project, some work related to safety must still be done and completed.

So we are maintaining our positions, we are waiting for the report and then I will be able to answer my colleague and let him know what action the federal government intends to take.

* * *

[*English*]

SALMON RIVER BRIDGE

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, I have another question for the Minister of Transport about the Salmon River Bridge.

For the past one and a half years the county of Colchester, the province of Nova Scotia and yours truly have been trying to convince CN to replace a badly deteriorated and dangerous bridge near Truro, Nova Scotia.

During that time we have seen CN disregard direct NTA orders, juggle numbers to reduce its portion of the reconstruction costs, stall and delay, and not meet its commitments and obligations with respect to this bridge.

Will the Minister of Transport step in and apply the necessary pressure to get on with this bridge and bring this four-year old soap opera to an end?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, independent of my hon. friend's inquiry today, I have already asked CN officials to honour the obligations that it is under as quickly as possible in order that this particular bridge may be repaired as soon as possible.

* * *

GOODS AND SERVICES TAX

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I would like to direct my question to the Deputy Prime Minister in the absence of the Minister of Finance.

I hope the minister is aware that the co-operative sector, representing 12 million co-op members in this country, has been informed that co-op members face paying the GST on their share capital. As the minister knows, the share capital of other businesses will not be

subject to the GST. This places co-operative businesses at a serious competitive disadvantage.

Has the minister considered the serious implications of such an unfair and discriminatory practice? If he has, what does he intend to do about it?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, I am pleased to inform the House that officials from the Ministry of Finance met with the co-op organization on June 6, I believe.

At that time we listened to their representations and asked them to put their concerns in writing. They agreed to do so. We have not received those as yet.

I can assure the hon. member that when we receive them they will be studied very carefully. We will co-operate—if I can use that word—with the co-ops in trying to solve any concerns they may have with the goods and services tax.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I would like to direct my supplementary question to the Minister of Agriculture.

The Minister of Agriculture must know that co-operative businesses are a very important factor in the rural areas of this country which are particularly hard hit in these economic times.

Will the minister guarantee today that co-operative share capital will not be treated the same as memberships in a golf and country club? In other words, will the minister guarantee that the GST will not apply to co-op membership and co-op shares?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, not only is the co-op movement very important to the agricultural industry, but the GST is very important to the agricultural industry. I hope the hon. member will get on the bandwagon and start supporting it because it means a savings of a quarter of a billion dollars in farmers' pockets on an annual basis. Why does he not stand up for farmers for a change?

CANADA POST

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I have a question for the minister responsible for Canada Post.

Tenders are now being called to contract out postal service to 681 homes in the Renfrew—Dacre areas. This enlarged rural route is almost 400 kilometres long and is the result of the consolidation of five present rural routes. Considering the distance to be travelled and the number of customers, this arrangement is just plain silly.

• (1500)

What does Canada Post expect the mail contractor to do: use a CF-18 jet fighter to ensure that all the mail is delivered on the same day? Is Canada Post really committed to providing good service to rural communities? Or, is it simply going to continue to jerk people around?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, Canada Post is managing its operations in a way to ensure that the service continues to improve as it has, to ensure that stamp prices rise less than inflation, which they have, as well as to return to the taxpayers of Canada a dividend on their operations which I will announce shortly.

The reality is that the kind of political interference the hon. member is talking about was the way it used to be under the Liberal administration. In those days Canada Post received a subsidy from the taxpayers of up to $500 million a year. It is now providing those same taxpayers with a dividend because we let it manage.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, Canadian people are well aware of the kind of political interference that this government has afoot for rural mail carriers in this country.

Canada Post has said that over 5,000 rural post offices are scheduled for closure across Canada. Groups such as the Canadian Federation of Municipalities and others concerned with postal service in Canada have strongly advised against taking this course of action.

This being the case, why is the government insistent on paying no attention at all to Canadians who are affected by the policy imposed from on high by the ministry of this government and Canada Post?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, Canada Post is going from 12,000 to 18,000 outlets. It is not closing down. It is reorganizing its delivery system to improve service.

Service has been improving. Post change surveys of people affected by these changes have indicated their approval. Perhaps the people in the hon. member's constituency or the drivers who feel they cannot make that distance every day need not apply for the right to do that route, but there are people who will apply.

The service will continue to improve. We will not follow the hon. member's suggestion to butt our noses into the management of Canada Post.

* * *

POINTS OF ORDER

BIRTHDAY GREETINGS—HON. STANLEY KNOWLES

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I rise on a point of order today to wish a very happy eighty-second birthday to Stanley Knowles who was elected 48 years ago and who has sat as a permanent officer of this House for over 5 years.

On behalf of my party and I am sure on behalf of all hon. members, I would like to wish Mr. Knowles many more happy returns.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, on behalf of the government and the Progressive Conservative Party I would join with the Leader of the New Democratic Party in extending our sincere best wishes and congratulations to the Hon. Stanley Knowles.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, on behalf of my party I want to join in the birthday wishes extended to the Hon. Stanley Knowles.

He has been a luminary of this House for many years. We are very pleased that he continues his service to this House and to Canada as an honorary clerk at the table. We wish him many more happy birthdays in his seat as honorary clerk.

Some Hon. Members: Hear, hear.

Routine Proceedings

TABLING OF DOCUMENT

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, with the unanimous consent of all members I would be pleased to table, in both official languages, the letter that the Prime Minister sent to Mr. Phil Fontaine, the Assembly of Manitoba Chiefs, which outlines many of the proposals that I quoted from in answer to questions advanced to me earlier this day.

Mr. Speaker: Is that agreed?

Some Hon. Members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

CANADA POST CORPORATION

TABLING OF CORPORATE PLAN, CAPITAL BUDGET AND ANNUAL REPORT

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, under the provisions of Standing Order 32 and according to Section 125 of the Financial Administration Act, I would like to table two copies of the summary of Canada Post Corporations 1990–91 to 1994–95 corporate plan, the 1990–91 capital budget, as well as two copies of the 1989–90 annual report.

* * *

[*Translation*]

ACCESS TO INFORMATION ACT AND PRIVACY ACT

TABLING OF SECOND REPORT

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, pursuant to Standing Order 32(2), it is my pleasure to table, in both official languages, the second comprehensive annual report on the Access to Information Act and the Privacy Act.

* * *

[*English*]

NATIONAL DEFENCE

TABLING OF REPORT OF COMPTROLLER GENERAL

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, I would like to table, under Standing Order 32(2), the report submitted to me by the Comptroller General regarding accounting for adminis-

trative flight service provided by the Department of National Defence. The report is being tabled in both official languages.

* * *

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both officials languages, the government's response to 107 petitions.

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

* * *

COMMITTEES OF THE HOUSE

HUMAN RIGHTS AND THE STATUS OF DISABLED PERSONS—SECOND REPORT OF STANDING COMMITTEE

Mr. Bruce Halliday (Oxford): Mr. Speaker, I have the privilege to present reports from two standing committees today.

The first is from the Standing Committee on Human Rights and The Status of Disabled Persons. Our second report is in both official languages and is entitled *A Consensus for Action, the Economic Integration of Disabled Persons.* This will be followed by a further study in more detailed fashion in the future.

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

HEALTH AND WELFARE, SOCIAL AFFAIRS, SENIORS AND STATUS OF WOMEN—FIRST REPORT OF STANDING COMMITTEE

Mr. Bruce Halliday (Oxford): Mr. Speaker, on behalf of the hon. member for Medicine Hat, chairman of the Standing Committee on Health and Welfare, Social Affairs, Seniors and Status of Women, I have the pleasure to present its first report regarding a study on the national health care system in Canada.

EXTERNAL AFFAIRS AND INTERNATIONAL TRADE—FOURTH AND FIFTH REPORTS OF STANDING COMMITTEE

Hon. John Bosley (Don Valley West): Mr. Speaker, I have the honour to present the fourth report of the Standing Committee on External Affairs and International Trade entitled *Report of the Committee on its Visit to the Soviet Union and the Germanies from April 20 to May 5, 1990.*

[*Translation*]

I also have the honour, Mr. Speaker, to present the fifth report of the Standing Committee on External Affairs and International Trade entitled, "The Future of the World and Canada's Interest in Third World Indebtedness".

HUMAN RIGHTS AND STATUS OF DISABLED PERSONS—TABLING OF THIRD REPORT OF STANDING COMMITTEE

Mr. Maurice Tremblay (Lotbinière): Mr. Speaker, I have the honour to table, in both official languages, the third report of the Standing Committee on Human Rights and the Status of Disabled Persons, which is also the third report of the Sub-Committee on International Human Rights which reviewed Canada's policy regarding human rights vis-à-vis international financial institutions, international trade including military equipment exports.

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

[*English*]

CONSUMER AND CORPORATE AFFAIRS AND GOVERNMENT OPERATIONS—THIRD REPORT OF STANDING COMMITTEE

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I have the honour to present the third report of the House of Commons Standing Committee on Consumer and Corporate Affairs and Government Operations entitled *Living with the GST.*

This is an examination of the effects of the GST on consumer prices and the appropriateness of the government's response.

The committee found that an informed consumer is the best protection against market-place abuse. This report addresses several means that the government might take to inform consumers.

Pursuant to Standing Order 109 of the House of Commons, the committee requests the government table a comprehensive response to this report.

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

* * *

• (1510)

[*Translation*]

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

MEASURE TO ENACT

Hon. Robert de Cotret (President of the Treasury Board) moved for leave to introduce Bill C–78, an Act to establish a federal environmental assessment process.

Mr. Speaker: Shall the minister have leave to introduce the bill?

Some Hon. Members: Agreed.

Hon. Robert de Cotret (President of the Treasury Board) moved that the bill now be read the first time and ordered to be printed.

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

Some Hon. Members: Agreed.

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

Mr. Speaker: When shall the bill be read the second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

[*English*]

LOBBYISTS REGISTRATION ACT

MEASURE TO AMEND

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso) moved for leave to introduce Bill C–319, an act to amend the Lobbyists Registration Act (financial statement).

Mr. Speaker: Shall the hon. member have leave to introduce the bill?

Some Hon. Members: Agreed.

Mr. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I am pleased today to introduce an act to amend the Lobbyist Registration Act.

The purpose of this bill is to strengthen the regulatory regime for lobbying at the federal level. This bill would require that Tier I lobbyists submit to the registrar each year in addition to their name, address, employer, and subject matter a detailed audited financial statement, including fees, expenditures, and related particulars.

I hope all members of the House will support this bill which will provide a real discipline to the activities of a very powerful group of actors who since this government has been elected has acquired great influence with little public accountability.

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

* * *

UNEMPLOYMENT INSURANCE ACT

MEASURE TO AMEND

Hon. Warren Allmand (Notre–Dame–de–Grâce) moved that Bill S–17, an act to amend the Unemployment Insurance Act, be now read a first time.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

The House divided on the motion, which was negatived on the following division:

(*Division No. 287*)

YEAS

Members

Allmand	Althouse
Anawak	Angus
Assad	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)	Baker

Bélair
Benjamin
Blackburn (Brant)
Butland
Comuzzi
Dionne
Ferguson
Fontana
Gaffney
Gauthier
Harvard
Hovdebo
Kristiansen
LeBlanc (Cape Breton Highlands—Canso)
MacLellan
Manley
Mifflin
Mitchell
Parker
Rideout
Robichaud
Simmons
Stupich
Walker
Young (Gloucester)
Bellemare
Black
Boudria
Clancy
de Jong
Duhamel
Fisher
Funk
Gardiner
Grey (Beaver River)
Hopkins
Jordan
Langan (Mission—Coquitlam)
Lee
MacWilliam
McLaughlin
Milliken
Ouellet
Prud'homme
Riis
Robinson
Stewart
Taylor
Wood
Young (Beaches—Woodbine)—58

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blais
Bosley
Boyer
Campbell (Vancouver Centre)
Casey
Clifford
Collins
Corbeil
Couture
Danis
DeBlois
Dick
Domm
Edwards
Ferland
Fretz
Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Horner
Hudon
Joncas
Koury
Larrivée
Lewis
Loiselle
MacDonald (Rosedale)
Malone
Mazankowski
McKnight
Nowlan
Plourde
Pronovost
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Tremblay (Rosemont)
Tremblay (Lotbinière)
Andre
Beatty
Bertrand
Bjornson
Blenkarn
Bouchard (Roberval)
Browes
Cardiff
Champagne (Champlain)
Cole
Cooper
Côté
Crosbie (St. John's West)
Darling
Desjardins
Dobbie
Dorin
Fee
Fontaine
Friesen
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horning
Hughes
Kempling
Landry
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Martin (Lincoln)
McCreath
Monteith
Oberle
Porter
Redway
Ricard
Robitaille
Schneider
Shields
Sparrow
Tardif
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vincent
Wenman
Wilbee
Assiniboia)
Worthy—108
Vien
Weiner
White
Wilson (Swift Current—Maple Creek—
Winegard

• (1550)

Madam Deputy Speaker: I declare the motion lost.

[*Translation*]

M. Bob Kilger (Stormont—Dundas): Madam Speaker, on a point of order.

Madam Deputy Speaker: The hon. member for Stormont—Dundas (Mr. Kilger), on a point of order.

Mr. Kilger: Madam Speaker, I was late, and I simply wanted to inform you that if I had been in my place, I would have voted with my party in favour of the bill.

* * *

[*English*]

PETITIONS

ABORTION

Hon. David MacDonald (Rosedale): Madam Speaker, I am pleased to present this petition signed by over 1,300 people calling upon Parliament to recognize that abortion is a medical decision to be made by a woman in consultation with her physician and does not belong in criminal law, and to ensure good access to this health service in every province.

GOODS AND SERVICES TAX

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I have the privilege to rise and present a petition from 90 of my constituents in Gambo, New Chelsea and Trinity Bay. These people are very upset with the goods and services tax. They are worried about the 31 taxes that have been imposed in the last six years and they are concerned about what this 7 per cent tax is going to do to them. They are also worried about the burden on small business and they are worried, with unemployment and the fisheries the way they are, that this is another nail in their economic coffin.

Your petitioners humbly pray and call upon Parliament to reject the proposed goods and services tax.

VETERANS' BENEFITS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, I have the honour to table a petition from members and friends of Branch 8 of the Royal Canadian Legion in Sydney Mines and the Army, Navy

and Air Force Club in Bras d'Or. There are approximately 150 signatures on this petition.

In part it states that the Government of Canada has introduced changes that will reduce homekeeping services to veterans and substantially increase the cost of long-term care. Whereas the veterans have already given service to this country and should not be targeted by those measures, the petitioners call upon Parliament to reject those budget measures which deprive veterans of proper services and increase their financial hardships.

The Minister of Veterans Affairs has made some movement away from this very draconian position, but he has not gone far enough. The petitioners believe this is grossly unfair to the country.

Madam Deputy Speaker: The hon. member was getting into debate and not reading a petition.

[*Translation*]

GOODS AND SERVICES TAX

Hon. André Ouellet (Papineau—Saint-Michel): Madam Speaker, I am pleased to table a petition today on behalf of many Canadian voters who are opposed to the goods and services tax. In spite of the government's explanations, these people find this tax unfair, unacceptable and especially bad for seniors.

[*English*]

VETERANS' BENEFITS

Mr. Jim Jordan (Leeds—Grenville): Madam Speaker, I am pleased to present petitions from Legionnaires, both men and women, in my riding in the areas of Kemptville, Brockville, Gananoque, Prescott, Cardinal, Spencerville, Lyndhurst, Westport and other communities, all objecting to the cuts the government has proposed to veteran's services, particularly to housekeeping costs for veterans and additional charges for long-term care.

Mr. Les Benjamin (Regina—Lumsden): Madam Speaker, I have a petition regarding the cut-backs in veterans' benefits. There are some 1,042 names on three petitions from Cloverdale, White Rock, Surrey and other places and Legion branches in the Fraser Valley. I also have two petitions from the city of Yorkton, Saskatchewan, which includes the signature of the hon. member for that riding. In addition I have almost 1,000 signatures from people in the city of Ottawa and district.

The petitioners humbly pray and call upon Parliament to maintain the current level of services provided to veterans through Veterans' Independence Programs and to ensure that there is no increase in charges to veterans for board and lodging in institutions of long-term care.

Madam Speaker, the one thing you do not do is cut back on veterans.

UNEMPLOYMENT INSURANCE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I want to table a petition today pursuant to Standing Order 36. This petition follows closely a vote by this government when it refused to recognize the importance of unemployment insurance to eastern Canadians and, in particular, turns down the variable entrance requirements that were proposed in that bill. We regret the position of the government. These people petition the House of Commons and Parliament that whereas the unemployment insurance system is vital to the well-being of Canadians in providing temporary income protection to unemployed Canadian workers; whereas the Government of Canada is proposing to drastically cut unemployment insurance benefits by making it more difficult to qualify and reducing the number of weeks covered; whereas the Government of Canada is withdrawing its contribution of $2.9 billion to the unemployment insurance fund and leaving the financing to workers and employers, these people reject these cuts to the unemployment insurance system and propose more meaningful reforms that should concentrate on labour force development strategy combined with a full employment policy and effective regional development policies.

• (1600)

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, like my colleague, the hon. member for Ottawa—Vanier, I am pleased to present a petition signed by numerous residents of Newfoundland who oppose the government's proposals to cut the Unemployment Insurance Act. The unemployment insurance scheme was adopted by past Liberal governments and, I may say, Madam Speaker, I am sure these petitioners would be horrified to witness the vote we have just been through in which this heartless government rejected the Senate's

efforts to rectify a disastrous situation for them as the petition itself says—

Madam Deputy Speaker: The hon. member knows better. Does he want to conclude?

Mr. Milliken: As I was saying, Madam Speaker, the petition urges Parliament to reject the cuts to the unemployment insurance program, and the petitioners are obviously supporting the Senate's amendments to Bill C-21.

GOODS AND SERVICES TAX

Mr. Svend J. Robinson (Burnaby—Kingsway): Madam Speaker, I have the honour to rise and present a petition signed by hundreds of residents of British Columbia and, in particular, residents of my constituency of Burnaby—Kingsway, who continue to express their anger at the government's proposal to push ahead with the proposed goods and services tax.

They point out that the government has not addressed the unfair taxation system currently in place which permits wealthy individuals and corporations to pay little or no federal tax while forcing lower and middle income taxpayers to bear more of the national tax burden.

Therefore, Madam Speaker, the petitioners call upon Parliament to reject the current proposal for a goods and services tax and to cause the government to cease with a proposal which will shift the tax burden on to ordinary Canadians through a regressive consumption tax instead of through real tax reform. Obviously, in calling upon Parliament, they are calling upon the Senate to kill the goods and services tax.

Ms. Mary Clancy (Halifax): Madam Speaker, I have the honour to rise pursuant to Standing Order 36 to present a petition signed by hundreds of Canadians in the riding of Hamilton Mountain. This petition is against the goods and services tax.

The petitioners strongly oppose the goods and services tax and feel it is an unprecedented tax grab from the pockets of Canadians that will hit them not only with higher taxes but with higher inflation, higher interest rates and higher unemployment.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I have the honour to present three different petitions. The first one is a petition in Chinese and English. It is from many persons from the Chinatown area of Vancouver East, both store owners and some of their customers.

The petition states that the 7 per cent goods and services tax will hurt small businesses; costs will go up, incomes will go down and it will be an accounting nightmare. The tax will hurt consumers as the prices of thousands of items and services go up.

Therefore, the undersigned petitioners call upon Parliament and the Government of Canada to withdraw the goods and services tax.

Madam Speaker, I have a second petition which is much longer, and I will summarize.

The petitioners ask that Parliament reject, and this includes the other place, the current proposal for a goods and services tax, reform the tax system so that there is an effective minimum tax on wealthy individuals and corporations, and ensure that if and when there is a broad public consensus on a sales tax measure, that this reform not be an opportunity for the government to impose a massive tax grab and causes the government to cease with—

Madam Deputy Speaker: I thought the hon. member said she would summarize the petition.

Ms. Mitchell: Madam Speaker, that was only half of it. The final petition that I have is on a different subject.

FISHERIES

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, the final petition calls on the government to use every means possible to stop the use of pelagic driftnets in the north Pacific Ocean, including the institution of economic sanctions against the offending countries and the placing of prohibitive tariffs and duties on imports to Canada from those countries. There are quite a number of people, again from Vancouver East and the Vancouver district, who have signed this petition.

GOODS AND SERVICES TAX

Mr. Vic Althouse (Mackenzie): Madam Speaker, I have two petitions dealing with the goods and services tax, each in a different form but each have been approved under Standing Order 36.

One calls on the government to abandon the goods and services tax and to review the manufacturers' sales tax and ensure that there is real tax reform of the tax

system to provide a healthy climate for small business in Canada.

The other takes the point of view of all taxpayers and all consumers and makes similar requests to the government to abandon the goods and services tax because it is a regressive form of tax and calls on the government to set up a commission to make certain that we have real tax reform.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, I have the pleasure to rise under Standing Order 36 to present a petition on the goods and services tax. These constituents express concern about the tax. They are petitioning Parliament to see that the tax is removed, and that of course includes the Senate where they fear that the Liberals will just pass the GST anyway.

UNEMPLOYMENT INSURANCE

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Madam Speaker, pursuant to Standing Order 36 I am pleased to present a petition on behalf of my friend from Bonavista—Trinity—Conception who happens to be the only retired admiral on this side of the House. His constituents humbly pray that the restrictions placed on unemployment insurance be withdrawn by the government.

[*Translation*]

GOODS AND SERVICES TAX

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, I have in my hand a petition signed by many Canadians, pursuant to Standing Order 36.

I shall try to summarize the petition very briefly in French. These people are against the over 31 tax increases of various kinds. The manufacturers' tax has gone from 9 per cent to 13.5 per cent. They think that the new 7 per cent GST which is now proposed will be a hidden tax. It will have a serious negative impact on buyers and will strike a heavy blow to small businesses.

Madam Speaker, I am pleased to present this petition.

UNEMPLOYMENT INSURANCE

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I am pleased to present these petitions in accordance with the Standing Orders.

[*English*]

The first petition rejects the $2.9 billion cut to the unemployment insurance, and asks for meaningful reform for a labour force development strategy that is comprehensive and for a full employment policy.

GOODS AND SERVICES TAX

Mr. Ronald J. Duhamel (St. Boniface): I also have a petition condemning this nefarious goods and services tax, the thirty-second Tory tax increase.

VETERANS AFFAIRS

Mr. Ronald J. Duhamel (St. Boniface): I have another petition which condemns the brutal and insensitive cuts to our veterans.

AIR INDIA

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, I am pleased to rise to present to the House 38 separate petitions containing some 2,500 signatures gathered through the good offices of the hon. member for York South—Weston.

The petitioners note that June 23 next will be the fifth anniversary of the tragedy of Air India flight 182 in which 329 people were killed. While recognizing that the investigation is continuing, the relatives of the victims and all Canadians have not yet been told of all the facts and causes of the tragedy. The petitioners call upon the Government of Canada to institute a royal commission of inquiry to make these facts known and put in place the final chapter of this most sorrowful event in Canadian history.

• (1610)

COMMUNICATIONS

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is my honour to present a petition of many pages signed by hundreds of petitioners in Dawson City, Whitehorse, Sioux Lookout, Dryden, Kamloops and Prince George which reminds the House that the government has eliminated funding for the native communications program which eliminates 11 aboriginal newspapers, two magazines and the National Aboriginal Communications Society. It also eliminated radio maintenance funding for native community radio stations, as well as a life-saving high frequency radio used by aboriginal trappers as a lifeline to local communities. It also reduced funding for the Northern Native Broadcast Access Program.

The petitioners point out all the cuts or reductions in support for aboriginal programs and call on Parliament to consider the advisability of reinstating both the Native Communications Program and the Northern Native Broadcast Access Program at full funding levels.

Further, they humbly pray that the Department of Secretary of State conduct consultations with the groups funded under the said programs in order to devise plans for the future that will serve the needs of the department as well as aboriginal peoples and their media programs.

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Madam Speaker, on another matter, it is my honour again to present a petition on behalf of a number of constituents in Kamloops, British Columbia, who are opposed to the government's goods and services tax.

They point out that it is a very regressive tax. It is an unfair and cruel tax. They ask the government to drop the tax as soon as possible and begin real fair tax reform.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, Question No. 278 will be answered today.

Madam Deputy Speaker: The question enumerated by the parliamentary secretary has been answered.

[*Text*]

INFESTATION OF ZEBRA MUSSELS IN THE GREAT LAKES SYSTEM

Question No. 278—**Mr. Comuzzi:**

For the fiscal year 1990–91, were government funds allocated through the Department of (a) Transport (b) Environment (c) Fisheries and Oceans (d) Agriculture to address the infestation of zebra mussels in the Great Lakes System and, if so, in terms of (i) dollars (ii) person–years (iii) percentage of total for research (iv) percentage of total for prevention of further spread (v) percentage of total for cleanup, what total amounts?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): I have been informed as follows:

(a) None for the Department of Transport.

(b) (i) The Department of the Environment has earmarked $100,000 for fiscal year 1990–91 from the Great Lakes Action Plan to supplement the biological impact studies of Fisheries and Oceans.

(ii) No person–years have been allocated.

(iii) $100,000 (100 per cent) is slated for research.

(iv) Percentage of total for prevention of further introductions of exotic species 0 percent.

(v) The Great Lakes Action Plan will consider zebra mussel control proposals eligible for support from the Great Lakes Clean–up Fund.

(c) (i) Total expenditures of the Department of Fisheries and Oceans on zebra mussels including salaries, operations and incidental expenses for 1990–91 fiscal year is $230,000. This includes $100,000 from Great Lakes Action Plan transferred from DOE (see Part b (i)) and $20,000 salary dollars DFO, P&FF (Pacific & Freshwater Fisheries) Headquarters.

(ii) Total person–years 1.75 (1.55 Science, 0.2 P&FF Headquarters).

(iii) Percentage of total for research 91 percent (administration 9 percent).

(iv) Percentage of total for prevention of further spread 0 percent.

(v) Percentage of total for cleanup 0 percent.

(d) None for the Department of Agriculture.

* * *

[*English*]

STARRED QUESTIONS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, would you be so kind as to call Starred Question No. 274.

Due to the length of this response, I ask that it be made an Order for Return. This return would be tabled immediately.

Madam Deputy Speaker: Is it the pleasure of the House that Question No. 274 be deemed to have been made an Order for Return?

Some Hon. Members: Agreed.

[*Text*]

GOVERNMENT TRAVEL

Question No. 274—**Mr. Fulton:**

1. For each fiscal year from 1984 to the present (a) what was the total number of airline flights taken inside and outside Canada by all government representatives and employees (b) what was the total for each department and agency and for the House of Commons (c) what was the cost for all tickets (d) what was the (i) total number of "bonus points" accumulated through such flights (ii) policy on use of these points by individuals or departments (e) what is the total flight distance that such "bonus points" would provide if they were pooled for re-use on government, rather that private, business?

2. For each fiscal year from 1984 to the present (a) what was the (i) total amount spent on bus and train travel inside and outside Canada (ii) total of such expenses for each department and agency (b) what was the total (i) number of "cab chits" provided to departments and agencies (ii) cost of these cab fares for each department (c) what was the total cost of (i) accommodation and meals (ii) per diems for each department and agency?

Return tabled.

[*English*]

Mr. Cooper: Madam Speaker, I ask that all remaining questions be allowed to stand.

Madam Deputy Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

INCOME TAX ACT

MEASURE TO AMEND—CONSIDERATION OF AMENDMENTS MADE BY THE SENATE

The House proceeded to consideration of amendments made by the Senate to Bill C-28, An Act to amend the Income Tax Act, the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, the Old Age Security Act, the Public Utilities Income Tax Transfer Act, the War Veterans Allowance Act and a related Act.

Hon. Gilles Loiselle (Minister of State (Finance)): Madam Speaker, today, when tabling their petitions, a number of my colleagues opposite embraced the position of the Senate. I have nothing against the Senate, a Chamber which no doubt has its purpose in life, but I hope that in future we will be able to improve on that purpose. Meanwhile, the Senate remains a non-elected chamber, and it was very surprising that, in our own democratically elected House of Commons, we should see colleagues turning to the Senate to try and amend decisions made in accordance with rules that have been in effect in this country for more than a century.

[*English*]

Madam Speaker, today I would like to raise two major issues with the actions of the Senate in returning Bill C-28 to this House. First, I would like to discuss the role of the Senate in proposing amendments to income tax bills. Second, I would like to take this opportunity to comment on the amendments themselves.

[*Translation*]

Madam Speaker, I would like to comment briefly on the role of the Senate in proposing amendments to income tax bills.

Section 53 of the Constitution Act, 1867, one of our fundamental laws, provides that bills to raise taxes must originate in the House of Commons.

Madam Speaker, I think I can say this rule is well founded. Tax legislation is one of the government's basic instruments for regulating the economy and financing its operations. What we have here is a basic tool the government can use to regulate the economy and finance its operations, on which all successive governments have been dependent. Therefore, the government's prerogative to determine the content of tax bills, based on its majority in the House of Commons, reflects the clear mandate the government received by being democratically elected.

Consequently, Madam Speaker, any attempt to amend the provisions of a tax bill passed by this House with a view to reducing the amounts the government expects to collect under those provisions, any attempt by the Senate

to amend those provisions will weaken and undermine the scope of that mandate.

In his ruling of May 31, 1990—a very recent ruling—on the amendment concerning indexation, the Speaker of the Senate, your colleague, Madam Speaker, says in fact that the Senate may amend a tax bill as long as the amendment does not increase the amount or the scope of a charge.

Nevertheless, I maintain that even if the Senate has the power to propose amendments to tax bills, it would be more in keeping with the spirit of sections 53 and 54 of the Constitution Act, 1867, our basic statute, if the Senate refrained from exercising that power. The Senate may draw attention to aspects it feels could be improved—in that case the government has the option of either ignoring or acting upon the recommendations by tabling amending legislation—but the fact that it should demand the power to make its own amendments constitutes a serious transgression of the government's financial prerogatives.

[*English*]

Turning now to the substance of the amendments proposed by the Senate, Bill C-28 implements the changes to the Income Tax Act announced in the April 1989 budget by the Minister of Finance. The major goal of that budget was to reduce the deficit. Accordingly the measures in this bill must be viewed in the context of that goal and the fact that in introducing the budget the Minister of Finance emphasized the need to bring Canada's large and growing debt under control. This is the environment in which this bill was introduced. Bill C-28 is indeed a major contributor in this regard.

I would like to stress that controlling the growth of the debt is not some abstract crusade that has no real meaning for ordinary Canadians. Rather, it is essential if we as a nation are to be able to maintain social programs, achieve lasting economic growth, create jobs, and remain internationally competitive.

Let me remind hon. members of the serious problem our large and growing public debt represents. Only 20 years ago there was no deficit. Only 12 cents of every dollar in taxes went on interest payments. The total accumulated public debt was $18 billion. By the time this government came to power in 1984 this debt had risen to $200 billion. The annual deficit was $38 billion, and 32 cents of every dollar of taxpayers' money went to pay interest on the debt. We could not start to pay back the debt because we had a current account deficit as well; that is to pay our current accounts we needed to borrow an additional $16 billion.

• (1620)

It has taken us some years and we have achieved our objective of turning around by $25 billion the spending of the government, and now we have a surplus in the current account that we can apply to the debt.

Mr. Milliken: That is rubbish.

Mr. Loiselle: You don't like facts. There is a $25 billion turnaround from a current account deficit of $16 billion. Of course the hon. gentleman does not understand these things. That is why his party put us in the position we are in today.

When we came to power the current account deficit apart from the debt was $16 billion. We could not start paying back the debt. We had to make up this deficit. We now have a surplus of $10 billion, and now we can start repaying and catching up. We can see the light at the end of the tunnel.

[*Translation*]

Obviously, Madam Speaker, the deficit situation could not endure. Having decided to put an end to it, the government was forced to make difficult decisions concerning expenditures and taxes. Some programs have been cancelled. Waste and inefficiency have been curtailed. Tax loopholes—a considerable number of loopholes indeed—have been eliminated.

These measures enabled us to make a sizable dent in the deficit, but it is not enough. Bill C-28 is a major lever of our deficit-reducing efforts, implementing as it does a number of changes to tax regulations governing individuals and corporations. However, public attention has been focused sharply on the recovery of social transfer payments, specifically family allowances and old age benefits.

I want to indicate that this measure is fully consistent with the role of the personal income tax system with respect to ensuring that government assistance be properly allocated. Family allowances and old age benefits are already taxable, and their recovery does nothing more than extend current practices.

Madam Speaker, the Senate made two recommendations with which I should like to deal briefly. The senators suggest that the income threshold be fully indexed to the cost of living, and that the OAS benefit repayment be reduced by $75 for ten years.

Concerning the indexation of the threshold, the Minister of Finance did say that the decision will be monitored and changed as needed. This flexible approach has been used in other circumstances —I will get back to that later on—to soften the impact on individuals and households.

For instance, when the refundable sales tax credit was established the threshold for maximum benefit eligibility was $15,000. It has since been raised twice, to $16,000 in 1988 and to $19,000 this year. Had it been fully indexed as suggested by the Senate, it would now be about $17,800 instead of $19,000. In other words, the government did better than full indexation when it chose to adjust the transfer payments.

Although it is indexed to the consumer price index less 3 per cent, the refundable child tax credit has been increased periodically and today it is $575 per child, compared to $474 if it had been fully indexed; in other words, the government has given over $100 more than indexation. It is therefore obvious that a flexible approach is more beneficial than the automatic indexation proposed by the Senate.

[*English*]

The facts on the incomes of the elderly also suggest that there is little to fear from the fact that the threshold is only partially indexed. Just over 4 per cent of seniors have incomes in excess of $50,000. However almost 90 per cent of them have incomes below $30,000. Thus, even if a flexible approach were to result in no increases in the threshold, it would be many, many years before the vast majority of seniors would become subject to recovery.

Therefore, for those who are concerned at the eventual outcome of partial indexation, there are two assurances. First, this government's record, which I have just illustrated. These are facts again. Second, the fact that the threshold has been set at a level where very few seniors are affected now or are likely to be affected in the foreseeable future.

The second recommendation from the Senate is that the amount of OAS to be repaid should be reduced by $75. This is what the senators propose. This, they argue, recognizes that Canadians contributed to the old age security fund between 1952 and 1972.

Let us look at that. It is true that such a fund existed and earmarked taxes were paid. However during the period 1952 to 1972 old age security benefits were improved significantly, but the earmarked taxes were not increased to fund these increased benefits. As a result, the fund operated at a deficit on an annual basis so that when it was eventually wound up in 1976 the accumulated deficit was $121 million. Thus, during this period, OAS did not operate like an insurance scheme where benefits were based directly on individual contributions.

Indeed the *Debates* of this House when the fund was introduced make it clear that the intention was simply to make the cost of OAS clearer to taxpayers, not to have an insurance program like the Canada–Quebec Pension Plan.

In summary, the flexible approach to indexation has actually resulted in a greater increase in benefits than if automatic indexation had been in place.

Consequently, I would argue that this government's record is a sufficient guarantee that the $50,000 threshold will not erode over time.

In addition, the argument that the existence of an OAS fund at one time means that there is a moral obligation to recognize this in designing the recovery of OAS is based on a false premise. That premise is that the OAS fund operated like an insurance scheme. It would be very costly to these people to have to pay back this $121 million. In fact it did not.

Finally I would like to point out one consequence of the way in which the amendment to clause 48 has been drafted. This is not without its importance.

The Senate version would split what is now found in Bill C–28 in proposed subsection 180.2 (1) of the Income Tax Act into two new subsections: subsection 180.2 (1) which would impose a tax to recover federal family allowances and subsection 100.2 (2) which would impose a tax to recover old age security payments. Consequently, the Senate amendments would apply the income test separately for family allowances and Old Age Security. By contrast, Bill C–28, as originally proposed, applies the income test against the total of family allowance payments and Old Age Security. As a result, the Senate

amendment could lead to an increase in tax payable in cases where someone receives both allowances.

• (1630)

For example, suppose an individual received $300 of family allowance payments and $600 old age pension payments in 1989, and that the individual's net income is $53,000. Under the existing provisions of Bill C–28, the total tax payable as a recovery of family allowance and old age security would be $150. Under the provisions proposed by the Senate, the total tax payable would be $175. Thus, as this example demonstrates, the Senate proposals could actually increase the amount recovered. For this reason, they should be regarded as being out of order under the criteria set out by the hon. Speaker of the Senate in his ruling on May 31, 1990.

Under the criteria signed by the Speaker of the Senate in his ruling, the amendments should be regarded as being out of order. According to his own criteria, they are out of order.

An hon. member: I thought they were in order.

Mr. Loiselle: According to his own criteria, they are out of order.

An hon. member: But he said they were in order.

Mr. Loiselle: That is not what he said. He did not say that. He ruled differently. His criteria does not allow for this picture. There was some confusion there. If you look at it, indeed the amendments do not apply.

[*Translation*]

In conclusion, Madam Speaker, the proposed amendments are inappropriate to the Senate's legislative authority to propose amendments for tax bills. Therefore, Madam Speaker, I do not think that this House should accept such an attempted exercise of legislative power by the Senate.

[*English*]

In conclusion therefore, I move:

That a message be sent to the Senate to acquaint Their Honours that this House disagrees with amendments numbered 1 and 2 made by the Senate to Bill C–28, an act to amend the Income Tax Act, the Federal–Provincial Fiscal Arrangements and Federal Post–Secondary Education and Health Contributions Act, the Old Age Security Act, the Public Utilities Income Tax Transfer Act, the War Veterans Allowance Act and a related act, because the amendments violate the traditional legislative role asserted by the Commons in fulfilment of its obligations under Sections 53 and 54 of the Constitution Act, 1867, because the amendments contradict the principles of the bill by generally decreasing the amount of revenues to be raised by the bill, and because amendment numbered 2 in some cases increases the amount of the charge.

[*Translation*]

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, the speech by the Hon. Minister of State for Finance is simply incredible. I think that in preparing for today, he looked for his old speech on the 1989 Budget and he gave almost the same speech, with changes to reflect the amendments proposed by the Senate.

I must therefore make a few comments on his speech in particular and then on the amendments proposed by the Senate.

[*English*]

In dealing with Bill C–28, the government has repeatedly tried various tricks. It has had difficulty with this bill in the House. I could go through its legislative history in the chamber, but hon. members are well aware of that history. It is a bill that we in the opposition have consistently opposed.

The government has rammed it through the House. It was debated in this chamber on second reading on October 11, 17, and 18, and on November 20 the government brought in closure and forced the bill from the second reading stage to committee. It was reported back to the House and debated at report stage on December 15. On December 18, the government moved a time allocation motion. Allocation allowed for one additional day for report stage and one day for third reading. The debate at report stage was concluded on December 19 and third reading on December 20, and the bill was sent on to the Senate.

There was very limited debate in the House on this measure, which was one of the principal measures contained in the government's budget of 1989. We are still discussing it today. I know the popularity of this measure has not increased, either here or anywhere in the country.

Seniors groups throughout Canada are outraged at this clawback. I have filed if not in the hundreds, certainly dozens of petitions, in this House in opposition

to this clawback. It is widely opposed by seniors groups across Canada.

Social workers regard it as a threat to the universal social programs that Canada has enjoyed as the result of enlightened administrations—and I may say they happen to have been Liberal administrations over the years.

What the minister and the government are now doing is destroying the universal principle in these social programs through the back door. In the 1989 budget papers that describe this clawback tax, it is not even referred to as a tax, it is called transfers to persons, and appears under the rubric "repayment of social transfers". So, it is not considered a tax increase in the budget papers. It is referred to as a repayment of social transfers. No one in Canada regards this as anything but a new tax, an unfair tax, and one the government should be ashamed to support in the House.

We have been through this debate before. The House has dealt with the issue. Fortunately we have an opportunity today to revisit the issue since the Senate, which I know the New Democratic Party has taken to supporting, is now sending this bill back with modest amendments. I am disappointed they are not more drastic amendments, but the fact is they are modest amendments with which we have to deal.

In speaking in support of the Senate today, I do so, not out of any great sense of pride, but I am glad that at least somebody in this country is taking some steps, as we took and were outvoted, to support the seniors of this country who are having their rights chiselled away by this government and its policies.

In going back to the earlier part of the minister's speech, which as I said was unbelievable, he spoke about the public debt in 1984 when his government took office. He will correct me if I have his figure wrong, but I think he indicated that the public debt when the government took office was $280 billion. That is not accurate. The minister knows that is inaccurate. That was the figure at March 31, 1985 after six disastrous months of Conservative rule. The minister knows, as well as I do, that what the government did in those six months was spend, spend, spend.

For the first time in office for years since the nine-month Clark government, the Conservative Party decided that the best thing to do was to spend the taxpayers' dollars with what could only be described as gay abandon. It went handing out money right, left and centre, spending like crazy. It ran up the national debt to $280 billion by the end of the year from $252 billion in September of that year. My hon. friend from Ottawa South is more knowledgeable in the figures than I am, but I believe that was the figure when the Conservative Party took office.

Mr. Manley: We're off by $100 billion.

Mr. Milliken: It was $180 billion, I am sorry. It was $180 billion and $150 billion, because it is about $300 billion now.

• (1640)

The Minister of State for Finance may not have been in the cabinet at the outset of that period, but in any event he is supporting that lavish spending. The government tries to blame the $38 billion deficit that was run up during that year on the bad, old Liberals. The Liberals were out of office for six months of that year, and it was during the last six months that spending went right out of control. The hon. Minister of State for Finance knows that full well. He knows that his colleague, the Minister of Finance, is fully responsible for that absolute orgy of public spending that was precipitated by the election in 1988.

The Minister of State for Finance laughs, but that is the fact and he knows it.

The motion which he proposed in the House today deals with the Senate amendments. I am concerned that his motion states that one of the reasons this House ought to reject the Senate amendments is that the amendments, "contradict the principles"—and I stress the word principles—"of the bill by generally decreasing the amount of revenues to be raised by the bill".

Everyone who has studied parliamentary procedure knows that bills do not have principles. They have a single principle, one principle. And Beauchesne's *Parliamentary Rules & Forms*, Sixth Edition at citation 659 reads:

> The second reading is the most important stage through which the bill is required to pass; for its whole principle—

Singular "principle".

> —is then at issue and is affirmed or denied by a vote of the House.

I do not need to go into the rest of the citation, but every citation that Your Honour will find in Beauchesne's dealing with bills and the procedure for dealing with them in the House of Commons refers to the principle of a bill, not principles.

Yet, this government has taken into its head that every policy that it puts into a bill somehow becomes one of the multitude of principles in every one of their bills. We have this nonsense in the motion today saying that this amendment contradicts the principles of the bill. The government clearly does not know what the principle of this bill is. It think it has more than one. It does not have one more than one. It can only have one under the rules. If it has more than one, it should have been divided into several bills.

We did not hear the Minister of State for Finance offering to split this bill into various categories. The bill has one principle, not violated by these amendments. What these amendments seek to do is modify the outrageous taxes that this government has sought to impose. I know the Minister of State for Finance finds this humorous. He thinks that the taxation of Canadians is funny, but I assure him it is not. Canadians do not think so. As my hon. friend in the New Democratic Party says, Canadians certainly do not think so.

Mr. Butland: What friends?

Mr. Milliken: My hon. friend knows, as well as I do, that his party is going to support us in our opposition to this bill. It has done so consistently so far, and I am sure the hon. members of that party are going to support the Senate, as they do now on almost every occasion, in rejecting government bills. I am delighted to see that they have had this change of heart, and I am delighted to know that we will have their support later today in the vote on this particular matter, should it come that soon.

I also want to deal with the minister's comments on the government's record of assurance. In discussing how seniors should look at the situation, he said: "Looking at the government's record, there need be no worry that the government itself would adjust the amounts of the base for the clawback purposes".

In other words, the government would adjust the $50,000 upward, to keep pace with inflation. That had to be one of the most bold-faced statements I have ever heard. There is not a senior in this country who will trust this government with his or her money. This is the government that proposed deindexing their pensions. This is the same government.

Mr. Kempling: I am a senior citizen. I know.

Mr. Milliken: The hon. member knows perfectly well that it was his government that proposed to deindex pensions. The hon. members says no, he was here. He must have been ashamed of the way his cabinet carried on. Certainly it withdrew the proposal after the Prime Minister was called unparliamentary names outside the precincts. The fact is it had that proposal on the books. That is what the government wanted to do. If that was not enough, it indexed all the deductions for income tax, the sneaky, hidden tax that it has applied to every Canadian by taking away the indexing of the deductions under the Income Tax Act.

Mr. Kempling: Senior citizens in Canada are better off than anyone in the world.

Mr. Milliken: The hon. member for Burlington thinks that seniors will be better off under this government and its rules. They are not better off. Their taxes have been increased 31 times. Their taxes have been sneakily increased by reason of the deindexation of their deductions and now they are being taxed by this Bill C-28 by having their old age security pensions taken away from them.

The hon. member for Burlington should be ashamed of his support of the government and so should the hon. member for Macleod whom I see grinning in the back. I will go on—

Mr. Kempling: I'm a senior citizen. I know.

Mr. Milliken: The hon. member for Burlington protests that he is a senior citizen and he knows. Well, he has not started paying this tax yet because the bill has not been passed. Wait until he starts paying the tax, then he will know differently.

The other point I wanted to make is that the minister says we should trust the government because after all their record has been so great. If the statements and facts that I brought to light are not enough to convince people that the government cannot be trusted in this, I do not know what more evidence we need.

It is not something that the Canadian taxpayer is willing to trust the government on and I would like to look at the budget papers presented on April 27, 1989. This was the leaky budget as I recall.

On page 9 the Minister of Finance penned these words. I assume he or someone under him wrote this. He certainly took responsibility for it once it got leaked. It says:

> For 1990 and subsequent taxation years, the $50,000 threshold will be indexed on the same basis as other indexed brackets and thresholds in the tax system.

In other words, the rate of inflation minus 3 per cent.

> The level of the threshold will be reviewed periodically and adjusted as appropriate.

What the Senate has done by one of its two amendments in this case is say to the minister and to the Canadian people that this thing should be adjusted automatically with the rate of inflation.

If the minister is going to fix the situation periodically, why will he not agree to this amendment which is so reasonable? All it does is say that the $50,000 figure will be fully indexed with the rate of inflation. It does not propose this 3 per cent extra tax grab for the government. Surely the minister is not trying to squeeze seniors out of another 3 per cent of their money every year. Yet that is what it appears from the way he has drafted this bill.

The Senate has said we would prefer to amend this. They have proposed a very reasonable amendment on that score and I invite the minister to read it again and see if he will not change his motion and agree with this very reasonable amendment. I stress the word "reasonable". It does not do anything that is drastic, it does not deprive the minister of a great deal of revenue, it is virtually revenue neutral. There is no reason why the minister for this class of citizens should not offer the full indexation that is fair.

In fact, as the Senate pointed out so ably in its report, the government itself appeared to support this whole old age security tax system. I would like to quote:

> In January 1985, the Government released a Consultation Paper on Child and Elderly Benefits, which concluded that a special surtax on Old Age Security payments would "seriously disrupt our retirement income system" and "would unduly penalize those most affected by reason of retirement income resulting from private savings in earlier years." Thus, the provision for clawing back OAS benefits in Bill C-28 as the committee went on to say, represents not only a change from the policies of previous governments but also a direct repudiation of this government's earlier position.

The minister talked about trust and how seniors should trust this government and yet, having stated in 1985 that a special surtax on seniors' incomes would seriously disrupt their income system and unduly penalize those most unable to afford it and most undeserving, the government now backs down on that promise by bringing forward Bill C-28.

When the other place comes forward with some amendments to try to ameliorate the dreadful consequences of this bill, the minister stands up and says the Senate is out of order, that the amendments violate our constitutional traditions, and that he will not have it.

Surely the minister has an obligation to consider these very reasonable amendments proposed by the Senate. Surely he cannot expect Canadians to believe the pious nonsense he uttered about the government's record being a firm indication of trust. The government's record, if anything, is exactly the opposite.

• (1650)

The Consultation Paper on Child and Elderly Benefits, published in January 1985—which the government is breaching by this bill that is being forced through this House and is now trying to get through the Senate and which, no doubt, it will force through this House later today—is an indication of a complete breach of faith with senior citizens in this country and frankly, with the parents of children who receive the child support payments under this act.

The other aspect I wanted to deal with is the unfair and secret tax increases that the government has already imposed by deindexing deductions. I mentioned that earlier. The government claims that there is no tax increase this year. Indeed, in the budget speech the Minister of Finance announced that there were, in fact, no new taxes. We all know that there are two ways the government has increased taxes on Canadians this year that I could name right off the top of my head. One of them is included in the 1989 budget and it is this very clawback provision.

As Your Honour knows, the clawback provisions go into force, one-third, one-third, one-third; one-third in the first year of operation which was last year, one-third this year and an additional third next year. If that isn't a tax increase, then I don't know what is. Yet, the Minister of Finance had the unmitigated nerve to stand in this House during his budget speech and say there would be

no new taxes this year. Well, that was one. There is an extra third being taxed away from these people because of this bill.

Of course, the second, the sneaky, hidden tax increase is that the government did not index deductions under the Income Tax Act. Where the budgets, introduced by the hon. member for Vancouver Quadra, our former leader, indexed these deductions so that Canadians did not face an automatic increase in taxes every year if there was inflation, this government has done the opposite. It is proposing to take that right away for those who have to pay this clawback tax, this special tax on their pension income.

I submit that this is inappropriate and that the government ought to fully index this. The failure to index increases is an automatic increase in taxes every year for the person having to pay taxes under this kind of provision. While it may not be a tax that is obvious and there may not be an increase in the rate, by reason of the increase in the income of the taxpayer, additional taxes will be paid because of the failure to index these amounts.

The minister knows this and tries to pretend that it is not so. I invite him to have another look at the facts and see if he cannot change his attitude and support the amendment that indexes this part, at least. These people will pay enough additional taxes, in my view, since their basic deductions will not increase with inflation and we do not need to go through the additional tax imposed by reason of the failure to index the $50,000 threshold.

At the end of his remarks, the minister expressed surprise that this amendment was even before us. He seems to suggest that for some reason the Speaker of the Senate ought to have ruled these amendments out of order. I question whether it was even relevant for the minister to bring up such a silly argument in this House.

The Speaker of the Senate set out his criteria. He made it clear what he was going to do. He ruled one amendment out of order but he did not rule this one out of order. For the minister to say he should have, is frankly ridiculous.

The Speaker of the Senate, as Your Honour knows, is appointed by the government. He is not elected as is the Speaker in this House, he is its nominee. His decision was not appealed, as it could have been in that House, and have the Liberal majority turn it down. The Speaker of the Senate made a ruling that, I submit, was correct under the circumstances, that met his criteria, and ruled that this amendment was in order.

The amendment is before this House. The minister has moved a motion that purports to suggest that the amendment is somehow improper. In this case I suggest what is improper is the government's unwillingess to consider changes in this legislation, changes that will make it more fair and equitable for the taxpayers of this country who are going to be burdened with additional taxes as a result of this government's short-sighted policy. I quoted from the Senate committee report that cited the government's consultation paper released in January, 1985. I could go on with more statements from the report, but I think it fair, having regard to what the Senate said, to look at the last part of that report. I quote from page 2088 of the Senate *Debates* for last week.

The report is appended to the *Debates*, Madam Speaker. I would not want you to think I was reading speeches. It reads:

> While the Committee does not favour the clawback in principle, nevertheless, it is reluctantly prepared to accept this provision in recognition of the serious fiscal circumstances facing the Government. This said, the Committee believes that there are serious deficiencies in the design of the clawback provision which must be corrected. We believe that our report's recommended amendments address the inequities contained in the legislation without substantially affecting the Government's budget deficit.

I submit the committee is right.

My hon. friend from Sault Ste. Marie persists in interrupting and suggesting that he does not agree with this part of the report. I regret it, too. The Senate could have, and perhaps should have, done more, although I am reluctant to say that. I would have liked to have seen them do more. I think the Senate takes a very responsible approach in these matters, and I invite my friend from Sault Ste. Marie to consider that.

This is a money bill, and he knows as well as I do that under our Constitution the Senate has limited powers in relation to money bills, while perhaps not legally spelled out that way in the British North America Act or the Constitution Act, as it now is, at least based on the general practice under our law and Constitution.

In recognition of that fact, the Senate has said no, it has to approve the principle of this bill. It is a major bill coming from the House of Commons and has to be dealt with as such. The Senate is entitled to make some amendments to improve it, and I think that is what the Senate has done. I laud their efforts.

Like him, I would prefer that this bill not be introduced in the House at all. I would prefer to defeat it. Both our parties voted against this legislation, and I am delighted that the New Democratic Party supported us in that attempt. I would not want him to suggest that the Senate should be chastised for not having done more in the circumstances given the nature of the bill.

The point that we have to look at here is the other Senate amendment. I think it goes to the very notion of trust. The minister talked some time back about trust, how important it was, how seniors could trust this government, and their record was evidence of that trust. Let us look at the record again.

The government is preparing to impose a special tax on persons who have contributed to the old age security fund in Canada, many of them for a 20-year period. From 1952 to 1972 there was a special tax collected as part of the income tax, but labelled as an old age security tax. I can remember it. I remember seeing it on tax returns. That may seem odd, perhaps. If Your Honour does not, I am sure given Your Honour's age, it was long since abolished before Your Honour had to pay tax.

I might have filed a tax return before 1972, I am not sure. The fact is I recall the tax was there. It was a special tax levied on Canadians across the board. The money was put into the old age security fund. I am sure the minister remembers that fund. The money went into the fund and the old age security pensions were paid out of that fund.

If there were insufficient moneys in the fund it was replenished by the government out of the Consolidated Revenue Fund. If there was not enough the government paid all the pensions. The purpose of this was to make Canadians feel that they were paying for their pensions. That is why it was there. It was to drive the cost of pensions home to Canadians.

In 1972, the government did away with that. It said it would collect the money and pay pensions out of the Consolidated Revenue Fund. That was done and Canadians lost the notion that they were paying for their pensions because it was all paid in general tax revenue. Fine and dandy.

Now the government is saying, regardless of whether you contributed to that fund all those years, whether you paid in for 20 years or not, you now have to pay the money back when you get it if you make more than $50,000 a year. That is what it is saying.

Madam Deputy Speaker: I am sorry to interrupt the hon. member, but he would be the first one to say that I did not do what I should do before five o'clock.

It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Lambton—Middlesex, trade; the hon. member for York Centre, justice; and the hon. member for Burnaby—Kingsway, Meech Lake Accord.

I do apologize to the hon. member but the rules are the rules.

• (1700)

Mr. Milliken: Madam Speaker, I fully recognize the need for Your Honour to interrupt for that purpose, and I am sorry that it interrupted my particular flow of reason. I know the Minister of State for Finance was hanging on every word and thought.

To go back to my notion of trust as I was discussing it, the fact is the government collected all these moneys in the old age security fund and paid the pensions out of that fund to Canadians. It now says that Canadians will have to give that money back when they receive it.

What the Senate did by one of the two amendments is to say that some recognition should be given to the fact that Canadians paid this money under the mistaken belief that they could trust the government to pay them the pensions, and let them keep the money.

The government talks about trust, saying seniors across Canada know they can trust us. On the other hand, the government says that the seniors who contributed to the fund for all of these years will now have to give the money back when it gets it out. It is a breach of trust. Any other government would be ashamed to bring

in such legislation. It is taking money away from people who have paid for the privilege of receiving this pension.

The Senate proposed a special amendment to deal with those who contributed to this fund before 1972 so they will get an additional $75 break on the tax. I submit that that is fair, reasonable, and is a recognition of the fact that people contributed money on the understanding that they would receive money back in the form of a pension.

I cite the most recent example of abuse of trust by this government, Bill C–69, which we dealt with the other day, and which the British Columbia Supreme Court last week said is a breach of the government's obligations to the provinces. The provinces sign agreements, and the government comes along and unilaterally tears them up—just rips them up.

Can you imagine any citizen of this country behaving in this way? The hon. member for Sault Ste. Marie would not go and tear up an agreement he had signed, saying he was not going to honour it. The hon. member for Ottawa South or the hon. member for York Centre would not do that. I do not think the Associate Minister of National Defence, in her personal capacity, would even think of doing a thing like that. Yet, for some reason, when these members become ministers of the Crown, they run about gaily tearing up agreements right, left and centre saying: "We are not going to honour our obligations anymore. We do not have to, we are ministers. Somehow we are exempt from the law. We do not have to do this. We can just rip up agreements, willy–nilly, throw them to the four winds and ignore our contractual obligations".

I submit in this case the Senate has brought the government to account. It said that it will not let the government breach its obligation to the seniors of Canada, which it proposes to do. It will not let the government get away with this breach of undertaking. The government will have to pay back the money paid into the fund. It will have to make allowances for people to keep the money they contributed to the fund. They are entitled to receive the pensions and are entitled to keep the pensions, not have them taken away by the whim and will of a government that ignores, and is bent on ignoring, public opinion in Canada.

The Minister of State for Finance in his consideration of these matters has put forward arguments to turn down the Senate amendment that are technical, narrow and highly procedural. He has not put forward substantive arguments to say these amendments are unfair and diminish the value of this legislation in any way. I suggest they are designed to improve the situation of seniors in Canada who are being forced to pay this unfair, regressive tax. It could be made fairer and less regressive. he threshold could be fully indexed to taxation and there could be an allowance made for those who contributed to the old age security fund for up to 20 years.

These are the amendments that the Senate, the other place that the government keeps saying is so undemocratic and so autocratic, has proposed to the bill. Surely the government should look at them and say that that institution is really something. It is doing something for Canadians. It is doing something for the taxpayers who are being treated unfairly in Canada. Instead of that, the government comes up with this motion that says the Senate violates the traditional legislative role asserted by the House in the fulfilment of its obligations under the Constitution Act, and say they contradict the principles of this bill. There is only one principle in the bill, the principle of which is to tax the subject. These amendments do not violate that principle, they lighten the burden and, as the minister said, in some cases they increase the burden.

The minister says they are spending money they are not authorized to spend. The minister should read this bill again because there is no expenditure of money contemplated in this bill. It is simply a reduction of taxes in these amendments. The bill itself does not authorize expenditure of money. It grabs money from Canadians unfairly, improperly, and, I submit, it should have been defeated when it was in this House. Like the New Democratic Party, we hope that the Senate might defeat this kind of bill but unfortunately, I am not sure it is something that it ought to be engaged in at least to that extent.

As I said, we in this party support the very logical amendments that the Senate has moved to this bill. We believe that the record of the government when it claims it has acted fairly and in the interests of all Canadians is wrong. We believe that the statement of the minister

that the government has managed the financial affairs of this country well is wrong. We believe that the statement of the minister that it will make adjustments as appropriate to this threshold and that Canadians can trust them to do this is not accurate. We do not believe that Canadians can trust this government to do that and we do not believe it will do it.

I submit that the record of the government actions in proposing to reduce the indexation to cut the indexation of pensions, in proposing this very tax and in objecting to these amendments, in deindexing the deductions under the Income Tax Act and numerous other examples of unfair practices in regard to taxation in Canada, all indicate that the government cannot be trusted to do anything it says in relation to fairness or equity for taxpayers.

What the government has done, and I could go through a lot of figures but I am sure some of my colleagues are going to do that, is increase personal taxes on Canadians at an absolutely astronomic rate. For the government to talk about fairness in the tax system is completely ridiculous. It is not the government that should be discussing that. It has increased taxes 32 times since it took office. Many of them are enormous tax increases. I need only cite the goods and services tax as a perfect example of that which we complain about in this House on a regular basis.

As an example, and perhaps the hon. member for Burlington will be interested in this figure, personal taxes, sales taxes and excise taxes accounted for 67 per cent of government revenue in 1987 and 1988 while corporate taxes accounted for only 11 per cent of those revenues in that same year. I think it is an indication of the way the government has gone. It has reduced the taxes on corporations and increased the taxes on ordinary Canadians. This particular clawback tax, this unfair and very regressive tax, this treatment of pension income as something special and worthy of particularly high taxation, is an indication of the unfairness of the tax measures this government proposes.

I submit that the Senate amendments are fair and reasonable. They are not onerous on the government. The Minister of State for Finance should be supporting these amendments. I invite him to vote against the motion he has proposed so that the Senate amendments can be adopted in this House and we can proceed with the bill as amended.

Mr. Steve Butland (Sault Ste. Marie): Madam Speaker, I congratulate my friend from Kingston and the Islands. I think we agree, probably 90 per cent of the way, with what he has said. As far as bills having a principle or principles, he suggested that a bill can only have one principle. I suggest that the principals behind this legislation do not have the principles, not the bill.

It is quite an honour today to rise in the House, not because of Bill C–28, but because of the visit of Mr. Mandela. I think it was a moving experience for all of us. It is a privilege to be here to hear a remarkable individual with a great, great cause.

We in the New Democratic Party believe that freedom should be universal. We also believe that old age pensions and family allowances should be universal. Certainly fortuitously, last evening I went into a bookshop and picked up a book written by Susan Mann Trofimenkoff. It is a book about Stanley Knowles.

• (1710)

Little did I know last evening that today is Stanley's eighty–second birthday. I could not put the book down last night. I recommend this as good reading for the government and the Official Opposition because it chronicles which party and which individuals, in particular Mr. Woodsworth and Mr. Knowles, championed over the years Old Age Security, Canada Pension and pensions that were escalated. The word at that time was escalated. They had to be escalated. They were not indexed, they were escalated at 2 per cent per year. I know know it makes excellent reading. I know the members here would bear with me for probably the remaining 15 to 17 minutes that I have because it shows without a doubt that this party in a minority government in the twenties pledged support to whichever party would come through with pensions for Canadians. Eventually the Liberals came through but they screamed all the way. Would you believe in 1926 the House of Commons passed a pension bill but it was defeated in the Senate. I just wonder, if bills could be defeated in the Senate in 1926, why bills could not be vetoed by the Senate in 1990.

Mr. Knowles suggests in his book that the Senate should be abolished and we certainly concur with his indication of what should happen to the Senate. We have difficulty, let there be no doubt, in our party with the Senate. It is some sort of three–headed beast but it is not

a creation that we really know what to do with. There is no doubt that we are at cross-minds as to what do we support and what do we not support.

This time the Senate has made it quite easy for us through its amendments. The member for Kingston and the Islands said that they were not severe, that they were almost innocuous amendments. He said he wished they would have gone further. We, too, wish they would have gone further because it proves beyond a doubt that the New Democrats are the only party which stands for universality of social programs. The Senate has played its hand. Should this bill pass, God forbid, the Conservatives will end the notion of universality. The Liberals will be accomplices. The Senate will be partners with the Conservative government.

I am surprised that the member for Kingston and the Islands said: "We expected they would go further". I am told that they had a strategy meeting between the Liberal MPs and the Senate and they said: "What exactly are we going to do"? We now know what they did. They said: "Let's come through with some innocuous, not-too-severe amendments", knowing full well that the government would not accept them anyway. They should have played hardball with their friends and said: "Look, we are going to kill this bill". That is the least they should have done.

Poor Mr. Knowles, it is his eighty-second birthday. It took him 25 years to bring pension reform to this country and now, in 1990, the government is taking it back. The Minister of State for Finance has introduced a new term. It is called flexibility. The flexibility now is that you have a longer arm so that what you put into one pocket, you can take out of the other. I think that that is the only way that we can discuss what flexibility really is.

We had difficulty in our party trying to define what universality is because the government members never spoke of universality. I have heard the Minister of State for Finance speak three or four times. He very seldom talks about what is universality. I took the opportunity to go to the thesaurus, and the word "universality" means cosmic, global, infinite, pervasive, usual. Obviously what you give with one hand and take back with another is not universal.

The Liberals have defied the definition of "universality" as well by some of the amendments. They have pretended to defend this universality. I should turn to what the Liberals have said in this House to remind them of what they have said.

The hon. member for Halifax said: "A clawback is a clawback," and we agreed. With the amendments it is still a clawback.

The hon. member for Winnipeg North said: "I call on the government to exercise a conscience to withdraw this bill in the interests of all Canadians, in the interests of Canadian families, and in the interests of Canadian seniors." He should have called upon the Senate to do the same.

My good friend, the hon. member for Ottawa South, said: "There is only one solution for this bill and that is to remove the discriminatory tax." Remove it, the clawback tax; we agree whole-heartedly.

What did the senators say? Senator Kirby said: "I have become a little disturbed by the way a number of organizations are using universality as an emotional code word. I am not in favour of the clawback, but I am troubled by the argument that is used. As much as I dislike the clawback, I have difficulty with the argument that clawback is destroying universality." Also the Liberal senators cannot define "universality".

What the term means is very clear. It is very clear that Bill C-28 takes away the concept of universality for this country, one that we have enjoyed for so long and one that people have worked so hard to get. We are now repealing that right.

In this party we believe that it is a right of every Canadian. This is reverting to the means test: You don't deserve this because you have this much income. We believe that that is a demeaning exercise for any Canadian despite what that person may have as income.

One senator was responding to the statement of Jean Woodsworth of *One Voice* that as Canadians we should be ashamed of the clawback. We agree.

The Senate committee chairman says: "The government says it needs money. What it is doing in Bill C-28 is raising nearly $500 million through the old age security clawback and family allowances when the program is fully operative." That is a lot of money. It is half a billion dollars. For the most part, it is coming off the backs of senior citizens, which is part of the problem. We agree

with that, but we do not agree that deficit reduction should be made on the backs of families and senior citizens.

This amount of money is a pittance. This amount of money could be raised very easily by increasing the upper margin on the income tax from 29 per cent to 32 per cent. This would raise more than the $500 million rather than use this discriminatory tax on seniors and families.

The final justification for the amendments from the Senate: "While the committee does not favour the clawback in principle, nevertheless it is reluctantly prepared to accept this provision in recognition of the serious, fiscal circumstances facing the government." The Senate has said to the government: "We agree with you. You have got a real deficit problem."

In principle we do not like clawback, but I think we are going to have to go ahead with many of the measures in Bill C-28. One could say that there might be some duplicity, but I do not accept that fact. I really do not.

One senator has been attributed as saying: "I passed around a copy of the amendments to the shareholders, the directors—I am sorry, I mean the senators." Surely at this point in time a Senate that spends $40 million per year could have done a bit better. It could have come forward with much more stringent and severe amendments to this clawback bill and we could have easily endorsed it.

• (1720)

We are the only party left that will defend universality in its totality. Those words are not necessary side by side because they are one and the same, but we are the only party that defends it.

Perhaps I am going backward because the member for Kingston and the Islands has already referred to it, but the chronology of this bill was an horrific experience for a new member and it would be an horrific experience for an experienced member. I will not bore the House with the details other than to say that no witnesses were to be heard. It was very important that we pass Bill C-28 before Christmas. Five witnesses out of a possible twenty-two were heard. Time allocation was used at committee stage and time allocation used in the House.

I on behalf of the New Democrats introduced nine amendments, six of which were in order, I am proud to say, and none of which the government would accept. The government introduced 125 amendments to its own bill. This is unheard of; I could not find another precedent for it. The government said that it would introduce another bill in the new year and look after those amendments.

Mr. Manley: Were they in order?

Mr. Butland: No, they were ruled out of order. My hon. friend from Ottawa South asks if they were in order. No, the government's amendments were ruled out of order. That is some indication that this bill was flawed from the beginning and remains flawed. I do not know where these amendments are, and I suspect the government does not know either.

This is destroying the vision of Canada as we on this side understand it: a caring, compassionate Canada. Although this is an almost trite expression now, but this is a change in the watershed of social policy for this country. It follows in the footsteps of the UI bill. We have grave reservations as to what may come in the future. We believe that big business is having its way. It wants to attack the social programs of this country in order that it can compete and that it will have a level playing field with the Americans. At whose expense will this be? This will be at the expense of seniors. This will be at the expense of young families.

The argument is always proffered that it will only affect 4 per cent. They have never extrapolated as to what will happen in the future. By the year 2000, we say that 25 per cent of seniors will be affected. It is not only the 65-year-old. We are talking about the 55-year-old. We are talking about the 45-year-old. We are talking about all Canadians who will be affected by this clawback.

I think I have given our party's position on this matter. I will conclude by saying that we are quite disappointed in the Senate that has the authority, we believe, to come back with a much stronger message. We do not agree with the Senate's presence. It is not one of us; there are none of us over there. If it is going to be there, it might as well do something and do it with principle and will. The Senate knew full well that it was only a delay and

that this government would not accept any of the amendments whether they were innocuous or severe.

Mr. John Manley (Ottawa South): Madam Speaker, I would just like to ask the member, who has effectively pleaded with the Senate to take even stronger measures than it has in reviewing legislation such as that before us, if he does not think it is a trifle inconsistent for a party which has maintained the position that the Senate should be abolished to say that in light of the fact that it is there it should take stronger measures. Surely his theory for its abolition is based on the non-elected nature of the body. It would be therefore far more consistent for him to say that if it is not abolished the Senate should be careful not to interfere in any way with legislation that comes out of the House of Commons.

Does he not think it is rather inconsistent of him to recommend to an unelected and therefore unrepresentative body that it takes very drastic action and castigates its members for not having stopped the bill altogether although having recommended improvements?

Mr. Butland: Madam Speaker, I certainly anticipated that question, but it does not make the answer simpler or easier. I said in my speech hat we are not too sure what to do with this beast, this three-headed monster, but we say that if you are there, for heaven's sakes exercise what you can do rather than bring forth wimpy, non-stringent amendments. They should make a statement. Let me assure you of our policy. I certainly agree with Mr. Knowles, who I am sure still believes very much what he said 40 years ago, although I am not supposed to do that, that the Senate has no place.

[*Translation*]

Mr. John Manley (Ottawa South): Madam Speaker, it is a pleasure to take part once more in a debate on Bill C-28. I believe that it is at least the second time I have spoken on this subject. I participated in the debate on third reading and on the legislative committee studying this bill.

[*English*]

I find it rather amusing, to say the least, to hear the NDP wax so eloquent about the pro-active role it sees for the Senate in dealing with this sort of legislation. I must say I could not disagree much more with the comments made by the member for Sault Ste. Marie.

Frankly I think that the Senate has demonstrated in the way it has dealt with this bill exactly what kind of role it should be playing: a very useful and thoughtful role without at the same time interfering totally with the government's mandate or plans.

In the case of this bill, in spite of the evidence it was able to hear in its legislative committee, which we were unable to hear in the House of Commons committee because of pressure from government members who are no longer government members, having left the governing party since then for other reasons, in spite of that pressure we had in the Senate committee the opportunity to have a very broad variety of evidence presented. The senators were able to hear the concerns of Canadians that should have been expressed to members of this House, but the government would not permit that.

The Senate then came forward with two very reasonable amendments to address two of the extreme problems with this bill. I agree with the member for Sault Ste. Marie that that does not address the essential iniquity of this bill which is to undermine the principle of universality in the most indirect, underhanded fashion.

The issue is simply whether or not Canadians should be given the opportunity to debate that fundamental principle of our social policy, universality, in a comprehensive way so that when we decide what kind of country we want to be, not just this year but this decade and the decades to come, we do so on the foundation of thorough debate in the House of Commons and hearing the views of the people of this country.

What we have in this clawback measure is a fundamental change in social policy disguised as an income tax measure. As an example of how devious the government has been in presenting this measure we had the Minister of Finance before the finance committee, not three weeks ago now, criticizing the fact that the Senate took time to study this bill and saying: "Look what they are doing. They are holding up the large corporations tax." The Minister of Finance had the nerve to come in and parade the fact that he was willing to tie together a fundamental social policy change in Canada, the end of universality, with a revenue-generating scheme, the large corporations tax, and then say that one was being thwarted by some effort at studying the other.

• (1730)

I think it is a disgrace that we have reached the point in Canada where things that were described as sacred trusts by a man who wanted to be Prime Minister of Canada can be tied to measures like the large corporations tax and be made to look like they are mere fiscal measures.

The Minister of State in his remarks really admitted the idea of this measure has nothing to do with fairness or equality. It has to do with reducing the deficit.

Reducing the deficit is what drives the policy of the Government of Canada these days. It drives it in science and technology. It drives it in everything else. There is a failure to consider what is important, to consider what kind of country we want to have.

While there is money to spend on propaganda advertising, while there is money to buy food tasters for the Prime Minister, there is not money to spend on seniors.

As I say, the essence of this debate that should be had about universality is essentially this. If it is believed that the principle of universal pension payments for persons in their senior years should not apply to those in higher income categories, then that proposition is a simple one. It is very easily debated in this forum and other forums across the country. If that is the principle, why do we not say that and go forward and devise a social policy that meets the needs of the 1990s and beyond?

Instead, this tax is meant to disguise what it actually is. This tax is described as not affecting universality. The Minister of State says that himself. We are giving the money to everybody. They can pocket it. They can put it in their right hand pocket. What they do not realize is that there is another hand in there already waiting to take it back out. Is that universality? On the contrary, this is a tax measure directed at seniors.

Who else in Canada, other than senior citizens, pays an extra tax on old age pensions? No one. No one else receives it. It is simply a tax based on age.

Similarly, the tax back on family allowances is a tax based on family size, not on income. If it were on income, it would be subject to the usual marginal tax rates. No, these are tax measures directed at families and seniors. They have not been subject to debate on the basis of the social policy that underlies them.

The member for Sault Ste. Marie was right when he quoted me as saying that this provision should be deleted from Bill C-28. If the government wants to introduce this policy, it should be introduced as part of a new piece of legislation brought forward, probably by the Minister of National Health and Welfare, as part of the whole income security arrangement for Canada. Then let us debate it as a matter of social policy.

I remind the government that the previous Minister of National Health and Welfare back in 1985 introduced a discussion paper in which he said the clawback of old age pensions—he did not use that terminology of course—would not be acceptable. Why? Because seniors plan on this. They expect it. Therefore it would not be fair.

The senators have made two minor proposals. They did not undo the clawback, as maybe they should have, they proposed to mitigate its effects to some extent, with two measures. The first would index the threshold at which the clawback applies. That surely to goodness is the minimum.

The government says two things. It says: "Trust us. We have always raised thresholds before. Who is to say we will not raise them again?" If it is going to raise them again, then why not index them? It is as simple as that.

The government then says: "It only affects 4 per cent of seniors". Yet it justifies it on the basis of the deficit. If it only affects 4 per cent, then surely indexing it would not have that much impact on the deficit? Yet the measure of fairness that would be brought by indexation is well worth the modest cost involved.

What about the minor amount of tax credit that the senators propose to people who at least in their minds bought and paid for their old age pensions? Under the proposal from the Senate, qualifying individuals, that is, people who have reached age 65 now, or will between now and 2006, are going to get a minor tax credit that they can apply against the clawback. This reflects the fact that these people for many years understood that when they paid the Old Age Security tax on their tax forms they were going to get an old age pension. That is what they were paying for.

I have the 1971 T-1 General Tax Guide in my hands. It states on page 17 under "Old Age Security Tax" that all taxpayers whose taxable income is over $500 are subject to the Old Age Security Tax. The tax is 4 per cent of taxable income, a maximum of $240.

That tax was in place since 1952. It was brought in for very good reasons. It was brought in to convince people that the Old Age Security measures introduced by the government were not some kind of charitable giveaway, or a gift to seniors who were poor. This was not some kind of hand-out. It was every senior citizen's right as a citizen of Canada, it came with their citizenship. Even today citizenship is a necessary qualification to receive the old age pension in Canada. It was part of the national fabric. It was part of what bound us together as Canadians.

The government wants to do away with that as a universal measure. We think it is wrong. What the Senate asks in its proposed amendment is simply that as a minimum, as a minor gesture to fairness, the government recognize the fact that seniors in this country paid for this over the years. They understood they were paying for it. Governments accepted the money on the basis that it was a contribution to the Old Age Security that that person was going to receive. Why not introduce this temporary measure? It has a sunset clause. It does not go on forever. It really only affects a small number of people, namely, those who contributed to the Old Age Security tax. Those people who are in the clawback category would receive some contribution from the moneys that they had put in previously to pay for this pension.

These are not unreasonable propositions that the Senate has sent back. They may be less than some of us would have liked, but I think they represent the very best that the Senate could offer, while still being very careful to exercise on itself constitutional moderation. It is a way to say to the government that they understand it will object strongly if they delete the clawback. They do not like it but propose these modest, reasonable measures to introduce an element of fairness. They are meant to introduce an element of confidence for seniors that the threshold will not be totally eroded by inflation, and to say to those who have paid in the past that we recognize that you thought you were getting a pension that you were paying for. We will help to compensate you for what you have lost by recognizing that through a tax credit system. These are not large amounts of money, but they are very important amounts of money when we consider the importance of maintaining the integrity of the system that Canada has been built upon.

• (1740)

Surely, at a time in Canada's history when our national fabric is being strained as it is, this is not the time to turn to our seniors and say: "Whatever the government says to you, do not count on it. Do not count on it, because we will look to you, just as we will to everybody else, to pay more than your share. Don't count on promises. Don't count on sacred trusts. Don't count on Prime Ministers who are willing to display their mothers on election platforms in order to generate confidence among senior citizens. You cannot believe any of those things".

Is this the message that the government is trying to send out? If so, the government is doing a very good job at it. It has convinced Canadians that it cannot be trusted. This, of all times, is a time when national trust and confidence needs to be established. Canadians need to have a government they can believe in.

What I suggest is that the government reconsider the motion that it has put forward. It should reconsider it in light of what the Senate might have done with this proposal, in light of what it was justified in doing with it, and in light of the fact that the government has put before us the most major change of social policy in a generation in Canada and has sneaked it through as part of an income tax bill. The Senate let the government do it, reluctantly, but provided minor justifiable amendments to make the new system at least a modicum more fair.

Rather than the motion it has put forward, the government ought to be considering accepting these modest amendments and acknowledging that the chamber of sober second thought has looked at this, has found some reasonable way for it to regain some of the confidence that senior citizens in Canada ought to have in it. Therefore, in the interest of trust, in the interest of co-operation in Canada, the government should say it will accept those moderate changes and and will move forward on that basis.

That is what I suggest to the government. Now is the opportunity. Revoke this motion. We can have Bill C-28 through this afternoon by accepting the very minor amendments that have been proposed.

The Acting Speaker (Mr. Richardson): Are there questions or comments? The hon. member for Sault Ste. Marie.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I agree again with 90 per cent of what my hon. colleague said. He took the New Democrats to task for what appeared to be our inconsistency with the Senate.

He himself suggested that the Senate, and I will use his words, was an undemocratic body. I am just wondering how we are to take these amendments brought forward by the Senate. If he recognizes the Senate as undemocratic, then do we accept one amendment but not the other? I am not quite sure.

The basic logic here is that if you defend the actions of the Senate the corollary would be: Do the Liberals support the $153 per diem pay raise for the senators?

Mr. Manley: As always, Mr. Speaker, the NDP is long on rhetoric and short on thought.

It seems a very simple proposition to me. The Senate has sent us a proposal. Here it is. It has emanated from an unelected body. Therefore, I agree, it is not democratic.

As my friend knows, we also had proposals that came from various groups and organizations in Canada when the committee sat. They are not democratically organized groups. They represent interests.

Each one of us as members of the House of Commons can read what is proposed, evaluate its merits and say whether it is good or bad. I do not really care that the senators have done things now or in the past that I agree or disagree with.

My question earlier to the member for Sault Ste. Marie was based on his philosophical position that the Senate should be abolished. If it should be abolished, then why would he urge it to take stronger measures than it has already taken?

Rather what I am asking all members of this House to do is to say that, yes, we have a Senate. It has put something forward. I am capable of reading and understanding what it put forward. I know the member for Sault Ste. Marie is also capable of reading and understanding it. If it is good, then we should simply apply it. It is as simple as that.

I do not think that it has to be implied that because it came from a body which is more largely one party than another that therefore you take these things totally on a partisan basis. I think that we should be willing to sit in this House and to say: "Let's look at the merits of the proposal".

The National Council on Welfare made propositions. I think some of them show great merit. I do not even know what political party that association may be affiliated with, if any.

It seems to me that the minimum we are called upon to do in this Chamber is to use whatever native intelligence we might have and evaluate proposals that come forward. That is the challenge I have, not only for the NDP, but in these difficult days for the government. If they would at least read them, then perhaps it would find them less offensive.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, first, I want to thank my colleague for the very eloquent remarks that he made today. Seldom, if ever, has such eloquence been heard in this House. We can really tell that our learned and distinguished colleague obviously knows this subject very well.

I want to ask my colleague about the old age security tax of which he spoke with such knowledge and eloquence and of its application in recent years.

Our equally eloquent colleague from Kingston and the Islands today in Question Period raised an issue which involves a court which has decided in relation to another bill that the trust of a government is so fundamental to our system that if Canadians do not believe that their governments can be trusted when they have made commitments, then, similarly, how can we ask Canadians to pay their taxes voluntarily based on the same kind of trust that should be there?

I think there is an analogy here. There is definitely a parallel. These are, in certain cases, the same people who are paying income taxes now from whom a number of years ago we collected moneys. At that time we promised them certain benefits under the old age security tax.

I want to ask my colleague who is so learned in the law if he will not agree with me that there is something inherently wrong from a justice point of view, as well as everything else, with a government that makes promises and does not keep them. I ask our colleague, the Minister of Health who is diligently taking notes of all of

this as we are speaking, to listen very attentively to the answer of my colleague from Ottawa South.

Mr. Manley: Mr. Speaker, I am not sure that I am up to the standard of eloquence that has been requested of me.

I think the essence of this is the concept of voluntary compliance that really underlies our income tax system. What we know is that in Canada we have had a very successful history of encouraging our citizens to comply voluntarily with the income tax rules, which sometimes have been pretty complicated. But people have shown a willingness to pay their taxes.

However, what is happening now, this year, in this particular measure is a request to Canadians to comply not only voluntarily, but to comply voluntarily with laws that have not been passed.

We have been told that these clawback measures are going to be in effect for 1989, no matter when this bill is passed.

• (1750)

People had to file their income tax returns by April 30, 1990. Although we were under no legal obligation to pay the clawback, the government is going to come after us later and try to take it out of our pockets. I do not know how many people realize that that is going to happen, that that retroactive feature is in this bill.

Meanwhile we have the government saying: "Even though you paid us in advance for your old age pension benefits, we are not going to let you have them". Surely, with the layer of GST put on top of it all, at some point people will get fed up and say: "That's it. Voluntary compliance, out the window. If they can catch me, they can have me. Until then, I'm keeping the cash in the pocket". The danger that this government is getting into is the danger of undermining voluntary compliance.

The Acting Speaker (Mr. Richardson): Is the hon. member for Kingston and the Islands rising on a point of order?

Mr. Peter Milliken (Kingston and the Islands): I am rising on a point of order, Mr. Speaker.

I have discussed this matter with the other parties. Because of my enthusiasm in preparing my speech this afternoon I forgot to serve notice of my intention to raise a question on the late show at some future date with regard to a question I raised today in Question Period.

I wonder if the House would agree to allow me to file the application now. I apologize profusely to the House for having missed this very important point. I think that a seven-minute discourse on justice matters will be of interest to the House later.

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, we expressed some amazement that that was a prepared speech and that it should be used as an excuse.

However, we felt that if our hon. colleague opposite is willing to admit that it was a prepared speech, then the least we could do is grant unanimous consent for his request.

The Acting Speaker (Mr. Richardson): Is there unanimous consent?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Richardson): Resuming debate with the hon. member for Mission—Coquitlam.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, after the Minister of Finance introduced the clawback provisions in his budget I asked him during Question Period one day about what guarantee Canadians have that these clawbacks would not affect them in terms of the mounting cost of living, and that their pensions in fact would not be clawed back.

The finance minister said not only to me, but to all Canadians: "Trust us".

Canadians trusted this government on free trade. Look what we got. Canadians trusted this government on unemployment insurance. Look what we got. Canadians trusted this government on child care. Look what we did not get.

The Prime Minister said to us that his mother is proud of him, she is not worried, she trusts him. I can tell the hon. members here assembled and the Prime Minister who may some day read *Hansard* that there are an awful lot of moms and dads, in this country who do not trust him or his government. They do not trust anymore that their interests are the concern of this government.

We have had one piece of legislation after another come before this House that begs that trust. In fact that trust has been ignored. The government's actions have flown in the face of Canadians who not only trusted it

but who voted for it giving its members a mandate to protect their interests.

When Bill C-28 was debated before it was sent off to the Senate, the Liberals in this House talked very eloquently and passionately about the sanctity of universality.

The member for Winnipeg St. James was very clear when he said: "This has been an attack on seniors". He said: "It is a betrayal of the senior citizens of this country. They do not deserve this kind of treatment. They deserve our respect. They earned the right to this pension".

The hon. member for Halifax said: "A clawback is a clawback".

The hon. member for Hillsborough said: "Parents and pensioners make a special invaluable contribution to our society in the past, present and future. These clawbacks imply that such contributions are unimportant and that some are worth even less than others".

The hon. member for Stormont—Dundas said: "I urge the government to rescind the clawback proposal contained in C-28".

The hon. member for Kenora—Rainy River said: "Canadians do not support the clawback and they will never accept it".

The hon. member for Glengarry—Prescott—Russell said: "For me as a Liberal that kind of thinking is wrong. There is no way that senior citizens should apologize to the members across the way and beg to get money from this government".

I am absolutely astounded with that kind of presentation from the hon. members on the Liberal benches that a Liberal-led Senate is indeed sending back to this House Bill C-28 with minor amendments that in fact still attack the universality of pensions and family allowances.

It is important to consider some of the things that senators said when the Senate was discussing this bill in committee. Senator Grafstein said: "I think the committee and the Senate has a responsibility to ensure that the Charter is maintained". This is in reference to Bill C-28. He continued: "If in fact this clawback runs afoul of Charter considerations because it discriminates on the basis of age, we should give it careful consideration. We are obliged to ensure that any laws that pass the Senate meet the contours of the Charter".

Senator M. Kirby said: "I should like to say at the outset that I think this is a fabulous brief". He is referring to a brief presented to the Senate committee hearing. He said: "You have summarized the objections to this part of Bill C-28 more clearly and more briefly than anyone else who has appeared before us and I congratulate you for that". It was a presentation and a brief from One Voice which categorically condemned the clawbacks in this legislation.

I could go on. I have a whole list of both Liberal opposition members and Liberal senators who have spoken very eloquently about the sanctity of the universality of social programs in this country.

We have before us two amendments sent back from the Senate. We have members of the government getting up and giving eloquent speeches about how fair this legislation is to seniors and to parents. They give us a whole lot of numbers and bafflegab like: "It is only going to hurt a little bit. The richer you are, the less it will hurt you".

If we were to look very carefully at the statistics as time goes on and as the clawback moves along, we would find that a mother today who is 20 years old and earning $20,000, by the time she retires would find her pension clawed back, assuming that everything else was equal and that she was in the same job. Is the minister over there agreeing with me?

No, he is not agreeing with me. Maybe we should put your statistics, Mr. Minister, and my statistics together and see if we cannot find out just who is stating the facts in this case. Maybe we could give them to the Senate and it could figure it out.

This clawback discriminates against one-earner families. It is both unjust and illogical. A one-earner couple at $56,000 will pay back all of its family allowance.

Mrs. Dobbie: Are you suggesting we discriminate against married couples?

Ms. Langan: The hon. member opposite will have her turn later. She can certainly get up and rebut what I have said to her heart's content when I am finished.

A one-earner couple earning $56,000 will pay back all its family allowance. The two-income couple earning $80,000—$24,000 more than the one-earner family that I just spoke of—gets to keep over half of its family allowance. I would like to ask hon. members opposite how that can be considered fair. That is what the government introduced. It is still there with the Senate amendments. I would like to ask all hon. members assembled if they believe that that is fair. Not only have we abandoned universality, now we are creating inequities.

• (1800)

The clawback will add to the complexity of the child benefit system. After the clawback, there will be four types of families receiving family allowance: one, who will keep all of their family allowance because they are too poor to owe income tax. The second will be those who keep part of their family allowance, because they pay regular income tax on their benefits. The third group consists of those who keep part of their family allowance because they pay regular income tax and the clawback is going to take place on their benefits. Fourth, those who will pay all of their family allowance back because of the clawback.

Fairness and equity apply. As the hon. members on the government side of the House know, the clawback will not redirect benefits from the rich to the poor. That is the basis on which the government is trying to sell this bill. They are telling people in Canada: "We will take it from the rich people who make $50,000 a year and we will give it to the poor."

I have never ever believed and I do not think anybody in this House believes that the Conservative government from across the way is Robin Hood, taking from the rich and giving to the poor. Never, never, never has this government taken from the rich and given to the poor.

The clawback on family allowance and old age pensions will save the government about $500 million a year when this game is fully in effect. When I finish speaking, I would like to have the hon. minister who spoke earlier tell us how that $500 million a year will be given to the poor in this country. I defy him to get up and tell us that that $500 million is going to go to the poor.

We believe that the federal government should abandon the clawback proposals in Bill C-28. There is no question that those clawbacks put an end to universality both in pensions and in family allowance.

The National Council of Welfare, a citizens' advisory body to the Minister of National Health and Welfare and appointed by the cabinet to advise the minister on matters of social policy, believes that this legislation should not have ever occurred. It believes that this legislation is putting the death stamp on universality in this country.

The other point is the absolute shock when one starts looking at where this government introduces its social policy. This government does not introduce social policy through the Minister of National Health and Welfare or through other ministers in this government. Where does it introduce social policy? It introduces it in the budget, buried in figures so that people have no realization of how bad these amendments are.

The Minister of National Health and Welfare does not stand up and say: "We are going to grab back part of your pension or part of your family allowance." The minister responsible for pensions does not jump up and say: "We are going to grab back part of your pension." Never. This government introduces it in a budget with figures that even the most astute people in the media and in this House along with their advisers take days and weeks to figure out.

The government expects ordinary, average Canadians to figure out that they are getting the shaft from this government. I have news for you, Mr. Speaker. The average Canadian could never figure out what is in those budget documents. It is absolutely shocking that this government hides its dastardly deeds in the confines of huge budgetary documents.

This country introduced universality in the family allowance, medicare, old age pensions, the programs that are so important to what makes our society special as caring Canadians. Nobody ever dreamed that we would find ourselves faced with a government that through the guise of trying to achieve a level playing field—and maybe that is the reason—gives us reasons for balancing budgets. Yet, it spends on the other end and takes it away on the social programs. We give it on the

other end. We give tax breaks to corporate friends. Nobody ever believed that this government—

An hon. member: How about our co-operative partners?

Ms. Langan: We can talk about that. Let's talk about that. You can ask me questions about that when I am finished speaking, hon. minister.

I do not have to make any apologies for the basic principles of New Democrats, nor will I make apologies. I would like to ask hon. members some questions about their basic principles, but this is not the place to do it.

The kind of thing we need to discuss in this House is how we find ourselves faced with a piece of legislation from a Tory government that supposedly grabs back from the rich today.

An hon. member: That is right. Today.

Ms. Langan: I have already stated, and I will state it again. If you are earning $30,000 today and you are 30 years old, by the time you retire your pension will be clawed back. If you earn $40,000 today and are aged 40, by the time you retire, your pension will be clawed back. Do not tell me that it is being clawed back from the rich. It is the well-to-do. Fifty thousand dollars is not rich today. It is the well-to-do today, and tomorrow it is the poor. Do not try to fool Canadians.

An hon. member: That's who they are after.

Ms. Langan: Do not try to fool Canadians by saying that you are taking this money from the rich. You are taking this money today from middle-income Canadians and tomorrow from the poor Canadians.

It is absolutely critical for Canadians to take a look at the fact that this Tory government has yet again tried to fool Canadians into believing that they are doing them a favour by taking from the rich when in fact their intent is to take from average and poor Canadians. At the same time we have a Liberal Senate that claims in the loftiest of terms to be committed to universality coming back with a couple of measly little amendments when in fact it has the power to stop this legislation.

There are those who have said to us: "Well, suddenly New Democrats are embracing the Senate". Not true. In fact, what we are saying is if there is a Senate there, let's put that Senate to work to protect Canadians. If there is any kind of heart in this government, if it can get its act together—and there seems to be a little bit of difficulty over there even figuring out what we will do from day to day around here—I would plead with it not to rely on the Senate to withdraw this bill, but to have the courage and respect for the Canadian people, the people who are building this country, the people who have indeed built this country in the name of our pensioners, and withdraw this bill.

Mr. Steve Butland (Sault Ste. Marie): Madam Speaker, I congratulate my hon. colleague for her fine speech.

I do not think Canadians ever get tired of hearing what a heinous group this group opposite really is. When talking about unjust, iniquitous, obscene legislation, the member cited that one particular clause where a married couple, each earning $49,000 for a total of $98,000, will not be clawed back on their family allowance, but a single parent earning $50,001 will have his or her pension clawed back. Why would the government allow this obvious unjust legislation to come forward without an amendment of its own? Second, why would the Senate not introduce an appropriate amendment?

Ms. Langan: Madam Speaker, I thank the hon. member for his question.

First of all, why would this government introduce such an unfair piece of legislation? God only knows why. This government is becoming infamous. It will go down in history as being the government that has consistently, time after time after time, introduced legislation that is not only outrageous and iniquitous and all of those things, but is indeed unfair.

• (1810)

As to why the Senate has not done something about it, I cannot speak for the senators, but I am quite surprised that the Senate, in its proposed amendments, has not addressed that subject. The most frustrating thing about all of this is that this government and this minister who is backing the motion not to support the amendments of the Senate would not, after all this government has heard about the inequities and the unfairness in this legislation, have addressed these inequities. I would hope that when I sit down the hon. minister would get up and do just that.

An hon. member: He will.

Hon. Gilles Loiselle (Minister of State (Finance)): Madam Speaker, I would like to say that the greatest threat to the people the hon. member was referring to would be for us to run away from a very difficult responsibility, which is to bring the deficit and the debt down. Otherwise it is our very capacity to deal with our programs and to support our programs on a continuing basis that will be threatened.

It is all very nice to live in a land where these problems do not arise when you have access to any amount of money. We are dealing with a very precise situation where Canadians are contributing a huge amount of money to our programs. They want us to deal, and I am sure that every member in this House would like us to deal in a responsible way with the finances of this country and this is what we are doing. We are cutting and trying to make savings where we are spending.

The government, of course, spends in areas which are always of great importance. I do not deny that we do not live in an ideal world. We are trying to manage the finances properly and protect the capacity of the government. If we do not do that, in a few years time it will not be what the hon. member called clawback; it will be the disappearance of these programs. Money does not grow on trees. We have to work in a responsible way to make sure that these programs are preserved because they are important.

Ms. Langan: Madam Speaker, I would like to thank the minister for commenting. I remind him that the term clawback is a term created and put forward by the finance minister, not by this hon. member.

The hon. minister says that the responsibility of the government is to reduce the deficit so that we can continue to have social programs. I suggest that if this government is serious about reducing the deficit, why are we reducing the deficit on the backs of seniors, on the backs of parents and on the backs of children in this country? Don't give me the argument that it is to protect our children's future. What about the present? Starve me today so I can live well tomorrow? Come on.

What this government needs to do is talk about taxing corporate Canada fairly. If we took all of those deferred taxes and put them in the coffers of the government, we would not have to tax from kids and we would not have to tax from pensioners, like he is proposing. What about doing something about the artificially high Canadian dollar or the interest rates in this country? If we could get the finance minister to do something about the interest rates in this country, we could take care of that billion dollars that this clawback is going to grab for the government.

Ms. Mary Clancy (Halifax): Madam Speaker, I rise today to speak on this bill and to speak on the issue of fairness. There has been a lot of back and forth about the provisions of the bill and the clawback and whether or not the government is Robin Hood or the Sheriff of Nottingham.

The question that we must deal with is strictly one of whether or not governments are supposed to be fair to the people they govern. The answer with regard to this bill, and with all due deference to the hon. minister opposite, is no. The answer is no.

We look at this bill and we see that those families which earn in excess of $50,000 a year will be clawed back on their old age pension and on their family allowance.

First of all, I am astounded by the insinuations of some hon. members opposite that $50,000 a year creates the aura of riches. If we are talking about a family of four or five, if we are even talking about two senior citizens with a pensionable income of $50,100 a year, we are not talking riches. I come from, admittedly the poorest region of the country, so there are not a whole lot of people in my region who fall into this category. Even I being from the Atlantic region know that $50,000 spread across the average Canadian family is not a huge amount of money.

In regard to the old age pension, many of the people who are going to be clawed back on their old age pension are not receiving it as some gratuitous frill. This old age pension was something that many of them contributed to in the beginning and middle years of their working lives, because this pension was a contributory pension. Consequently, when these people, as most of our senior citizens do, planned for their retirement years, they included at least in a ball park way the old age pension as part of the funds they would have in their retirement years and used them in planning how they would spend those years. What they are dealing with is a breach of trust by the government and a loss of income.

The same can be said for those families receiving family allowance. It is already taxed back on a reasonable level. People who make over a certain income will lose a certain percentage of their family allowance. That is fair. That is what we expect. That is what the program was meant to do.

I listened with interest to the hon. minister's comments about the deficit and the business that if we do not take care of the deficit now we will not have any money for social programs in the future. That is fine, but he has already received suggestions from my hon. colleague from Kingston and the Islands, my hon. colleague from Ottawa South, my hon. colleague from Mission—Coquitlam, and a host of other opposition members of other ways in which he can reduce this deficit and not to do it by a direct attack on the elderly and on children.

I can remember several years ago at a Liberal Party convention where some people, misguided though they were, brought forward a resolution to create a means test on the family allowance. I am happy to say that it was voted down in a social policy workshop by somewhere in the vicinity of 370 to 3, because we did not stand for means tests on social programs in the Liberal Party. We stand for universality and for universality that benefits everyone at least a bit.

I recall an hon. member of the other place, a very senior senator, who had been involved in the government of this country for a long time, standing and making an emotional plea in that workshop and saying that even in the dark days of the depression when the Liberals regained the government in 1935, when things were pretty hopeless in this country, we instituted social programs on a universal basis. We did not take them away.

That is what a government that is fair and a government that cares about its people does. It does not turn around and say to elderly people who have planned their retirement years that it is suddenly going to claw back their old age pension. I just ask members opposite how easy they think it is for one wage earner making $50,100 or whatever a year to provide for a family of two, three, or four children, to try to plan for the future, for the children's education, and to try to provide a few of the extras in life. We talk about taking back from the rich. We have already established that this salary level does not make one rich. I would suggest to you that most members of Parliament could attest to that. Is there some sort of method in the government's madness that, if this amount of money makes one rich or if it does not, somehow we should penalize people who have children? Effectively that is what this is doing.

• (1820)

There is a whole issue relating to the family allowance which gets passed over by certainly the government members and, to a degree, even by members on this side: that women receive the family allowance. It is money that comes to women. If the women are at home and are not wage earners outside the home but have husbands, the tax for that family allowance comes off the husbands' salaries.

Almost any woman in this House—certainly many women across the country—know for a fact that in every one of our cities, towns, and villages across the country there are women in distress, women in abusive situations, women in untenable situations who have saved those family allowance cheques month to month, year to year until they have enough money to make an escape. I have seen it. I suggest that many of us have seen it.

There is a fiction created that the clawing back of this benefit is not going to create a hardship. It is going to create a hardship. We know that abusive situations, wife abuse and family violence, are not limited to the homes of the poor. They are not limited to certain regions of the country. We know that the spectre of family violence raises its head in every possible socio-economic bracket in Canada. We know that.

Anybody who works in social work, in the legal profession, or in any of the social professions dealing with people on a day to day basis will say that women use this money for an escape hatch. For many women in this situation it is already difficult to hang on to this money because in spite of the income levels of many of their husbands the response is: "I am being taxed on this. It is my money. You give it to me." Many women are coerced into endorsing over the cheques.

I have seen situations where women have just been told: "Sign it and hand it to me or I won't be responsible for the consequences." Women already have a difficulty in maintaining that which is theirs. If an abusive husband is going to be taxed at a higher rate, how much narrower a window of opportunity is his wife going to have to hang on to this money?

I reiterate that this happens in every corner of this country. It happens to women in tenements. It happens to women in mansions. It happens to women from coast to coast to coast. It is not something that we should be prepared to slough off or gloss over lightly. It is an important and frightening aspect of what this bill can do to worsen a situation for women who are already in desperate circumstance.

I know very well that the hon. minister is a compassionate man. I have heard him on many occasions. I know he cares about things like this, but I suggest that the government in its planning did not think of this aspect of what this bill can do.

I agree with my colleague from Kingston and the Islands; I very much wish that the Senate had sent back even tougher amendments. However I think the amendments that it has sent are eminently reasonable. I do not understand why the government sees fit to speak against them. What the Senate is effectively saying, if I may be so bold as to interpret it, is that this clawback should be indexed in such a way that within 10 years the level of clawback will not go to an income that is worth effectively $35,000 in today's dollars. By the way, may I add that I am delighted to hear the change of heart by my colleagues in the New Democratic Party with regard to the other place. Every year under the current legislation more and more people are going to fall into this trap, more and more people are going to be facing real hardship.

Everybody in this House who grew up since the inception of the family allowance has stories to tell as to what the money was used for. I recall as the only child of a widowed mother that the family allowance cheques which came to my mother for me were used to pay for insurance benefits.

I recall other friends whose parents in the pre-medicare days used the family allowance to pay for things such as glasses and shoes in many cases. That money that came in, even back in the days when it was $6 a month or $8 a month, made a real difference to families who were not considered to be poverty level. They were considered to be ordinary middle-class Canadian families. At $50,000 a year that is what we are talking about in 1990.

In the year 2000, if this bill keeps on, where do you think the poverty line will be, Madam Speaker? I suggest that it will be a lot closer to $35,000 than it will be to $50,000 today.

Let us look at the reasons that social programs were put into place. They were put into place because of the spirit that is Canada, because of the *raison d'être* of this country.

Most of us in the House, with the exception of perhaps my colleague from Nunatsiaq, my colleague from the Western Arctic and another colleague from Alberta who is not here, came here through our parents, our grandparents, our ancestors, to live a better life. That is why we came here. Whether we came from eastern Europe, western Europe, from France, the British Isles, that is why we or our ancestors came to this country. We came because we wanted to see a system of government that was fair, equal and democratic.

We also knew that not everybody, in spite of the opportunities that Canada offers, can take full advantage of those opportunities. There are some people so caught in the cycle of poverty that without massive assistance they cannot break out. There are some people because of other socio-economic difficulties who cannot realize their full potential.

Consequently that was the reason in the dirty thirties the government of this country said that we needed social programs to assist, that we needed to ensure the elderly and families had something to help them along.

It was not considered—and certainly it has not been in my lifetime—a temporary measure to be thrown away because of economic exigencies in other areas of government delivery of services. That is the way, sadly, this government is treating social programs today.

The Prime Minister referred to universality as a sacred trust. It is a sad day for Canada that the words sacred trust have become base coinage.

The people of this country have a right to believe that the things they helped fight for, that they contributed to through their tax dollars, and that they contributed to through their building of this country would be there for them and for their children. The trust, sacred or otherwise, has been broken.

In the last election a number of my colleagues in the Liberal Party and I were faced with the accusation that we used scare tactics particularly when we talked to senior citizens about pensions.

If we used scare tactics, what is this but the realization of what we talked about? When I talked to senior citizens in Halifax in the 1988 campaign, we talked about how safe their pensions were and we talked about the old age pension. I did not ask every senior citizen who I talked to in the 22 senior citizens' complexes across the riding of Halifax or in the houses and apartment buildings where I met them door to door, what their income from all sources was and say that if they fell into this category they may lose something. Almost every one of those seniors to whom I talked had contributed to that old age pension. They felt that it was a part of an investment that they had made in themselves and in this country and they are angry and disappointed that the tables have been turned on them and that they are going to lose this money.

• (1830)

I began my remarks tonight by talking about fairness. It has been said before by practically everyone who has spoken this evening on this side of the House, but it bears repeating. Where is the fairness in a couple with a joint pension income of over $50,000 but individually of $26,000 a piece, for example, being exempt from this while another couple where one person has the income is getting clawed back? Where is the fairness in the family where there is one wage earner who makes in excess of $50,000 and therefore gets clawed back, while in a family where there are two wage earners whose aggregate salary reaches this figure does not get touched?

There just comes a point, Madam Speaker, where it goes beyond the question of fairness and becomes a question of common sense. Every member on the other side of the House has examples of this in his or her riding. Every one of them has people who are going to be distressed and upset about this. It does not seem to me to make any kind of sense either in the realm of fairness or in the realm of good policy or good politics. I guess in the long run it is somewhat akin to the commercial that says, "You can't fool mother nature", and mother nature is going to be a little upset when mother nature goes to the polls.

However, I think that there are so many reasons for upset at this point that it may well be that the government just figures there is nothing left to lose. Just as an aside, I must say I was happy to see that in the province of Nova Scotia—and I say this to make the members opposite feel better—the federal Conservatives are doing much better than the provincial Conservatives, the federal Conservatives being at 14 per cent and the provincial ones being at 13 per cent.

Mr. Duhamel: What are the Liberals at, 68 per cent?

Ms. Clancy: I think it was 68 per cent, it might have been 70 per cent.

We talk about fairness; we talk about families. I have listened to the members on the other side of the House who on occasion seem a little bit afraid of some of the developments of modern history particularly relating to the status of women. I can only say to a government that claims to be family oriented and claims to be in favour of the family, that if this is the way that it treats its friends, it is no wonder that it has so few.

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, I would like to thank the hon. member for Halifax for her intervention. She made reference to 1935 when the Liberal government introduced universal programs. Is she was aware that in fact it was as a result of A.A. Heaps, J.S. Woodsworth and Agnes Macphail and others in the Ginger Group who forced the Liberal government, when they held the balance of power as CCFers, to introduce that legislation?

Ms. Clancy: Madam Speaker, I thank the hon. member for Mission—Coquitlam. Liberalism goes back many generations in my family and we have never been averse to using other people's good ideas. We have never been averse to using those ideas for the benefit of the people of Canada. We have never been averse because, being a party that gets into power fairly frequently, it is lucky that somebody will use these ideas.

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I want to thank my colleague for her perceptive and insightful comments. There are three points I want to make.

You will recall the attempt on the part of the government to bring about deindexation. A lot of people are

saying that the bottom line is really the same when one looks at clawback and deindexation. I would like a comment on that.

A number of my constituents, seniors, have said that the old age pension that they paid into was really an investment, the point that the member made, and that if they had paid it to a private company and that private company were trying to claw it back now, it would be sued. Is that a possibility? Also this clawback affects women more than men because there is certainly a larger proportion of women who are seniors today.

I have just one final point with respect to the unemployment insurance bill. You will recall that during the election campaign a certain minister, who is not present in the House right now, checked with the Prime Minister with respect to whether or not there would be any kind of changes that would negatively impact upon Canadian workers. Does the member recall that conversation?

Is this then not a very misleading bill as a result of what occurred during the election campaign?

Ms. Clancy: Madam Speaker, I thank my hon. colleague from St. Boniface. First, there is no question that seniors are again feeling absolutely betrayed. This did not work when it was tried by this government previous to 1988 because the seniors stood up and made it stop. But this time the government is coming at it through the back door and effectively, over time, unless this tide can be stemmed, it will achieve much the same result. Seniors are angry, upset, distressed. They know what the words "sacred trust" mean.

With regard to the question about the investment, suppose you put money in an RRSP at one of the chartered banks and then they said to you: "Hey, we are sorry, we told you that we would pay you 11 per cent interest but we have decided now we are only going to pay you 2 per cent interest". I think your cause of action, and I suggest the hon. Minister of Transport would agree with me, would be something that you would be fairly willing to take a run at.

The hon. member's third point was again on a question of trust, the fact of a minister, to whom he referred, checking with the Prime Minister about the UI bill in this particular case but about any changes that would go to the fabric of our universal social programs system. In response to that I can only say that Canadians sit back in holy horror and say: "How can we put our trust in people who say one thing and do another?"

Madam Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

Madam Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Madam Deputy Speaker: Call in the members.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 288*)

YEAS

Members

Anderson	Andre
Atkinson	Beatty
Belsher	Bernier
Bertrand	Bird
Bjornson	Blais
Bouchard (Roberval)	Bourgault
Campbell (Vancouver Centre)	Cardiff
Champagne (Champlain)	Clark (Brandon—Souris)
Clifford	Cole
Collins	Cooper
Corbeil	Corbett
Côté	Couture
Crosby (Halifax West)	Danis
Darling	DeBlois
Desjardins	Dobbie
Domm	Dorin
Edwards	Epp
Fee	Ferland
Fretz	Friesen
Gibeau	Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Horner	Horning
Hudon	Hughes
Johnson	Joncas
Kempling	Koury
Landry	Larrivée
Leblanc (Longueuil)	Lewis
Littlechild	Loiselle
Lopez	MacDougall (Timiskaming)
MacKay	Malone
Marin	Martin (Lincoln)

Mazankowski	McCreath
McKnight	Merrithew
Monteith	Oberle
Plamondon	Plourde
Porter	Pronovost
Reimer	Ricard
Richardson	Robitaille
Schneider	Shields
Siddon	Sobeski
Sparrow	Stevenson
Tardif	Thacker
Thorkelson	Tremblay (Rosemont)
Tremblay (Québec-Est)	Turner (Halton—Peel)
Valcourt	Van de Walle
Vien	Vincent
White	Wilbee

Wilson (Swift Current—Maple Creek—Assiniboia)
Worthy—102

NAYS

Members

Anawak	Angus
Axworthy (Saskatoon—Clark's Crossing)	Bélair
Benjamin	Blackburn (Brant)
Boudria	Butland
Caccia	Clancy
Dionne	Duhamel
Ferguson	Fisher
Foster	Funk
Gauthier	Grey (Beaver River)
Harvard	Hopkins
Jordan	Kaplan
Karpoff	Kilger (Stormont—Dundas)
Kindy	Kristiansen
Langan (Mission—Coquitlam)	Lee
Mifflin	Milliken
Mitchell	Nault
Nystrom	Parker
Prud'homme	Rideout
Riis	Robichaud
Robinson	Rodriguez
Skelly (North Island—Powell River)	Stupich
Taylor	Whittaker
Young (Gloucester)	Young (Beaches—Woodbine)—46

• (1920)

Madam Deputy Speaker: I declare the motion carried.

Mr. Cooper: Madam Speaker, may I call it ten o'clock?

Mr. Gauthier: Madam Speaker, we would like to know from the government what it intends to call tomorrow morning at eleven o'clock when this House reconvenes.

Mr. Cooper: Madam Speaker, it is our intention tomorrow to deal with Bill C-54 and Bill C-55 at report and hopefully third reading stages.

Madam Deputy Speaker: Shall I call it ten o'clock?

Some Hon. Members: Agreed.

Adjournment Debate

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

TRADE

Hon. Ralph Ferguson (Lambton—Middlesex): Madam Speaker, in the absence of the Minister for International Trade on April 23, I asked the Minister of Agriculture a question about the dumping of subsidized soybean oil from the European Common Market on to the Canadian market.

At that time it had been confirmed that a large Toronto based vegetable oil refinery had purchased 10 million pounds of subsidized soya oil from Spain. Spain imports soybeans from Brazil and the United States to crush and then exports the oil at a subsidized rate to protect its olive oil producers. At the same time they use a soybean meal as a livestock and poultry feed protein supplement.

Although I am disappointed to notice that while it appears as if the problem may be resolved the minister is not in attendance. I am sure there will be someone here to answer in detail the questions I raised that day.

At the outset I would like to remark that although the particular import question may not be repeated because of the promise of the company involved, the government has not yet provided any assurances that such an import will not be repeated by any other corporation. To that end, I look forward to seeing just what the minister proposes as a remedy and just what his investigation into this matter revealed.

I should point out that there was no shortage of soya oil in Canada at the time this import was made. It was definitely a subsidized import. This can happen to other commodities where a large company will bring in a shipment of a product that is not really needed, simply to break the price structure.

I also noticed that the government has not undertaken to decrease the tariff on soybean oil imports which are currently set a 7.5 per cent, a full 15 per cent less than U.S. tariff. This figure is ironic as the soya oil in question

was produced from U.S. beans exported to Spain from the U.S., and possibly under a subsidy program, then crushed in Spain and exported under yet another subsidy program.

The export enhancement program, which is the United States' main but not only export subsidy program, funded U.S. agricultural products exports to the tune of $1.5 billion in 1988, $0.7 billion in 1989, and $566 million this year. In addition to those moneys, the U.S. proposes to spend over $900 million in the program in 1991.

The minister has indicated in the past that he may use the article 19 of the free trade agreement to challenge the United States export enhancement program. I wonder if the government's statement today will indicate a willingness to use that route in view of its investigation into the dumping of this oilseed product into the Canadian market. The Canadian market under this government has become a real dumping ground for subsidized agricultural products.

For example, according to industry sources, 1 million pounds of no-roll beef a week was imported into Canada from the U.S. last year, and it is expected to double to 2 million pounds a week in 1990. This is low grade beef that because of the government's refusal to change our import regulations competes directly against our high grade quality beef in Canada. This meat is not graded when it leaves the United States, and it is unacceptable that our exports have to be graded.

This beef is in addition to the influx of imported Nicaraguan beef being dumped into Canada at the present time. This in turn has impacted negatively on our beef industry. According to the latest published Statistics Canada information, in 1984 Canada exported 230 million pounds of dressed beef. We should compare that to 1988 when Canada exported only 181 million pounds of dressed beef, a decrease of 21 per cent. In 1984, 254 million pounds of beef was imported into Canada. By 1988 that figure increased dramatically to 345 million pounds, an increase of 35 per cent.

Further, in 1985 beef exports represented 34 per cent of all red meat exports valued at $218 million; in 1986, 20 per cent with a value of $198.8 million; in 1987, 25 per cent with a value of $198 million; and in 1988, the latest date for completed figures according to Agriculture Canada, beef exports accounted for only 18 per cent of red meat exports at a value of $173 million.

For 1987-1989 the number of cattle on farms is currently lower than in any previous five-year average since 1970, and 632,000 head less than at the turn of the decade.

This is the net effect of such dumping in just one sector of the agricultural industry. The over-all effect of this government inaction has been dramatic.

The Canadian Wheat Board initial price for spring wheat in 1984 was $170 a tonne. The initial price recently announced by the government for 1990, in equivalent dollars, is only $126.73, a real drop of $43.27 a tonne, indicating that real incomes for 1990 will be considerably worse.

Producers of corn in Ontario, the province's largest single crop, said the western grain farmers are not the only ones under siege. The income of Ontario corn producers is now only 28 per cent of what it was prior to 1985.

The over-all effect of the government's polices or lack of policies is that in 1984 the average net farm income was $15,461 in equivalent dollars. The average net farm income in 1988 was only $13,224. On average since 1984 producers have seen their real incomes drop by 15 per cent.

Agriculture Canada optimistically predicts farm incomes will drop $2.77 billion this year from $4.33 billion last year, a 37 per cent drop in one year.

In spite of the incredible decline that these figures represent, I say optimistically as a report in this morning's *Financial Post* cites a U.S. agricultural analyst predicting a 20-year record low realized net farm income in Canada of only $1.85 billion, which would be a decline of 58 per cent.

The study finds that half of the decline is due to depressed prices for agricultural products. The other half is due, the analyst argues, to direct government action: the wholesale removal of agricultural support programs. That is the legacy of this government's agricultural program. Indeed, the government openly admits that it plans to cut government spending on agriculture to $3.2 billion this year from $5.6 billion last year and $6.1 billion in 1988, a 50 per cent plunge in two years.

• (1930)

I would like to remind Canadians just how many support programs for agriculture the federal government has removed in a simple budget in 1989: crop insurance, $200 million; rail branch line rehabilitation program, $48 million; grain crop advance payments, $54 million; dairy export, $12 million, commodity based loans, $15 million; Canadian Dairy Commission, $10 million; grain and flour, the at and east legislation, Bill C–26, $60 million, for a total of $399 million. In fact, since this government came to power in September, 1984, the family farm in Canada has been under siege.

We have the most efficient producers in the world, but they cannot compete by themselves with the treasuries of the world, especially when the government allows other nations to dump heavily subsidized products such as soya oil on the Canadian market. The products are so cheap, as with soya oil, that they can cross the ocean twice and still be cheaper than the product produced here.

It is time this government presented some concrete plans to deal with this situation. I would specifically request the minister to take action, not just in the situation of the soya oil dumping, but also in other commodities that are being dumped on our market here and we have to compete against their export markets that are financed under the Export Enhancement Program.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, it is almost impossible in the time allotted to reply to the many concerns that the hon. member raised. We were supposed to be talking about soybean oil and and the importation of soybean oil.

But the member has touched on at least four or five different topics, such as the Canadian price for wheat, the initial price for wheat and beef, items like that. Those are all concerns of ours.

He also mentioned the cuts in payments to agriculture. I would not say that that is true. There has been a realignment in agriculture spending and we have to look over the last number of years at the amount of money with which this government has supported agriculture, the Special Grains Programs, drought assistance, and as recently as this year, the government's special $500 million program with which we are all familiar.

I do not think it is fair to say that we have abandoned the farmers in any way. We have fully supported farmers. I just wish that we had about half an hour to respond to the questions that the hon. member raised because I am sure we could have quite a good debate in that area.

The question the hon. member does raise about the trade practices of the European Economic Community illustrates an issue which causes a great concern to the government and the Canadian agriculture community. There is no question about that.

The EEC uses its export subsidies more than any other world trader to sell its agricultural commodities. The recent sale of that Spanish soybean oil to a Canadian company that the member spoke about, although not large in the over–all context to our Canadian market, is significant because it has caused concern within the Canadian oilseed industry.

Another important factor is that the 8 per cent tariff barrier imposed by EEC member states expires January 1, 1991. This will increase opportunities for Spain to dispose of surplus soybean oil within the European community.

Madam Speaker, this government is prepared to assist its oilseed producers. The industry stopped the countervail action after the importer of the Spanish oil stated publicly that they were unaware of the existence of this subsidy and promised not to make any further purchases of subsidized oil.

In the meantime our concerns were brought to the attention of the EEC and the Spanish authorities through our missions in Europe.

Before closing I want to address as well the question raised regarding the use of pesticides in imported soybean products. Maximum residue tolerances are established under the authority of Canada's Food and Drugs Act. I would like to make it very clear for the public that the same standards are applied to both Canadian and imported produce. However, the health and safety of Canadians is protected by the tolerance provisions of the Food and Drugs Act and through the monitoring by Health and Welfare Canada and Agriculture Canada.

I want to say again that this government is totally committed to support of agriculture and will assist whenever, wherever, however we can.

MEECH LAKE ACCORD

Mr. Svend J. Robinson (Burnaby—Kingsway): Madam Speaker, on Thursday of last week my leader, the member for Yukon, the hon. member for Yorkton—Melville, and myself all urged the federal government to ensure the full participation of aboriginal peoples at the First Ministers' Conference in December during the discussion of the so-called Canada clause.

I said at that time,

> —in view of the fact that an essential component of the Canada clause is the recognition of aboriginal peoples as distinct societies with distinct cultures and languages in this country, it is fundamentally unacceptable for First Ministers to sit around the table and discuss that issue without the participation of aboriginal peoples.

I called upon the Deputy Prime Minister to ensure that aboriginal peoples would, in fact, be at the table at the First Ministers' Conference in December. In his answer, the Deputy Prime Minister said that this would subvert the process. The Deputy Prime Minister talked about the leadership that the Prime Minister of Canada had displayed during the process of constitutional change.

This was the same Prime Minister who bragged in a display of breathtaking arrogance that he had manipulated the whole process. He said, "I told them when this thing was going to take place. I told them a month ago when we were going to start meeting. It's like an election campaign. You've got to work backward. You pick your dates and you work backward. And I said, that's the day I am going to roll the dice. It is the only way to handle it." Madam Speaker, that approach has been described eloquently by the Conservative member for Annapolis Valley—Hants as being "bluff, bluster and blackmail".

When the Prime Minister rolled the dice, when he played with the future of our country like a constitutional crapshoot, he forget one important element, one group of people who have historically been forgotten and betrayed in this country; the aboriginal people of Canada. In his cynical wheeling and dealing with the First Ministers at the Conference Centre, the Prime Minister left aboriginal peoples feeling degraded and humiliated; reduced to the status of observers with their noses pressed up against the window of the Conference Centre.

It was not until the Leader of the New Democratic Party insisted some four days after the conference had started, that aboriginal people were even given a briefing by federal officials as to what was taking place inside the conference centre. It was not particularly surprising, when you look at the appalling record of this government when it comes to aboriginal peoples in this country.

The Canadian north is currently under massive assault from hydroelectric projects, oil and gas development and the military. I am thinking particularly of the assault on the Innu people of Labrador. Above all, there are the forestry companies. Subsidies for northern postal services have been slashed and education funding for native students has been effectively cut. This is happening at a time when a young native person has a better chance of going to prison than going to university.

Also, native communication funding has been slashed. Core funding to the Assembly of First Nations was eliminated. Organizational money for the James Bay Cree, B.C.'s Nishga, the Gitksan Wet'suwet'en and other vocal critics, was dropped; the Manitoba inquiry into aboriginal justice, the Marshall Inquiry and the Alberta inquiry into the Bloods has demonstrated that the justice system is steeped in racism.

Indeed, as a brief submitted by the Assembly of First Nations stated: "All of the institutions of our culture are under attack. Our languages are disappearing as our elders die. Our religions are disappearing with the spread of religions from other parts of the world. Our hunting, fishing, trapping and gathering lifestyles are disappearing with the wanton killing of animals, pollution, forestry clear cutting, encroachment upon wilderness areas and megaprojects all in the name of progress and development".

Given all of this, is it not surprising that aboriginal peoples are feeling betrayed by this process of constitutional change. It has left them out and they, and I, salute the courage, the dignity and the eloquence with which Manitoba Cree New Democrat MLA, Elijah Harper, has been forcing the Government of Canada, indeed, all

governments, to finally pay attention to the demands of aboriginal peoples for constitutional justice and respect.

On the weekend, the British Columbia Provincial Council of the New Democratic Party passed a motion announcing its full support for Manitoba native leader and New Democrat MLA, Elijah Harper, in his efforts to ensure that aboriginal people achieve full constitutional recognition. As the Assembly of Manitoba Chiefs stated in their presentation before the Charest committee: "The Meech Lake Accord distorts historical reality in Canada by not affirming that aboriginal peoples are distinct societies that also constitute a fundamental characteristic of Canada."

• (1940)

We did not listen to the aboriginal peoples when they appeared before our committee. For example, Gary Gold from the New Brunswick Aboriginal Peoples' Council said: "We are being completely shut out of the process of consultations. We were promised by the federal government only three months ago that we would be consulted fully."

Ron George from British Columbia said: "We have shown good faith by developing the idea of a companion resolution approach. We must not be excluded from the process once again." They were excluded from the process. Northerners were betrayed. The north has a substantial aboriginal population. Once again, the process of constitutional change in Canada has left aboriginal peoples behind.

We could have done it right. We could have said "yes" to Quebec and said "yes" to aboriginal peoples. Indeed, aboriginal peoples have made it very clear that they share the concern about closing the circle of Confederation to include Quebec. In an open letter sent by the Assembly of Manitoba Chiefs to the premier of Quebec, they stated that:

> Historically, the Aboriginal people in Canada and French speaking people have had close ties.
>
> We want to make it very clear that we have chosen to oppose the passage of the—Accord: not to deny your position as a distinct society but to defend our right and to protest the lack of recognition of Canada's First Nations.

In closing, I want to quote briefly from the words of National Chief George Erasmus who said:

> We are tired of explaining to our children why we must continue to wait for a new dawn in white–Indian relations before we are treated with dignity and respect in our own land. We do not want to wait for our turn. When we wait, our turn never comes.

It is time for this government and for all governments to recognize that aboriginal peoples have been left out of the process, that their concerns must be addressed not in some distant future but now, and that they must be involved. If there is to be an extension of the deadline, they must be involved in the new process of constitutional change to ensure that they are there at the table when those concerns are being raised. It must be ensured that they are at the table, as my Leader and I called last week, at the First Minister's Conference in December.

Justice demands that we listen to the voice of Elijah Harper and of all aboriginal peoples and that we not once again betray them in the process of constitutional change.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Madam Speaker, in spite of the political rhetoric that we hear so often delivered in this House, I am sure that the hon. member has the same interest that all Canadians have, that is to keep this country together so that we can, together, address the concerns of the aboriginal peoples and others.

In that spirit, today the Prime Minister wrote to Chief Fontaine, the provincial leader of the Assembly of Manitoba Chiefs in Manitoba, to respond to the concerns raised by him about the Meech Lake Accord and the Constitutional Amendment, the companion amendment.

In his letter, the Prime Minister made six commitments. First, he stated that he intends to invite representatives of aboriginal peoples of Canada to participate in any future First Ministers' Conference where there is discussion about the recognition of aboriginal peoples, the so-called recognition clause.

Moreover, the Government of Canada is committed to recognizing the aboriginal peoples as a fundamental characteristic of Canada in the Constitution. As hon. members are aware, the companion constitutional resolution agreed to by the First Ministers at the June 9 meeting would reinstate the process of First Ministers' Conferences on matters of interest to the aboriginal people of the country.

These conferences, in which aboriginal peoples would fully participate, would entirely be dedicated to aboriginal constitutional matters. They would be convened every three years.

Further, the Prime Minister informed Chief Fontaine that the Government of Canada is prepared immediately, after proclamation of the Meech Lake Accord, to sit down with the representatives of aboriginal people and to set the agenda for these conferences.

Further, the Government of Canada is prepared to accelerate the timing of such a conference, which could be held as early as 1991, next year.

The Prime Minister also stated that, in addition to the First Ministers' Conferences on aboriginal constitutional matters, he would intend to invite representatives of aboriginal peoples to participate in all First Ministers' Conferences where matters are being discussed that directly affect the aboriginal peoples. This would include such things as the future provincehood for Yukon and the Northwest Territories. This represents a very significant commitment to address the constitutional concerns of the aboriginal peoples in Canada, in a manner that involves their full participation.

Recognizing that aboriginal peoples have other serious concerns, the Prime Minister also stated today that the Government of Canada is prepared to establish a major royal commission—and that is something that has been requested by native people—on native affairs. This commission would undertake a thorough and fundamental review of the relationship of aboriginal peoples with other elements of Canadian society. The terms of reference of such a commission would be drawn up in consultation with aboriginal peoples. The Government of Canada would be prepared to consider significant native participation on this body and the appointment of a mutually acceptable chairman.

The Prime Minister noted the government's expectation that the impact of such a commission would be as far-reaching and beneficial as that of the Royal Commission on Bilingualism and Biculturalism.

Madam Speaker, I am sure that members are aware that in 1981–82 significant constitutional changes took place, which included the recognition of the existing aboriginal and treaty rights set out in section 35 of the Constitution Act, and that this is of capital importance. Recently it has led to the far-reaching judgments of the Supreme Court of Canada. It has sharply influenced the actions of the Government of Canada in matters as diverse as fisheries regulation, the appointment of the treaty commission in Saskatchewan, and the design of our taxation systems. This will affect Canada's approach to land and resource management for the future.

The Government of Canada is committed to protecting treaty rights and stands ready to join the representatives of the aboriginal peoples in a joint effort to define those rights.

Once the Meech Lake Accord is ratified, the Government of Canada will be enabled to, and stands ready to act on and provide financial resources for these six commitments.

[*Translation*]

Madam Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 24(1).

The House adjourned at 7.48 p.m.

APPENDIX

ADDRESS

of

MR. NELSON MANDELA,

DEPUTY PRESIDENT OF THE AFRICAN NATIONAL CONGRESS

to

Both Houses of Parliament

in the

HOUSE OF COMMONS CHAMBER, OTTAWA

on

Monday, June 18, 1990

APPENDIX

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Mr. and Mrs. Nelson Mandela were welcomed by the Right Honourable Brian Mulroney, Prime Minister of Canada, and thanked by the Honourable Guy Charbonneau, Speaker of the Senate and the Honourable John A. Fraser, Speaker of the House of Commons.

[*English*]

Hon. John A. Fraser (Speaker of the House of Commons): Order, please. The Right Honourable the Prime Minister.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, colleagues, mesdames et messieurs, we meet here today to mark the historic visit to Canada of Nelson Mandela. We know, Sir, that many challenges await you at home and we our honoured that you have come to Canada to speak to this Parliament about the heroic struggle of South Africans to achieve democracy.

For 27 years South Africa had been deprived of the full benefits of your leadership and that of many of your colleagues, such as Walter Sisulu and Govan Mbeki. But your compatriots Oliver Tambo, Thabo Mbeki, Archbishop Tutu, Reverend Boesak and so many others kept up the struggle. And your friends throughout the world kept faith with you and your cherished ideals, as you kept faith with them.

Your steadfast courage nurtured and strengthened everyone's resolve. For all who treasure freedom, your walk through the prison gates last February brought an unforgettable moment of joy and anticipation.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Because if Nelson Mandela was liberated, surely South Africa itself could not be far behind. But the celebration was also tinged with sorrow—sorrow that so much still needs to be put right, sorrow at the precious time that has been lost and the lives that were broken and wasted. Sorrow, too, that your own children grew to adulthood without the reassuring presence and the gentle guidance of a loving father. No one can ever repay such a deeply personal loss.

Being deprived of the affection and comfort of one's own family day after day, year after year, is another of the inhuman costs of apartheid—perhaps the most brutal one of all. Mrs. Winnie Mandela, then a young wife and mother, showed uncommon courage as she struggled, often alone, in the most dehumanizing of systems to meet both the obligations of her young family and the objectives of her cause. I offer on behalf of all Canadians a special word of welcome to Mrs. Mandela today.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Your presence here today, Mr. Mandela, is a tribute to the unbreakable spirit of man, and all Canadians join me in welcoming you warmly to Canada and to this, our own special chamber of freedom.

[*Translation*]

Canada's involvement in the struggle against apartheid has deep roots, extending far beyond the efforts of this government and this Parliament and encompasses a multitude of Canadians who have assisted the people of South Africa, individually or through churches, trade unions, educational institutions and non-governmental organizations.

For all Canadians, your visit here is a most gratifying confirmation that they were right to care, that they chose the proper course and that their efforts, so modest in comparison to yours and those of your colleagues, were not, nonetheless, in vain.

The fight against apartheid has long been a central element of Canada's foreign policy, both because the cause is so compelling and because we believe this is one of those issues where Canada can help make a difference.

[*English*]

I remember, Mr. Mandela, with pride, the stand taken by Canada's Prime Minister, John Diefenbaker, at the Commonwealth Conference of 1961 which resulted in South Africa's withdrawal from that body. Prime Minister Diefenbaker brought the Commonwealth to declare unequivocally that racial discrimination was totally contrary to its fundamental principles and that, if South Africa did not change, Mr. Diefenbaker said, then South Africa must leave. He did so against some considerable

opposition, but with the strong conviction and the certain knowledge that it was right.

Mr. Diefenbaker's action marked the beginning of international pressure on the apartheid regime, pressure that was then sustained and intensified in Canada by the governments of Prime Ministers Pearson, Trudeau, Clark and Turner. And this, to the great individual personal credit of these leaders.

If I may be allowed a strictly Canadian note: outside South Africa itself there are few international leaders, in my judgment, who have made a more sustained and a more effective commitment to fundamental and beneficial change in that country in recent years than the present Secretary of State for External Affairs of the Government of Canada, the Right Honourable Joe Clark.

Some Hon. Members: Hear, hear!

[*Translation*]

Mr. Mulroney: Almost a quarter of a century after Mr. Diefenbaker's stand, I had the privilege, along with Mr. Clark, to take Canada's seats at the 1985 Nassau Commonwealth Heads of Government meeting and at the follow-up meeting in London in 1987.

Again, the Commonwealth was determined to provide moral and practical leadership to the international community's campaign against apartheid. We launched an Eminent Persons Group, which included Archbishop Ted Scott of Canada, to determine whether Pretoria was serious about fundamental change. When the Group's comprehensive and thoughtful proposals were capriciously rebuffed by the Government of South Africa, all Commonwealth countries, except one, agreed to a common package of economic and other sanctions.

This action was later followed by the European Community, the United States of America and others and the screws on Pretoria were tightened as never before. That policy was reconfirmed and reinforced in subsequent Commonwealth meetings in Vancouver and Kuala Lumpur and Foreign Ministers' meetings under Mr. Clark's chairmanship in Lusaka, Toronto, Harare, Canberra and Abidjan.

[*English*]

The political changes those sanctions were designed to bring about have started to happen. Determined internal resistance, supported by international pressure, convinced the white community of the need for negotiations toward a new and democratic South Africa.

These are promising times in South Africa. The African National Congress and other political organizations are no longer banned. Less than two weeks ago President de Klerk terminated the four year old state of emergency everywhere in South Africa, except Natal. The Separate Amenities Act is slated for repeal in October. And a victory for all South Africans was achieved when your meeting early last month with President de Klerk produced a mutual commitment to a peaceful process of negotiations.

Mr. Mandela, I believe the world is remarkably fortunate to have a person of your rare qualities at the helm of the movement for equality in South Africa at this particularly crucial time in your country's history. To emerge from prison after so long an incarceration and to retain an understanding of the concerns of your jailers is truly extraordinary. To resume your life and your leadership with neither bitterness nor malice is a powerful compliment to the strength of your character and to the soundness of your values.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Likewise, I think it is pretty clear that President de Klerk has demonstrated both leadership and courage by recognizing the need to come to grips with the crucial issue of the equality of all people before the law.

[*Translation*]

In reflecting on the momentous changes of recent months, however, it is important at the same time to recognize the realities on the ground and the challenges ahead.

Apartheid in all its repugnance is still the law of South Africa. And violence from different quarters—white and black—threatens the movement towards a peaceful settlement.

No one should underestimate the difficulties ahead. The time will no doubt come, sooner rather than later, we hope, when clear and hopefully irreversible change has occurred and it will be appropriate to ease some of the pressure that has helped bring it about.

[*English*]

But at this crucial juncture, the Government of Canada, and I believe all members of the House of Commons, believe that the way to advance the process of democracy in South Africa is to maintain the existing economic sanctions which have contributed substantially to the advancement toward social justice in South Africa thus far.

Some Hon. Members: Hear, hear!

• (1130)

Mr. Mulroney: The ultimate goal is negotiations resulting in an end to apartheid and the creation of a pluralistic non–racial democracy. No one knows better than Canadians these days that constitution–making is complex and requires enormous measures of creativity, tolerance and trust. We wish you well in your own most challenging constitutional endeavours.

The thirst for democracy now being slaked in eastern Europe and Latin American is spreading to other parched areas of the world. Pluralistic democracy is a stepping stone to economic prosperity. You cannot have one without the other. Fundamental rights and freedoms, including free economies, are universal concepts with universal validity irrespective of continent and irrespective of culture. South Africa is no exception.

And so, Sir, we take your presence here today as a signal of the freedom and the democracy that we know will soon grace your majestic land and brighten the future of all of South Africa's children. A free and a democratic South Africa will find in Canada, will find in members of this House of Commons, a true friend and a committed ally whose fundamental goal is the peace and the well being of all of your people irrespective of colour or creed.

Mr. Mandela, it is with special joy that I, as Prime Minister of Canada, now invite you to address the Parliament and the people of Canada.

Some Hon. Members: Hear, hear!

Mr. Nelson Mandela (Deputy President of the African National Congress): Mr. Speaker, honourable Prime Minister, distinguished leaders of the opposition parties, representatives of the people of Canada, ladies and gentlemen, we would like to thank you most sincerely for granting us the honour and privilege to speak from the podium of the House of Commons of Canada, an eminent example of the democratic perspective toward which our people aspire.

The fact that we have not had the opportunity to do the same thing in our own country, even as guests, emphasizes the inequity of the apartheid system which we are all determined to abolish without delay.

Some Hon. Members: Hear, hear!

Mr. Mandela: Like young people everywhere, as we grew up in South Africa, we embarked on an exciting voyage to discover the world. We were driven by a consuming desire to know the truth about people, about society, about the world of nature and always centred to that search was the need to find out whether there was anything in human nature and society, and whether there was anything in the universal order of things which predetermined the place of a black person and the African in society. Instinctively we embarked on this inquiry because we felt that there was something in our society which was wrong, unjust and unacceptable.

We had, after all, listened to and responded with warm hearts to passionate sermons which proclaimed that God made man in his image. We had observed and were moved by school lessons which spoke of men being created equal. We had searched, as in a trance, as we learned of white men and women who had fought tyranny in order to establish societies based on the principles of liberty, equality and fraternity.

Our own life experience and that of all other black people around us and beyond the borders of our country told us that all these precepts and experiences were not meant to refer to or include men and women of colour. Whatever God's purpose might have been, it seemed clear that the white race had decreed that only its members were fit to assume the image of the Creator. Such liberty, equality and fraternity as there were, were but bonds to unite the white people around the common purpose of denying the black majority these privileges.

That youthful inquiry into the essence of social reality was, at the same time, the spark that came to the fire of rebellion in many a heart among our peers. And life, this scorching heat of soldering iron, bonded the rebels together as in a fist of steel. Where an oath was sung, it was simply said that men would rest and none would spare their lives until the people had regained their liberty, equality and fraternity. Many have died in the effort to honour that commitment.

For three and a half centuries, each generation of our people has supplied its due share of matters. An entire people has learned not to mourn the death of heroes and heroines but to steel itself for new battles. An entire people has known what it is to recognize the fact of defeat while rejecting the demand that it should surrender. So it came about that even those who had not even reached puberty knew that they, too, had a place in the ranks of those who challenged the hypocrisy of a degenerate system which claimed the part of western civilization while its very existence was predicated on the repudiation of everything to which attaches the word civilization.

• (1140)

Today the hope is abroad among our people, that those in our country who saw themselves as the master race have learned the error of their ways. There is hope that perhaps at last they have seen that injustice will not triumph. There is hope that perhaps at last they have realized that tyranny is part of the progenitor of the forces of its own destruction. There is hope that perhaps at last those who sought to deny the humanity of others have understood that by that act they also dehumanized themselves.

If indeed these are the results that have been achieved, a salute is due to those who struggled in the name of all humanity to ensure that the noble vision of liberty, equality and fraternity, includes all and excludes nobody on any basis whatsoever, be it race, colour, creed, or sex. Therefore, as we stand here today, Mr. Speaker, and acknowledge the priceless honour you have accorded us in person, we know that we are merely representatives of a people that can truly be called heroic. We come from a people who, because they would not accept to be treated as sub–human, redeemed the dignity of all humanity, everywhere.

Some Hon. Members: Hear, hear!

Mr. Mandela: We represent countless matters who have walked into a hailstorm of bullets, not because they wanted to die, but because they wanted the millions of our people to live. We have sat in prison with great African patriots and noble examples of the human race, who faced torture and did not flinch, who met the hangman's noose with songs of freedom, who accepted their affairs as but a school out of which they would emerge with their convictions, their determination and their willingness to sacrifice immeasurably strengthened.

We are deeply moved that today you honour all these noble offspring of our people by allowing us, who were outcasts only yesterday, to experience, if only fleetingly, what it means to stand and speak at a place whose existence is based on the recognition of the right of all the people to determine their destiny and whose purpose is to ensure that the right is guaranteed in perpetuity. We are made better human beings by the fact that you have reached out from across the seas to say that we too, the rebels, the fugitives, the prisoners, deserve to be heard.

Our message, for whose propagation and realization so many have suffered so much, is indeed simple. It is that South Africa should be transformed into a united, democratic and non–racial country. We wish to see every adult South African enjoying the right to vote and having the possibility to be elected to all organs of government, without discrimination on grounds of race, colour or sex. Its Balkanization into Bantustan, the so–called homelands and group areas, has to end. Given our bitter experience of oppression and repression, we are determined that our country should be a truly thorough democracy in which the rights of all its citizens will be inviolable and in which all will be equal before the law.

Accordingly, in addition to a democratic constitution there should be an entrenched and justiciable bill of rights fostered by an independent judiciary.

As reflected in our historic document, the Freedom Charter, we are committed to ensure all our citizens enjoy equal rights to their languages, culture, and religious freedoms. These provisions among others will address the issue of so–called white fears while meeting the aspirations of the people of South Africa as a whole.

We also visualize an agreed constitutional arrangement whereby there is devolution of power to regional and local levels of government to ensure the broadest possible participation of the people in government themselves.

At the same time we are opposed to the idea which some in our country advance that we should opt for a federal state. We believe that there is nothing to federate. Certainly we do not accept that we should accept the fragmentation of our country as a given fact on which we should try to build the new reality.

Any attempt to do this would merely perpetuate the racial and ethnic divisions whose abolition stands at the core of our struggle. We cannot seek to end apartheid by continuing to maintain the structures of the apartheid system under any guise whatsoever.

We know that you have just completed a gruelling round of negotiations dealing with constitutional reform in this country. We are inspired by the fact that you were able to find compromises which make agreement possible. We believe that we too must be inspired by this manner of proceeding so that we also reach agreement

about our own constitution as speedily as possible in the interest of all the people of our country.

We are convinced that as part of this process in South Africa there will have to be elected a constituent assembly to draw the new constitution as happened in Namibia. This will ensure that we use democratic means in our search for a democratic result. It will also create the situation whereby the result of the negotiations enjoy legitimacy in the eyes of the people, to the extent that they would have chosen the representatives to whom the task of drawing up the basic law of the country would be entrusted. We are also determined that the political freedom of which we have spoken should go side by side with freedom from hunger, want, and suffering.

• (1150)

It is therefore of vital importance that we restructure the South African economy so that its wealth is shared by all our people, black and white, to ensure that everybody enjoys a decent and rising standard of living.

We do not seek to impoverish anybody or to redistribute such poverty, but the new democratic society will obviously have to address the issue of the impoverishment of millions of our people as a matter of urgency.

It is also clear that the issues can only be properly tackled in a situation in which the economy is growing and producing more wealth at a rate higher than the growth of the population. In this respect we should make the important point that once the democratic transformation has taken place we will need your assistance to achieve these economic results.

We believe that we can and should build on the bonds of friendship and solidarity that we have built up in the course of the continuing struggle against apartheid to build a partnership for the reconstruction of both our country and our region which have been devastated by the apartheid system.

Southern Africa has the human and material resources which will combine to give millions of our people a bright future and which will make it profitable and worth while for the rest of the world to enter into a mutually beneficial system of co-operation.

For many decades the ANC sought a peaceful resolution of the problems facing our country. In the period since 1986 we redoubled our efforts to persuade the South African government to enter into negotiations with us. We consider it a victory for all South Africans that a meeting between ourselves and the government took place in Cape Town at the beginning of last month. As you know, we agreed to remove the obstacles to negotiations which the ANC had identified. We are determined to ensure that this agreement is implemented and believe that the government is of the same view as well.

It is only fair that we indicate to this august assembly that we see President de Klerk and his colleagues in the leadership of the National Party as men and women of integrity. We believe that they are honestly committed to participate in a peaceful process which should result in the fundamental political transformation of our country.

The effect of our agreement to remove the obstacles to negotiations has thus also served as a demonstration of the bona fides of the de Klerk leadership. Yet the progress achieved, including the unbanning of the ANC and other organizations, the release of some political prisoners, and the lifting of the state of emergency over the greater part of our country, should not lead us to conclude that the apartheid system is ended. It should not lead us to believe that fundamental and irreversible change has taken place leading to the emancipation of our people.

The fact of the matter is that the apartheid system is still in place. The state's instruments of repression, in particular the police, continue to kill and maim the opponents of this system. In defence of an apartheid law and order, many among our white compatriots are armed and are forming themselves into commando groups with the stated aim of physically liquidating the leaders and members of the ANC. They are joined by similarly armed black vigilante groups which are ready and willing to serve their white paymasters.

Therefore we still have a struggle ahead of us. The situation requires that both you and ourselves should not relax our vigilance. As a result of continuing struggle, we must ensure that the movement forward toward the final abolition of the apartheid system is not interrupted. It is in this context that we have raised and emphasized the importance of maintaining sanctions.

Sanctions were imposed to help us end the apartheid system. In the light of what we have, it is only logical that we must continue to apply this form of pressure against the apartheid system. Any move at this stage toward lifting or relaxing international pressure would create a situation in which white South Africa would feel comfortable with the minimal changes that have taken place and once more regress into their opposition where they felt that possible pressure had not reached sufficient strength to oblige them to move forward.

Some Hon. Members: Hear, hear.

Mr. Mandela: I would like to take this opportunity to salute the great Canadian people whom you represent and with whom we believe you are in full accord on the question of South Africa. They have proved themselves not only to be steadfast friends of our struggling people but great defenders of human rights and the idea of democracy itself. They are to us like brothers and sisters from whose warm embrace we shall never be parted.

We salute and thank them all: political parties, the anti-apartheid movement, the trade unions, the churches, the native people of this country, non-governmental organizations, students and intellectuals, elected representatives who serve in this Parliament and elsewhere, the press, the children and many others who raised the flag of solidarity because they knew that the absence of freedom for ourselves reduced their own liberty as well.

In this context, I would also like to pay special tribute to the Prime Minister of this country, Brian Mulroney, who has continued along the path charted by Prime Minister Diefenbaker who acted against apartheid because he knew that no person of conscience could stand aside as a crime against humanity was being committed.

Some Hon. Members: Hear, hear.

• (1200)

Mr. Mandela: Mr. Prime Minister, our people and organization respect and admire you as a friend. We have been greatly strengthened by your personal involvement in the struggle against apartheid tyranny and the leadership you have provided within the United Nations, the Commonwealth, the Group of Seven and the francophone summits. We are certain that you will, together with the rest of the Canadian people, stay the course with us, not only as we battle on to end the apartheid system but also as we work to build a happy, peaceful and prosperous future for all the people of South and southern Africa.

Mr. Speakers, that future is still ahead of us. As for now, and to make certain that our common hopes are realized, we must together continue to struggle. We seek your support to sustain the international pressures which you in this country and others in the rest of the world have imposed. We seek your agreement that Canada and the rest of the international community should abide by the perspectives contained in the Harare and United Nations Declaration on South Africa, including the vision of a truly democratic, non-racial and united South Africa.

In the aftermath of the agreement we reached with the government at the beginning of last month we also require your support to help us repatriate and resettle those of our compatriots who were forced into exile by the apartheid system. We require your material assistance to help us conduct the extensive political work among the 38 million people of our country which is such a vital and central part of the process of drawing these millions into the common effort to arrive at a just, permanent and negotiated solution of the South African question.

We trust that among other things you will do everything in your power to encourage the people of Canada to contribute to the solidarity fund which has been set up under the leadership of His Grace Archbishop Ted Scott, a great friend of our people and a man I am proud to know.

Mr. Speakers, distinguished representatives of the people of Canada, it has been given to us to be present and to participate in the final struggle to end the evil system of apartheid. An historic moment is in sight. It will not be long now before we, as South Africans, stand up to proclaim that the apartheid fountainhead of racism throughout the world is no more and that political power has passed into the hands of the whole people. These masses must and will exercise this power with all the sensitivity that is due in our situation.

In this context certain matters are as clear as the light of day. Never should racism in our country, from whatever quarter, raise its ugly head again. All of us as South Africans, both black and white, must build a

common sense of nationhood in which all ideas of vengeance and retribution are impermissible.

Our country must, by its deeds, take its place among the nations of the Earth as the champion of peace, a defender of freedom and democracy, an enemy of poverty and human degradation.

You have been and are with us as we struggle to end the system of white minority domination. As an expression of our common humanity, and not an act of charity, we ask that you continue to walk the last mile with us. As your future partner, you will have a society whose hallmarks will be tolerance of all views and respect for the life and dignity of every person, both young and old.

We thank you that you bent every effort to secure our release from prison. You gave us the possibility, whose importance to us is without measure, to join hands with our own people, with you and the rest of humanity to bring about the change in our country and our region which even the mute but blood-stained stones in the killing fields of southern Africa demand must come and must come now.

We shall forever be obliged to you for this and for this unforgettable moment you have given us to speak to you about our dreams and to contribute a little to the everlasting friendship between the Canadian and South African people.

Our common victory, the victory of democracy and non-racialism, is within our own grasp. Liberty, equality, and fraternity shall reign supreme in our country as well. Thank you.

Some Hon. Members: Hear, hear!

• (1210)

Hon. Guy Charbonneau (Speaker of the Senate): Mr. Mandela, Madam, Mr. Speaker, Mr. Prime Minister, distinguished guests.

[*Translation*]

On behalf of my colleagues in the Canadian Senate, I want to thank you, Sir, for honouring us with your presence and addressing this joint assembly, despite your busy schedule.

[*English*]

You are a constant amazement to the world. Hardly had you tasted the joy of liberty when you resumed your struggle to win for your victimized fellow citizens their full entitlement of rights.

To hear the words of a leader who has had his convictions tested by the fire, as yours have been, is an extraordinary and, indeed, humbling experience.

Your message touches us deeply because as we listen to you we hear the voice of a pilgrim of freedom, an inspired evangelist who has been physically imprisoned and morally banned from his belief.

It was for justice and morality that you undertook the campaign against the evil of apartheid, a fight which seemed to us all the more arduous and courageous because at the start it was against the fanaticism which claimed devine sanction.

[*Translation*]

To fight the doctrine of racial segregation, it was necessary to stand firm, both morally and intellectually. When your detractors sounded off their dogmas, you reacted by revealing the truth. When they tried to gag you, the truth you revealed was echoed throughout the world.

[*English*]

We have followed with anguish your implacable fight for justice, truth and humanity which you conducted with such courage, patience and self-denial. As you have pointed out, it is a fight which must be won. Those who would have us believe in biological pollution must be brought to see that biology is a science, not an obsession with race or skin colour.

Your endurance has proved to be the most effective of exorcisms. The imminent victory of the cause for which you and others have fought so hard and so long is a vindication of your convictions and resolution, and one in which all who love liberty will rejoice.

In your wisdom you are ensuring that the gains so hardly won will be consolidated and built upon. The signs of progress are encouraging. Reason seems at last to want to play a role in the politics of your country.

For the free world, and especially for the South Africa that is coming to birth, you are one of the standard bearers.

We are with you in your progress toward hope and fulfilment for your people, and we thank you for your inspiring words today.

[*Translation*]

On behalf of the Senate, I wish to thank you for your visit.

Some Hon. Members: Hear, hear.

[*English*]

Mr. Speaker Fraser: Mr. Mandela, Madam, members of the House of Commons and the Senate—

[*Translation*]

—very distinguished guests.

Mr. Mandela, on behalf of my colleagues in the House of Commons and other honoured guests presents, I wish to thank you for your speech and to extend warmest greetings to you and your compatriots.

It is indeed a great honour for us to have in our midst a man whose courage and dedication has won the admiration and respect of people young and old throughout the world.

[*English*]

Canadian parliamentarians and the people we represent have for many years demonstrated their strong opposition to the system of apartheid in South Africa and the enormous suffering that it has caused.

Canadians and others urged your release from prison. We rejoice at the fact that you are here with us today. Your presence here is tangible evidence that there have been positive developments in South Africa and that there is now more than ever real hope for a peaceful transformation of South African society which will guarantee racial equality and justice for all South Africans. This is, to many of us, crucial because, unless there is justice for all, there is little chance of justice for anyone.

At a time when the human race is more and more aware of the fragile nature of our planet's environment and of the necessity of working together to ensure our survival, the need to resolve our differences without bloodshed and to guarantee the respect of the basic human rights of all individuals should be clear to all men and women of intelligence and good will.

We have seen the democratic ideal become stronger than ever, even in regions where until recently there appeared to be little chance that it would flourish in our lifetime. Thus, we are approaching the end of the 20th century with some quiet optimism which not so long ago might have seemed out of place.

However, this by no means implies that every problem will now be resolved with little difficulty and we listened carefully, sir, to your remarks in this regard. We are not ingenuous here. We have watched your struggle for many years and we know how much of a struggle lies ahead.

Much more will need to be done before apartheid is finally abolished, and much more will need to be done before equality is established for all people in your country.

These negotiations toward the creation of a non-racial democracy will be complex and arduous, but we are encouraged by the progress made in talks between the government and the African National Congress toward the removal of obstacles to formal negotiations.

[*Translation*]

We are certain that your contribution to these negociations will be central in keeping with the significant role your have already played in South Africa's march towards a non-racial, free and democratic society.

Rest assured that we will follow the course of the negociations with great interest and that our wish is for successful negotiations which will transform South African society and do away with the evils of apartheid.

[*English*]

As you enter the most important phase of your illustrious life, sir, we convey to you our best wishes for success in your mission and confirm our admiration for your courage and dedication.

We ask you, sir and madam, to return and take our prayers with you. God bless you.

Some Hon. Members: Hear, hear!

HOUSE OF COMMONS

Tuesday, June 19, 1990

The House met at 11 a.m.

Prayers

[*English*]

POINT OF ORDER

HOUSE OF COMMONS—PRAYERS

Mr. Howard Crosby (Halifax West): Mr. Speaker, for reasons that I will briefly outline, I want to challenge the validity of the Standing Orders and the practice of reading prayers in the House of Commons.

During the course of the great debate on the Meech Lake Accord, those who would destroy this constitutional achievement claimed that the distinct society clause would deny Canadians the protection of the Canadian Charter of Rights and Freedoms. The Charter must govern and dominate in all circumstances. It is the paramount law, a kind of legal sacred cow displacing the creator.

This legislative body approved the Canadian Charter of Rights and Freedoms and made it law. I, like others, added my vote to the concurrence but not without grave doubt. The Charter is a two-edged sword. To protect society, the guilty may go unpunished and subversives may walk free.

The Charter was intended to enhance the law, not render it sterile. I believe the distinct society clause will enable the Charter to be applied in a sensible and constructive way so that Quebec society can maintain its character and not regress under the burden of restrictive laws.

That is why I challenge the right or obligation to say prayers in the House of Commons. Had the Charter proclaimed Canada to be a society that acknowledged the Almighty, the courts would not have ruled school prayers illegal. Here is the judicial reality stated by the Chief Justice of Canada:

> In an earlier time, when people believed in the collective responsibility of the community toward some deity, the enforcement of religious conformity may have been a legitimate object of government, but since the Charter, it is no longer legitimate. With the Charter, it has become the right of every Canadian to work out for himself or herself what his or her religious obligations, if any, should be and it is not for the State to dictate otherwise.

• (1110)

Having passed the Charter, a constitutional law that denies school children the right to seek the intervention and assistance of the Almighty, how can we possibly claim the benefit of prayers in this House of Commons, the most public and democratic forum in Canada?

I believe in God. I acknowledge the power of prayer and I seek divine intervention, but I cannot claim a right I have denied to school children, because I helped enact a law that purports to enhance Canadian society by excluding the Almighty.

Accordingly I ask you, Mr. Speaker, to rule that section 30(1) of the Standing Orders and the practice of saying prayers in the House of Commons, particularly the Lord's Prayer, violates the provisions of the Canadian Charter of Rights and Freedoms. Canadians can better judge the law that governs all of us.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the hon. member may have a point which he obviously feels is important, and I am not diminishing the heartfelt conviction that he has in this regard. However, I do not believe, Sir, that Mr. Speaker should be unilaterally scratching out one of our Standing Orders.

If the member feels that one of our Standing Orders is inappropriate, he should perhaps stand on a question of privilege instead and ask that the matter be referred to the standing committee responsible so that that committee could look at the issue.

Similarly, Mr. Speaker, when we reform the Standing Orders of this House, if the member feels that this

Standing Order is wrong, he could again recommend to the same committee that it consider revoking the Standing Order in question.

As far as I am concerned, and not withstanding what the Charter says, the Standing Order should remain. However, I am only emitting a personal opinion. However, that is not what is at issue here. What is at issue is whether or not Mr. Speaker has the authority or whether Mr. Speaker should, notwithstanding any authority, decide to unilaterally revoke one of our Standing Orders.

If I may be so bold as to suggest, I do think that Mr. Speaker would probably not want to do that.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I want to echo the comments of my friend who has just spoken. The point he raised is appropriate. There have been a lot of questions from various members about the propriety of Standing Order 31.

It seems to me, Mr. Speaker, that there are a number of alternatives. One is to follow the advice of my hon. friend to simply drop Standing Order 30(1). The other, of course, would be to keep it in place. On the other hand, perhaps there is a compromise, that at the beginning of the day some other appropriate statement be read. We realize the benefit of a statement, a prayer or perhaps some other form of comment that sets the tone and establishes a certain guideline for the procedures and the behaviour of the House.

However, to ask you to set this aside would be inappropriate. The House Leaders are presently meeting and evaluating a variety of Standing Orders. They are examining whether they ought to be modified to suit the changing times. Perhaps my hon. friend could refer his concern regarding Standing Order 30(1) to that regular process which will determine whether it should be dropped, whether it should be kept or if there is another alternative to consider in its place.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I do not want to speak very long to this particular point of order. I agree that my hon. friend who has brought the point of order forward has a legitimate concern.

However, there are a couple of factors that we have to take into account. First, the Americans have a Charter of Rights which has had a similar impact in their country. However, their Congress has a chaplain who daily delivers a prayer. I think that shows that it is consistent with a charter of rights. I would think, therefore, that in our own Parliament that same consistency would apply.

The second point I would like to make, which I think has been made already, is that this is more properly a decision of the House. It is not, I think, a decision of the Chair and the Chair should not be put in a position of having to making a ruling on a particular Standing Order and its validity or its lack of validity.

This has been a tradition in this Parliament for a long time. It is also a tradition that has come under discussion on several occasions, including throughout the hearings on the McGrath task force. I can remember we spent a good deal of time on the issue.

In each case the end result has been that we have come back to the tradition that we practise today and that is what I would encourage the Chair to allow to continue at this point. I think the Chair would be in a very difficult spot were it to make an arbitrary decision that a particular Standing Order is in violation of the Charter.

SPEAKER'S RULING

Mr. Speaker: The hon. member has raised a matter which relates to Standing Order 30(1) which reads:

> The Speaker shall read prayers every day at the meeting of the House before any business is entered upon.

That is a rule which, of course, binds me as your Speaker. It also happens to be a rule that has been in place, not just for a few years but for generations. The hon. member urges me to make a decision that it is somehow inconsistent or contradictory to the Canadian Charter of Rights.

First, it is not the role of the Speaker to make that kind of a declaration because my jurisdiction does not enable me and does not ask me to make decisions concerning the law of the land. My jurisdiction is to make decisions concerning the procedural rules which this place has put in place and which govern us.

I have to say to the hon. member that whatever his concerns may be, and they may be the concerns of other people, I cannot comment upon the rule that instructs us to say prayers daily on the basis of whether it does or does not infringe the Charter of Rights.

What my personal opinions might be matters very little at the moment because I am asked by all of you to interpret the rules of this place, not to give you my personal opinions about the appropriateness of prayers or the inappropriateness of prayers. Whatever temptation I may have to make some comments thereon, I, of course, have to restrain myself from saying anything.

However, if hon. members wish either to change the form of the prayer or, for that matter, make a decision that prayers will not be said, it is not for me to do. That is up to members. I am sure that if that matter comes under discussion the sensibilities and the sentiments of the vast majority of Canadians would be taken into account.

I think that is probably where we ought to leave the matter, except I think I can say the following to hon. members, many of whom have been able to be with me at official and less than official occasions in this House when we have dined together. Hon. members will remember that I always ask members to join with me in the blessing. Hon. members will also note that, while I am Christian, I was raised to have great respect for other people's views and the blessing always commences the same way, in such a way that the vast majority of us can join in it with respect and gratitude. I always say: "Lord, whose children we all are—". That seems to gain some considerable acceptance. I mention it for your consideration.

ROUTINE PROCEEDINGS

• (1120)

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 65 petitions.

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

Routine Proceedings

INTERPARLIAMENTARY DELEGATION

PRESENTATION OF REPORT OF PARLIAMENTARY DELEGATION TO COMMONWEALTH PARLIAMENTARY ASSOCIATION

Mr. Pat Sobeski (Cambridge): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the report of the Canadian Branch of the Commonwealth Parliamentary Association of the official parliamentary delegation which represented Canada at the official visit at Westminster from May 9 to May 25, 1990.

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

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ABORIGINAL AFFAIRS

THIRD REPORT OF STANDING COMMITTEE

Mr. Ken Hughes (Macleod): Mr. Speaker, I have the honour to present the third report of the Standing Committee on Aboriginal Affairs. The report relates to the Inuit people who were moved to Grise Fiord and Resolute Bay.

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

* * *

PLAIN LANGUAGE ACT

MEASURE TO ENACT

Mr. Ian Waddell (Port Moody—Coquitlam) moved for leave to introduce Bill C-320, an act to promote the use of plain language in federal statutes, statutory instruments and regulations.

Mr. Speaker: Is it the pleasure of the House that the hon. member shall have leave to introduce the bill?

Some hon. members: Agreed.

Some hon. members: Explain.

Mr. Speaker: I think I should advise hon. members and the public who is watching that at this point the hon. member is entitled to a brief statement. How any member is, in a brief statement, going to explain how we are going to promote the use of plain language in federal statutes is beyond me, but the hon. member can have a try.

Mr. Waddell: Well, with the help of the Lord and other people, maybe we can do it.

Mr. Speaker, this bill attempts to require that all federal government statutes, statutory instruments and regulations be written in plain language and the object is quite simple. Canadians should be able to clearly understand the full intent of government action—dare I say it—without the help of a dozen lawyers. I do not want to be mean to our common profession, Mr. Speaker, but I want to cite what Napoleon once said. He said that constitutions and the laws of France should be drafted so that every peasant in every village in France should be able to read the document and understand what it meant.

That is what I attempt to do in this bill with respect to Canadian laws so that they will be clear, simple and straightforward and all Canadians, not just lawyers, will understand them.

Mr. Speaker: The hon. member will remember what Shakespeare said about lawyers: "The first thing we will do, we will hang all the lawyers".

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

* * *

POSTAL SERVICES REVIEW ACT

MEASURE TO ENACT

Mr. Don Boudria (Glengarry—Prescott—Russell) moved for leave to introduce Bill C-321, an act to provide for the review of postal rates and services and to amend certain acts in consequence thereof.

Mr. Speaker: Shall the hon. member have leave to introduce the bill?

Some hon. members: Agreed.

Mr. Boudria: Mr. Speaker, the purpose of the bill is to ensure that the public has an opportunity to play a role in the establishment of postal rates and the provision of postal services in Canada. It would also establish a postal services review board similar to the one that was cancelled by the Minister of Finance in the last budget.

This bill would ensure that Canada Post no longer has the right to shut down post offices in the indiscriminate manner that it is doing at the present time.

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

ELECTIONS, PRIVILEGES, PROCEDURE AND PRIVATE MEMBERS' BUSINESS

CONCURRENCE IN NINTH REPORT OF STANDING COMMITTEE

Mr. Peter Milliken (Kingston and the Islands) moved that the ninth report of the Standing Committee on Elections, Privileges, Procedure and Private Members' Business presented to the House on Friday, December 29, 1989, be concurred in.

He said: Mr. Speaker, I am pleased today to rise to debate the adoption of the ninth report of the present Standing Committee on Privileges and Elections which formerly had a longer name. This committee laboured extensively last autumn to prepare a report on televising of the House. Committee members made a trip to Washington last summer and reviewed the television arrangements which were in place for the United States Congress. It met with various media representatives in Canada. It met with members of Parliament and conducted fairly extensive hearings on this issue before submitting this ninth report.

Since the report was tabled last December, very little progress has been made in dealing with the recommendations and they appear to have fallen on deaf ears insofar as the House is concerned. I wanted to take this opportunity today to move concurrence in this report so that we could draw the attention of members to the committee's recommendations with a view to having them adopted in this House.

The first recommendation dealt with the control of the Canadian parliamentary channel. It recommended that a consortium composed of representatives of the cable television industry and the CBC, a partnership in fact between the two, should be formed and authorized to take over the operation of the channel in so far as broadcast of non-House of Commons proceedings is concerned. That particular recommendation has been adopted in this House already. It is now before the CRTC where hearings will be held and the CRTC may or may not grant a licence to the partnership.

It is clear that that recommendation is on its way and there is really not a particular concern for this House arising out of it except for the monitoring committee. It has been recommended by the privileges and elections committee that that committee be appointed as the

monitoring committee to assist the consortium in its duties.

I do not believe that report has been presented to this House, or if it has been it has not yet been concurred in. I am optimistic that that will be done in the next short while.

• (1130)

However, the other major components of this report, I submit, are important for the House and for Canadians and it is those that I want to address my comments to today so that we can consider them as a group of MPs.

There are two principal recommendations that form the basis of this report. The first, and the one that I think is the most significant, is the recommendation that committees of this House be televised.

I would like to read the committee's recommendation in this regard because I think the wording of it is very apt. It is that each committee of the House of Commons shall determine whether any meeting or meetings will be open to the electronic media. Each committee may impose any arrangements that it deems necessary to ensure the decorum of the meeting. This freedom for electronic media would apply in Ottawa and throughout the country.

The committee's intention was to allow committees to make their own decision with respect to television and radio broadcasting. In my submission that was a reasonable exercise. Indeed, since this report was tabled last December, we have witnessed in this House and certainly on our television screens, the spectacle of certain committees of this House having their proceedings televised and made available nationally. I think particularly of the Standing Committee on Finance which held extensive hearings last year. There was another committee that went on on a cross-country tour and also received extensive national coverage for that reason.

In my view the public interest was well served by seeing those committees in action. I think the point that the Standing Committee on Privileges and Elections wished to make in presenting its report was that Canadians want to see what else Parliament does. Parliament is made up of this House, but it is also made up of a group of committees. I am using Parliament in its expression in terms of application to the House of Commons alone. I have no intention of excluding the Senate from this, but this is a report to the House of Commons and deals with the televising of this House only.

The committees of the House are an important component of it. Indeed it is said by many that much of the very important work of Parliament is done in committee, and I concur. The fact that this report was prepared by a committee composed of representatives from all parties in this House is an indication in my view of the importance of committee work in itself. I note for the record that the committee recommendations were unanimous on the part of all parties, except in one particular, and that deals with the financial provisions for CPaC. I am not dealing with that in my arguments today.

In other words, members from each of the three parties in this House met, discussed, extensively reviewed, heard witnesses, and came up with this unanimous recommendation, that is that committees be masters of their own procedure in so far as televising is concerned.

It was our view that the television media would seek permission of committees to televise proceedings where they felt that the televising would be appropriate. We were of the view that the committees could decide, if they wished or declined, to proceed with televising of their proceedings. The chairman would have ultimate jurisdiction over the way the television cameras would be operated in the committee room, that is the chairman could determine whether or not, subject to appeal of the committee, cameras would be permitted to roam in the room or be at fixed locations and how the shots would be arranged, given the varying nature of televising of proceedings, particularly where the committee is holding meetings outside Ottawa.

Obviously the rooms that would be available in other parts of Canada might not be the same as the ones here and different arrangements might be necessary for that reason. Certainly the committee chairman is free to make arrangements as are necessary with the local media to ensure coverage of the proceedings. It was our intention as a committee, that is the Standing Committee on Privileges and Elections, that our recommendation would allow for the committee proceedings to be shown on the parliamentary network.

It was agreed with CPaC that in the event of official televising of any House of Commons committees, the proceedings of those committees would be shown on the parliamentary channel after the day's proceedings in this House were complete. Then Canadians would have an opportunity to watch committees in action. Particularly we felt this would be of interest in local communities where a local mayor or other representative of a community was appearing before a committee in Ottawa and making representations. The proceedings of that committee would be of particular interest in the community from which the witness had come to make his appearance. We felt it only fair that those proceedings be available by television and possibly radio in the local areas. On certain national issues it was our view that the work in committees is important. Witnesses come from across Canada to give testimony, for example, on national issues. We think Canadians should be able to see what goes on in those committees.

In watching this House the public is able to see members of Parliament from all regions of Canada discuss various issues. However, in committees it is more than members of Parliament who are appearing. We have Canadians who come from their communities to give evidence. Experts in all fields come to give evidence. Canadians could see that evidence being given. They could hear many of the arguments that help shape our views as members of Parliament.

As a committee we felt that this was extremely important and that therefore the televising of committees was in effect televising the other half of the work of this House. I urge members to consider this issue. The government might have some reservations. I understand there may be reservations on the part of hon. members on all sides.

I want to deal with the reservations briefly at this point. I may say quite frankly that when television was introduced in this House many years ago, as an outside observer of Parliament I had my reservations about how effective it would be. I was afraid that television would undermine the spirit of co-operation that existed in the House and perhaps make relations among the parties more difficult.

It may be that it has done that; I don't know. Some members think it has; some members think it has not. In any event the thing that has changed—and I think it is a fundamental change in the way Parliament works—is that it has brought Parliament into the living rooms of Canadians. I am surprised how many people in my riding of Kingston and the Islands watch the proceedings of Parliament. I get comments on it repeatedly from members of the public who come to visit me here and to whom I talk on visits to my riding.

An hon. member: Who are they watching?

Mr. Milliken: They may be watching me. They are watching all members. I am sure the hon. member for Sault Ste. Marie is well watched, he is such an eloquent speaker. I am sure his constituents enjoy his speeches to no end. Certainly those of us here in the House do. The hon. member for Sault Ste. Marie was a member of the committee. He is well versed in his arguments. Perhaps that is why he is being a little loquacious this morning. I know he will make a speech later.

The important thing was that television brought the House to Canadians in a way that was never done before. On the whole I think therefore it is better for Parliament. It has brought Canadians closer to this institution. It has given them considerable appreciation of the way it works. For that I am glad. I realize that it may have caused changes in the way we deal with one another in the Chamber. It may have brought about increased partisanship in the Chamber. I regret that. I am not sure that it is so. I am not sure that that would not have happened whether or not television was admitted to this place. But it is here and the committee recognized that it is here to stay. We feel as a group that the logical extension of that kind of publicity for Parliament is that committees also be televised.

While it may present the opportunity for members to act in a more partisan and less fair or less objective way in dealing with committee matters, we feel that given the amount of televising that goes on in this House already and given the lack of partisanship on many issues that exist, it is not going to change the approach in the committees. Where hon. members want to be partisan in committee because there is a genuine fight about a principle of legislation that the government is proceeding with, they will be partisan whether or not the television cameras are present.

In my view television cameras are not going to alter radically the way we conduct business in committee. Certainly, I think, that was the view of the members of

the committee. If there was to be a change it was our view that the publicity television generates in committees would more than offset the disadvantages. In other words, the advantage to Canadians in seeing what was going on was more important than the thought that perhaps we would act differently in committees than we now do. I do not think it will make a radical change in our approach.

I commend this recommendation to the House. It has not changed the committees where we have had television. In my view they have worked quite satisfactorily. I have no reason to believe that televising all the committees, should the media wish to have them televised, would change that.

I stress the recommendation. Committees are masters of their own procedure in this regard. If a committee chooses to have its meetings without the television cameras present, each committee will be free to make that decision. I think that is an important part of the recommendation.

The second major recommendation of the committee was to establish a programming director. I will read recommendation No. 3. It says that the programming director should be responsible for the production and direction of the broadcasting of the House of Commons subject to the over-all direction of the monitoring committee of the House. The Standing Committee on Privileges and Elections recommended that it be the monitoring committee, at least for the time being.

• (1140)

The significance of this recommendation was to change from the guidelines that now restrict the television cameras and their operations in this House to allow for a more general and fairer representation of what is happening in the House on camera.

People who are watching now will see that I am standing here in my place and will not see anything else in the chamber. I think it is unfortunate that they are unable to see the other members from a wider angle. I am sorry they are unable to see some of the empty seats.

I do not consider the absence of members today different from any other day, but certainly I do not consider it unusual. I am not surprised that many members are not here. There are committees meeting this morning. There are other meetings and businesses to which members have to attend. I think Canadians should not be surprised to know that there are a lot of empty seats in the Chamber. I think that is a normal feature of parliamentary life. If that is the reason for not widening the angle on the camera lens that is now facing me, then I do not think it is a good reason and I think we should abandon it.

The proposal we made was based on the experience in the Ontario legislature. I urge hon. members to tune in to the Ontario legislature to see how its proceedings are televised because in our view as a committee the televising there is more interesting than our television. It is not because their speeches are necessarily better, although heaven knows there are many very capable speakers in the Ontario legislature, particularly on the government side. We know that they are extremely capable. I would not in any way suggest that watching the Ontario legislature would be any less interesting than watching this House. With all respect to my colleagues there, they do a better television job in making a speaker's presence in the House more obvious. There is a wide-angle shot normally when the speaker stands up, either from behind the speaker or from in front of him, that shows how he is standing, where he is standing in the House, and where he is in relation to the Speaker.

Ms. Clancy: Or she.

Mr. Milliken: Or she. I am sorry. I am just shortening my remarks because of the time. I recognize the hon. member for Halifax is very right. I am using he in its generic sense, including members of both sexes.

Once the speech commences the camera then normally moves in on the speaker and follows the speaker very closely.

I am not suggesting that we have wholesale reaction shots. The Ontario legislature has difficulty with that, as the programming director there told us. There may be a speech going on. I might have been the first speaker and I might be addressing my remarks to the parliamentary secretary across the way and making direct reference to the parliamentary secretary. In Ontario the cameras are very reluctant to go to the parliamentary secretary in case he is having a discussion with the chief Whip and is laughing uproariously while I am making a serious comment. It is not fair to the parliamentary secretary, nor would it be fair to my speech.

I hear the hon. member for Halifax getting overwrought again.

Ms. Clancy: Halifax West.

Mr. Milliken: Halifax West, I am sorry.

An hon. member: He hasn't got a prayer.

Mr. Milliken: The hon. member for Ottawa South says he hasn't got a prayer.

In any event, to go back to my comments, I was suggesting that reaction shots are not always easy to do because members are often carrying on discussions of other kinds in the House that do not relate to the person who is speaking. They are very difficult to do.

Members seem nervous at the concept of reaction shots. I think there will be very few of them. The programming director, in doing his or her work, will not be able to take advantage of that facility very often because of the risks involved in getting the wrong kind of shot. We also would have the normal restriction that proceedings in the gallery would not be filmed. We are not here to show disorder in the galleries or any of that kind of thing. That would not be part of the television program. It is not part of the television program in Toronto.

I think the experience the committee came away from Toronto with was that their television is working extremely well under much, much looser guidelines. The structure is that there is a programming director who makes the television decisions and there is a complaint procedure available whereby members who feel aggrieved by what has been shown can make a complaint. There have been no complaints in over two or three years of this system being in place. We feel that if it can work there, surely to goodness it can work here in Ottawa.

We ought to consider this. We ought to relax our guidelines and give this responsibility to someone else, subject to a review procedure, so that the Committee on Privileges and Elections could be charged with the responsibility of hearing complaints from members where there has been something gone wrong and dealing with the issue to ensure that that kind of error, if that is what it ends up being, could be dealt with, and restrictions placed to ensure that that does not happen. We do not think it will happen very often. We think that hon. members on all sides will be delighted with the results of this change and we illustrated our suggestions with small illustrations in the report, which I again commend to hon. members for reading. Those are the two essential and basic recommendations of this report.

The one other that I think should be borne in mind is, if the report is to be adopted, the whole system is to be reviewed after two years of operation. In other words, we are not locked into something that will not change or is somehow immutable. What we have done is adopt a new system for the committees and a slightly modified system for the House, which we feel will enhance television coverage of this House and make it more interesting for Canadians watching it.

I am not suggesting that it is boring now, but it would make it better television. It would make it something that Canadians would get more pleasure out of watching because they would see more about what is going on in the House. They would see more of the reaction of the House to events and see where members are speaking in relation to the proceedings of the House. In other words, they would have a sense of the presence of this place that I feel, frankly, is lacking by the idea of having only the member who is speaking fill the screen and that be the sole picture that is shown of the House and its proceedings.

We also felt that special occasions could be televised more aptly by showing, again, wider expanses of the House. Cameras in different locations could show Your Honour, for example, but can show about half of the chamber in the same picture as well, so that the Speaker would have an opportunity to be shown *in situ* in the entire House. We think that is an excellent recommendation. We feel that the whole report is one that is deserving of serious consideration by the House. I hope that members, today, will have an opportunity to discuss it and that we can then adopt the report and proceed with those recommendations, put them in place, and start using them fully next autumn.

Madam Deputy Speaker: On a point of order, the hon. member for Calgary West.

Mr. Hawkes: Madam Speaker, I was otherwise engaged during Routine Proceedings and I had a responsibility to be in the chamber during Routine Proceedings to present the forty-sixth report of the Striking Committee.

I understand, according to our Standing Orders, there is reason for the two committees to have organizational meetings this afternoon and I understand that is all they intend to do at this time.

I am wondering if I could have unanimous consent to revert to that aspect of Routine Proceedings so that I can present this forty-sixth report.

Madam Deputy Speaker: The House has heard the suggestion made by the hon. member. There is unanimous consent?

Some Hon. Members: Agreed.

* * *

[*Translation*]

STRIKING COMMITTEE

TABLING OF FORTY-SIXTH REPORT OF STANDING COMMITTEE

Mr. Jim Hawkes (Calgary West): Madam Speaker, I have the honour of tabling the forty-sixth report of the Striking Committee.

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

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[*English*]

ELECTIONS, PRIVILEGES, PROCEDURE

CONCURRENCE IN NINTH REPORT OF STANDING COMMITTEE

The House resumed consideration of the motion of Mr. Milliken.

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Madam Speaker, I listened with great interest to the comments of my friend, opposite, *vis-à-vis* televising committee sessions and I would like to put a different perspective to him.

Before the major change where committees were set up, all bills, whatever category, went through this Parliament. That did not work because Parliament could never come to an agreement as to the time allocation for debating bills. Contrast that with Britain and France and unitary states, where one Parliament has the whole range of legislative jurisdiction. That would mean all that we have federally as well as provincial legislation.

They found that the only way it works is to be able to have agreement. Even major bills might have only three or four speakers at second reading, then it would go into Committee of the Whole, with agreement. I like that model because I think it would keep us together much more as parliamentarians in this House, which should be the focus of power. However, that has not been the way. When television came to the House, nobody could be seen to be compromising on the television, so we had to set up committees. The compromises are made at committee stages because television is not there and people's constituents are not seeing them make compromises. My fear is that if we put television in the committees people will simply not be able to compromise and therefore will have to move to the steering committees and the power will be exercised there, again behind closed doors.

• (1150)

I would like my friend to comment on that because the other model would be to return the focus completely to this House. As we all know this House is absolutely meaningless other than when we stand and ratify a decision by way of a vote. It is totally meaningless. None of us attend. None of us read *Hansard* any more because this is not where the power is. Opinions are not changed in this House. It is only where the final vote is made.

Minds are changed at the committee level. I would rather see that back here. I know it is a radical model but I would like my friend to comment on it. If the parties would come together and agree to limited fixed debate in this House we could return the focus, the excitement, and the dynamism of politics to this House where I think it should be.

Mr. Milliken: Madam Speaker, the hon. parliamentary secretary has raised many interesting points and I do not know where to start because I disagree with him on several issues.

First, the shift to committees was to take consideration of the committee stage of bills out of the House, out of Committee of the Whole. Frankly, I think that was a very sensible decision.

Committee of the Whole is quite unworkable and it was not satisfactory for hearing witnesses. I think the thrust of our committee work on bills now is to hear expert witnesses on the bills so that we can consider much more about bills than ever could be done before in Committee of the Whole. I feel that that change has

been an extremely sensible one and very beneficial to both government and opposition.

The legislative committees that I have been on, and I admit it has been a very limited experience, have been excellent. There have been changes made in the committees on a non-partisan basis, there has been agreement after extensive work. Witnesses have been called, and various groups wishing to make submissions have been invited. The legislative committees I have been on have been very worthwhile experiences. I felt we made some real contribution to the bill. In some cases there were no amendments but at least the public had some input which we could never have had in Committee of the Whole in this House.

I disagree with him on that point and I think that while it would be nice to think that putting bills through all stages here would somehow refocus attention to this House, I do not think that is so. I think that members who are interested in discussing a bill are here for the debate, by and large.

The suggestion that no one is here is wrong, I think. I am here hour after hour, day after day, and I love being here. I am sorry that more members do not find the same pleasure in it. I feel it is my job to be here and I enjoy being here.

I realize other members have other commitments. I do too, but I tend to do more of those at night I guess and spend more of my days here. I find it great. I enjoy participating in debate with any member, particularly the government Whip and the parliamentary secretary to the government House leader. I am always pleased with them.

The Minister of Transport is always entertaining. He has a string of jokes when he makes a speech and I am happy to be here to listen to those.

An hon. member: Does it change anybody's views?

Mr. Milliken: The hon. member asks if it changes anybody's views. I agree. The views may not change visibly in this House, but invisibly I believe they do. I think the speeches that are made here influence ministers; I think the fact there is going to be an extended debate on a clause that is unpopular forces the government to consider changes.

They will not stand up and say that as a result of the representations of the hon. member for Mount Royal, or Ottawa—Vanier, or Kingston and the Islands they are changing their views. They will not announce that but we feel that the views are changed as a result of what we do, and I think that if the hon. member looked at the schedule of bills that has been dealt with in this House for the last two months he will see there has been considerable co-operation between the government and the opposition parties with a view to allocating time among those bills to ensure an orderly transaction of business.

I think there has been excellent co-operation. There has been no closure. I believe there has been no time allocation for the last two months and I believe it is primarily because as a group we have worked together to try to provide some orderly progress in dealing with government business in this House.

We do not always agree with the business, but we recognize that the government has a majority, that it is going to force the work through in any event and we have worked together to achieve that.

I do not know why that same co-operation would not continue in committees whether or not they are televised. Certainly it did not change the committees that were televised during the past year which, in my view, worked extremely well and provided an excellent opportunity for Canadians to see that aspect of Parliament at work. I hope he is thinking very positively toward this report.

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I have a comment and a question.

I have been in the House 11 years, and because I was energy critic perhaps I have been in more legislative committees studying more bills. I went right up and down the national energy program with many bills. I am now in communication. Probably I have been amongst a group of parliamentarians who have had more experience in committees than a lot of people in the House.

Committees can be very boring, but they can be very exciting also. There are a lot of people who perform very well in committees who you do not see in Question Period in the House of Commons. I think Canadians are going to be pleasantly surprised when they see the committee work.

However, my question is: How are you going to decide which committees to televise? At any one time, we have 10 or 15 committees sitting. Do we decide on the environment committee hearings on the new regulations on environment, or do we want to hear the legislative committee on the new broadcasting bill, one that we have been sitting on for a long time? I believe that Canadians are interested. If one looks at the TV channels, people want information.

People will get more information from the committees than from the speeches made in the House of Commons. Material that they could follow can be sent to them. They could follow the bill clause by clause. With modern communication, modern television, it is amazing what can be done. The NDP believes it should be open to everyone. How are we going to choose which committee? How do you see that working?

Mr. Milliken: Madam Speaker, the question that the hon. member for Port Moody—Coquitlam has raised is a very good one. Certainly, it is one that exercised the committee considerably, because we recognized that with up to 20 committees sitting on a day it is difficult to know which committee or committees should go on the air, one on one.

Our view was that there should be committee rooms established on the Hill so that the committees sitting in those rooms would be automatically televised. Which committees would sit in those rooms? There would have to be some choosing. In Toronto, the committee that sits in the one committee room equipped for full television coverage is automatically on the parliamentary channel. They are working on a second committee room to be equipped for television coverage.

I think we recommended a total of four rooms. The committees that sit in those four rooms would automatically be televised at staggered hours. We felt that the committee chairmen would decide among themselves which ones should be there. In almost every case, we felt that the committee chairmen would be able to work out either alternate times of sitting to accommodate the room or would decide that one committee is of greater national interest than the other and should be televised.

That would be the first level. If the committee chairmen could not work it out, then the chairman of chairs of committees which is made up of all the committee chairmen or the "liaison committee" as it is called—we like to refer to it in more exalted terms—would make the decision on behalf of the group. In other words, a decision would be made at that point.

The other committees could all be televised. The committees that are in the four rooms would be televised automatically by House staff, but television cameras would be admitted to the other committees if the networks wished to cover them. For example, a television station in Vancouver might hire somebody in Ottawa to cover a committee on which the hon. member for Port Moody—Coquitlam was sitting because the people in Vancouver were interested in the issue that was being discussed on a particular day.

Those people could get a tape of the committee proceedings done and broadcast in Vancouver subsequently. All those would be available because of the openness in committees as long as the committee itself allowed its proceedings to be televised. We are not stopping—

Madam Deputy Speaker: I have to interrupt the hon. member. The time for questions and comments is now over.

Mr. Scott Thorkelson (Edmonton—Strathcona): Madam Speaker, as a member of the committee on Privileges and Elections, I am pleased to rise today to address some of the issues.

When we entered into this study there was a lot of apprehension about how this would affect the role of a member of Parliament and the collegiality of committees. Would it distort the proceedings of the House? Would it give Canadians a biased view of what we were doing? We ourselves had many of these apprehensions.

• (1200)

The committee received a reference on June 8 of last summer. It had a few preliminary meetings and then it travelled to Washington to look at the C-SPAN television station. C-SPAN is the televising of Congress. There is C-SPAN 1 for the Congress itself and C-SPAN 2 for the Senate.

We went there with many apprehensions. We talked with Democratic and Republican Congressmen, interest groups, and a number of players and lobbyists. We asked them how they felt about the television station C-SPAN, if it was biased, or if there were any problems with it.

Every person we talked to said that the television station was not biased and was very fair.

In the United States politics is a little more polarized than it is here in Canada. People said that the station gave as much time to the left as it did to the right, to this issue as to the other, and that it all works out in the end. There were a few Congressmen who said that they had apprehensions at the beginning. The Republicans said it was a Democratic enterprise, and so on.

We asked them, after several years of experiencing the television channel and station, was it biased now. They said no. We asked them if it portrayed any Congressmen in a bad light, and they said no. We asked them if it was beneficial to the debate of public policy in America, and they said yes, it was.

C-SPAN is the channel that we would propose to model our broadcasts on in the House of Commons. It would have a basic schedule of televising the House during the day and then wraparound programming. The wraparound programming would include news conferences, provincial legislatures, if they were speaking on national issues, party conventions, conventions, conferences and committees. It would be gavel to gavel so there would be no editorializing by the producers. It would also cover special ceremonies.

This has worked extremely well in the U.S. After Congress rises at 6 or 6.30 in the evening, they replay sittings or play taped committee meetings or taped news conferences. They may play them two or three times. They may take out one news conference which was of very great importance and play it. If it originated on a Monday, perhaps it will be replayed a couple of times on the weekend. They opened up the process and Americans are able to participate, view and understand public policy in the United States.

We went to C-SPAN and the biggest question that we wanted answered was, who decides what goes on air? Who decides which committee hearings should be broadcast? We felt that this would give whoever decided a great deal of power and influence. We asked to go into the producers committee where the decisions were made.

At the committee meeting it was decided what went on the air at what times. There were about six or seven journalists in the room, or people who had professional journalism backgrounds. Some had worked as assistants and some had worked in different capacities with interest groups or with public service organizations.

Each morning they would meet and go over what was going on during the day. Basically they would make a decision on what would interest the public most. For example, what was of topical interest? Who was speaking? How important was the subject matter? They argued it out among themselves and came to a decision as to what time this programming material would go on air. It was done very easily without a lot of haggling or production.

What amazed me was that after all was said and done, members of Congress and people across the U.S. would look at what had been decided by six or seven very young people and say that it was very fair; it was not advantageous to either the Democrats or the Republicans. That was very important.

I wish the parliamentary secretary, the government House leader and members who are apprehensive could have sat in with us as well, because it certainly allayed a lot of the fears of our committee.

There was apprehension about televising the House of Commons. In 1977 when TV was first introduced, there was a long and protracted debate. When it was introduced, the camera angles were a little wider and the guidelines were a little looser than they are today. Gradually members complained and we came up with a form of electronic *Hansard*.

The hours in the House were changed to cut out evening sittings, and the House was televised during the day from 11 a.m. to 6 p.m. We then had many hours of dead air space. The CBC was paralysed for 12 years, not being able to fill this time with public policy broadcasts because of apprehension of the members of the House of Commons and others.

Finally last year, as an interim measure, we replayed broadcasts of the sittings the House of Commons. Some members have said that it is all government time, others have said that it is all opposition time, or that one side is favoured over the other.

In my view, and in the view of most Canadians after seeing what goes on in the House, other than Question

Period, the House of Commons is basically just a record of how members feel about different matters.

Last year our committee struggled to write a report and get concurrence in that report. I would like to thank all members of the House for giving us concurrence. We were able to replay the proceedings of the House of Commons and that is very important.

We have this channel with dead air time on it, there is a lot of important business going on, and we would like to share that business with the Canadian public.

Following the McGrath reforms, a lot of important work is done in committee. Committees have been bringing out reports that have had a lot of influence on government policy. We would like to share with Canadians those deliberations and discussions. Canadians are not participating in one of the more important democratic reforms that has been undertaken by the House of Commons in many years. We must open up the House so that Canadians can share in that.

Committee chairmen have come to the House and asked: "Will you please televise my committee?" The chairman of the finance committee has come before the House on several occasions asking for permission to televise his committee and sometimes he has received it, other times he has not. The chairman of the communications and culture committee has come before the House asking for permission to televise his committee. Other committees have been asking for the same permission. The pressure is building. This report is asking for the right to organize how we are going to do it so it is fair to everyone.

Another point I would like to make is that the McGrath report said that committees were the masters of their own destiny. Why should committees be beholden to the House of Commons for permission to share their proceedings with Canadians? That is very unfair and it is time that we as members of Parliament in the House of Commons gave concurrence to this report and allowed committees to be the masters of their own destiny. We need to foster the independence and the spirit of goodwill that committees have in trying to influence public policy and allow Canadians to see how influential committees have become and perhaps Canadians will come forward and share their ideas and concerns with those committees.

Committees presently allow print journalists into a committee room. It is very unfair that committees exclude the electronic media. Under this system, the electronic media would not be excluded. Networks could come in with the permission of the chairman and the committee itself and take some clips, and I would hope that they would be longer pieces, and broadcast them if they wanted. That is very important.

• (1210)

In asking for concurrence, we are saying that we in the House of Commons take some control over what should be broadcast. There are a few recommendations of importance, one we have already concurred in, and two or three which are very important which I would like to address.

One is that a programming director should be responsible for the production and direction of the broadcasting of the House of Commons, subject to the over-all direction of the monitoring committee of the House of Commons.

What we as a committee have said in this report is that the Speaker controls the House of Commons broadcasting, but the Speaker is in no position to make editorial decisions or deal with complaints. That should be vested within the privileges and elections committee which ordinarily deals with complaints, revising the Standing Orders, and how committees operate.

The monitoring committee would be able to work with the C-PaC organization and come up with over-all policies and programming guidelines that would be satisfactory to everyone. Members of the House could easily approach the privileges and elections committee. A programming director, under the supervision of the monitoring committee, would make the day-to-day editorial decisions such as what goes on and when, in co-operation with the liaison committee when it comes to the televising of committees. I presume this programming director would be meeting with a number of programmers because it would be too big for any one person to handle.

Each committee of the House of Commons shall determine whether any meeting or meetings will be open to the electronic media. I have already covered this and, as I said, committees should be masters of their own destiny.

Recommendation No. 5 is that the House of Commons should equip two committee rooms. We felt this is very important. We have seen the televising of committees on an increasingly *ad hoc* basis with wires strung all over the place. They sometimes interfere with the proceedings of the committee. We would recommend to the House that two committee rooms be set up and wired and that this be done at an appropriate time in appropriate rooms so that the television cameras would be very discreet. Committee chairmen could then opt to go into those rooms. For instance, the Charest committee could be assigned to that room, or the finance committee when it is doing something important as it did with the GST hearings.

The first recommendation of the committee is that the Canadian Parliamentary Channel proposal as presented by CBC and the Canadian cable television industry should be accepted and endorsed as proposed, provided that four members of the board of directors are appointed to represent the public interest.

By concurring in this report, we are sending a signal to the CRTC that we agree with this proposal and we want the CRTC to accept it, but we want to have some control over it. We want to have some input. We believe that it is important to appoint four people who are not a part of the CBC or the cable industry to represent the public interest, four notable Canadians who would be noble in thought and with ideals about what we wanted to achieve with the channel. This channel could be a great instrument of Canadian unity. It could show public policy debates across the country and open up the process to Canadians of what is going on in Quebec, Newfoundland, and elsewhere.

I should remind the House that the Canadian CPaC would be a non-profit organization and that the people who would control CPaC, the board of directors, the consortium, has said that if revenues from the channel exceed what they spend, they would delay further increases as inflation came, or this money would be used to enhance the service. It is important that it is a non-profit organization.

In summary, I believe that we in this House should be concurring with this report. It is a simple report. It is not asking us to do anything radical, but to open up the process a little bit to allow committees to make their own recommendations, to use the facilities that we presently have in place such as the channel and the satellite air time, which is dead air, to broadcast news conferences, special committees, committees of the House or conventions, whether they are political conventions or an important address at the Canadian Medical Association convention.

I urge members of the House of Commons to give consideration to this report and bless it with their concurrence.

Madam Deputy Speaker: On question or comments, the hon. member for Kingston and the Islands.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, a question was put to me that I did not finish answering. I know the hon. member for Edmonton—Strathcona is a very capable member of this committee and perhaps he could explain.

The hon. member for Port Moody—Coquitlam asked the question as to how the committee recommended it would be decided which committees would be televised when there are so many sitting. I got part way through the explanation. I had not dealt with the committees that were not in the four rooms. I wonder if the hon. member could have specific comments on that part of the question to complete that part of the answer because I know he is as familiar with it as I am.

Mr. Thorkelson: This is a very important question and I thank the member for it.

Under this proposal there would be two or perhaps four committee rooms equipped with television cameras. Committees could book themselves into these rooms and the liaison committee or the chairs of committees would make the decision as to when the committees would go on the air or if they would be repeated.

CPaC has also stated that it would have three or four camera crews so as many as eight committees could be taped at one time. They could all be televised, subject to the discretion of the liaison committee or the chairs of all the committees. Let us say that on a Wednesday there are 15 committees and eight, seven, or six are of great importance and should be on television. Four of them would be booked into committee rooms with recording capability and CPaC would bring in portable television crews to the other two or three. Then the chairs liaison committee would work with the production director and decide which committees go where.

One other thing we could do with this television channel is string two or three committee hearings together so viewers could see a progression of witnesses address an issue, unless they put it on a Sunday morning or Sunday afternoon and committees could be kept in the can, as it were, and strung together so viewers could see the full debate all at once and be better able to understand what we as a House of Commons are doing.

• (1220)

I concurred in this report, but it was my feeling that we should allow the decision-making authority to go to the consortium itself, subject to the review of the monitoring committee or the privileges and elections committee because, in my view, it is the professionals who are non-partisan who can best make the decision whether it should be a news conference or a committee of the House, what is topical today, what is hot today, what is of great interest to Canadians. We as a committee felt that we needed a little bit more control as things work themselves out and it should be the chairs of the committees who make that decision.

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I have been following this discussion and debate rather carefully. I want to raise a question and I want a confirmation or denial. I believe that I can get a confirmation of the following.

My understanding is that the most important thrust here, the bottom line, is that we are trying to bring Parliament closer to the people. We are trying to help Canadians understand, perhaps better than they do now, the whole question of governance as it pertains to the nation, and how decisions are made. We want to help citizens understand government, understand what it does and how it does it, perhaps even better than they do now so that together we can help build a nation. We can improve governance and decision-making generally.

Is that a reasonably accurate description of perhaps the most important objective that we are trying to reach here.

Mr. Thorkelson: I would say that is true. We would like to help Canadians understand government. When Canadians turn on their TV and view this channel, they are only seeing one-third or one-quarter of what goes on on Parliament Hill and in Ottawa.

A lot of important decisions are taken at committees. We can see the development and the thinking evolve as committee members hear witnesses, as they themselves are influenced, as they sift through information. Canadians should have access to that information.

News conferences are held and people will see a 20-second clip or a five-second clip on national television that evening. If they were able to see even 15 minutes of that hour-long news conference and the questions asked and how reporters were trying to elicit that information, their understanding of that one issue and their understanding of the process would be so much greater.

The process not only means committees and the House, but political conventions, conferences, and interest groups trying to bring pressure on government. I would agree totally that we want to foster a greater understanding of governance of this country and an appreciation of Canada as a nation from sea to sea. I believe this could be a fantastic instrument of national unity.

Mr. Steve Butland (Sault Ste. Marie): Madam Speaker, I am pleased to rise and report on the report from the elections and privileges committee entitled "Watching the House at Work". I am sure some Canadians out there would wonder about the title of this particular report.

Before we get any great illusions as to the number of people watching us, this Environics poll taken in 1986, somewhat dated, shows that 86 per cent of people favour parliamentary television; only 13 per cent are opposed.

If we take that poll one step further, we find that 3 per cent of the population watch our channel each and every day. I guess we would call those the political junkies of Canada. Ten per cent watch it once a week and 37 per cent watch it occasionally. I guess that leaves about 50 per cent who never watch it at all. So let us be assured that we are no competition for the Cosby show, Rosanne Barr, or even any of the soaps.

Nevertheless, it would appear that from all the reports from the MPs, the vast majority said it must continue. Many had reservations about relaxed or loosened camera coverage of the House. Very few feel it should be removed altogether, but there were some members of Parliament who said there should be no coverage whatsoever in the House. I suggest that Canadians would not accept that kind of decision. It is here now and has been for 12 years. Canadians are used to it. If we took a step back, I am sure citizens would accuse us of doing

everything behind closed doors or somewhere where at least they could not see us at all.

Of the Canadians who wrote to the committee, and there were several hundred of them, the vast majority said yes, indeed, we want relaxed, loosened, enhanced coverage of parliamentary television. The vast majority were also concerned with the cost. They did not want to be burdened with any further cost for the showing of the House of Commons proceedings or committee proceedings.

As far as working in committee and the televising of committee, I think Canadians will see a different aspect. Many of them are tuned in only to Question Period and they see the show time for 45 minutes. That is not the real world. There is a lot of work done in committees, probably the majority of the work. We keep saying this but I think Canadians have to see that.

Also, they would see that there is some collegiality in committee work and there are some non-biased decisions made. I am loath to say this, but you can even make a few friends in committees. Even with their politically warped philosophies, you can still make a few friends in committee. In that light, you are assured that some work can be done. Whereas in the House, especially during Question Period, it is much more confrontational.

As far as the partnership between Cableco and CBC, when I asked the representative from the cable company, why do you want to get involved with this, just for the betterment of Canadians? He said: "Yes, we have only altruistic motives in mind". I had some hardship, and I do not want to be cynical, but I was not too sure of that.

My colleague from Port Moody—Coquitlam tells me that from 1984 to 1988 cable prices went up 6 per cent, which is almost acceptable. However, in 18 months in 1988 to 1989 they went up 29 per cent, which is not acceptable. Canadians wrote in and said that they were getting programs that they did not ask for but have to pay for. I am sure they are having the same reservations about the work in the House and the work in committee.

We would much prefer that CBC go it alone, restructure its priorities, but in reality they are not going to do that. Mr. Veilleux and Mr. Watson were witnesses at our committee and said that they were very excited about this partnership. I am rather convinced that this enhanced coverage will not go ahead unless we okay the partnership.

We had another reservation and I put in a minority report on behalf of our party. The C-SPAN that we saw in operation in Washington works extremely well. However, I hasten to point out that there are professionals working for C-SPAN alongside professionals from CBS, NBC and ABC who are working at half the rate. We do not believe it is fair that professionals work side by side at different wage scales. We would like very much that the workers, the professionals who work for this consortium be equally paid with those of the CBC, and that those who work for CBC not be threatened with their positions.

I believe that now the coverage in this House is somewhat sterile. Boring, perhaps, is a better word to describe it. I reviewed the tapes this morning of the visit of Mr. Mandela yesterday. I wanted to see how that was covered. It was covered in its usual sterile way. If Mr. Mandela was not waving his arms in front of the Speaker, we would not have known that Mr. Mandela was there. This is most unfortunate. It did not show the somewhat awe inspiring scene in this House yesterday. Certainly, I felt it in my seat. The Canadian public were not able to share with us that sense of exhilaration and awe that proceeded. As much as we revere the Speaker in the House, the poor Speaker has to be alert at all times because he is in the Chair in front of whoever is speaking, whether it is the Prime Minister or Mr. Mandela. This enhanced coverage would allow the senators in the middle aisle here to be shown on television—and everybody wants to see the senators, I am sure—and the House basically filled on one of the few occasions that it is filled.

• (1230)

As I speak now, I want to tell Canadians that they are not seeing the real thing. They are probably anticipating that there are a lot of people listening to me here. I am glad to see that you are at least smiling, Madam Speaker, which must indicate that you are listening to a certain extent. The member for Mackenzie is listening. I am sure that the member for Port Moody—Coquitlam is listening, at least with his right ear, but there are many people who are not listening to me.

This is the fruit of the committee work. We did a lot of work in committee, and this is an opportunity for us to tell the Canadian citizens what in fact we did at the committee level.

When we were in Washington there was a scenario that really pointed out to the Americans what was wrong with their television coverage. They have I guess what one could call a late show in Congress. It takes place one hour after the sitting of the Congress is over. You put your name in and and wait in line to give an hour speech on any topic you want to give a dissertation on. Everybody did it and it was going along fine until one night a congressman decided to put on a good show, a real grandstand exhibition.

He was in the House all by himself but proceeded to admonish the President of the United States. He said: "You, Mr. President, are going to have to answer to this". He referred to a number of people as if they were in the Congress when in fact there was not a soul save for himself.

At that point in time, Tip O'Neill, Speaker of the House at that time, saw this going on and said: "What is this man doing? I want it stopped immediately". He instructed the camera crew to pan to show who was really there, and there was not a soul. The real situation was exposed.

We have nothing to be afraid of. Let us expose what this is. There are people talking about other things, although perhaps some Canadians may think this is important. I personally do think it is important. Let us show them the real House.

As I speak I understand that there are probably 50 members sitting in committees. So members are working as there are 25 members in the House.

I suggest that if we provide enhanced coverage of the House more members would probably want to come to the House. They would want some more exposure. When you are here in the House you are able to ask questions in the comment and question period after someone has spoken. You can get some coverage, if that is what you are after. Also, if the cameras are allowed to pan, then probably not everybody would read their newspapers or do whatever they are doing. It would almost obligate them to pay some attention to what is going on in the House.

There are some who have grave concerns. I think that they are unfounded. This situation will be monitored by our own, if you will. Some people may have difficulty with people policing themselves. I think we are going to tread slowly. I would be much less conservative, small "c", and we would take a bold step.

I read carefully who expressed concern. It seems that the majority of people who expressed concern are from the government side. They said that this would allow for more grandstanding. They seemed to say that opposition members would have just another forum to get more exposure, allowing us time to rail against government policy. Being a member of the opposition I can understand that. With the enhanced programming, phone in programs and other avenues, government back-benchers will be given more opportunities as opposed to fewer.

As far as reaction shots are concerned, I think that when someone asks a question of another person with great acrimony and indignation and after the camera moves to the one who is answering the question it behooves the questioner not to break into a smirk or a smile after having asked that acrimonious question. Again, this will be a self-policing device for members in the House of Commons.

In conclusion, I think this does work very, very well in the United States. It works very, very well in the province of Ontario. Our gravest concern with this whole issue is in terms of the pricing. We do not believe that Canadians should have to pay to watch their democracy, their elected members at work. If they come here in person, they can see it free of charge. The galleries are filled each and every day. We do not believe that they should be obligated to pay, but I say that in the full understanding that this measure will not go forward unless there is some charge.

I have suggested in the minority report, without knowing if we have the authority, that we put a cap on it for heaven's sake. I think it is eight cents now and ten cents after the next five years. We are suggesting maybe five cents and cap it at fifteen cents because it is supposed to be non-profit and the cable companies are going to pour all the excess revenue back into enhanced programming for Parliament.

I do not want to be too cynical but we are somewhat cynical about this matter. This is our only concern with this entire report. Otherwise we are indeed in favour of enhanced coverage of the Parliament of Canada.

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Madam Speaker, I did not sit on this committee. My friend opposite seems to have much more detailed information on the matter than I do.

I am wondering if he can elaborate on the cost. He seems to want to have the service provided without people paying more than eight, ten, or fifteen cents at the maximum. Surely the question is whether the users pay for it or whether it is the taxpayer in general who pays for it. I think he is saying that he would rather have the taxpayer at large subsidizing this operation rather than the users.

I would like him to expand on that point. My own starting point would be that the people who decide they want to take the channel should be paying for it, rather than imposing it on seniors and poor people who are not watching it. They would subsidize the few who are watching it.

Mr. Butland: Madam Speaker, that is a good question. It is one that we wrestled with. Canadians who wrote in said that they were willing to pay eight or ten cents a month.

The cable companies are enjoying a good rate of return. What they have done time and time again lately is they have inflicted these MuchMusic channels, the sports network channels, with no choice to the people. They have also inflicted NewsWorld, I might add, at 50 cents a month. They have done it with great regularity. As I have already pointed out, the profits are great.

Probably unrealistically we would anticipate that the cable companies should do it free of charge. We believe that CBC could restructure its priorities because this particular media coverage of the House of Commons has been long neglected for the whole 12 years it has been in place. It just has not been addressed.

There were recommendations made previously that would have been rather costless, but no one moved to react to them. It has been on the back-burner for a long time.

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, if I recall correctly the comments of my hon. colleague, he indicated that a majority of members appear to be concerned about the opportunities the opposition would have to condemn government initiatives.

I would ask him the following. If these initiatives on the part of the government are extremely sound, is that therefore not a minimal risk? In fact, is not democracy as we know it, as it has evolved, gravitating toward greater openness?

• (1240)

Mr. Butland: Madam Speaker, yes, I certainly concur. It is a minimal risk for the government to take. It anticipates that we are going to criticize and probably condemn most of its policies. This is not the time or the place to say that most of them are condemnable, but I throw it in anyway. I do not think it is a great risk for the government to take. The enhanced coverage will give it opportunities.

The hon. member's last comment was the key. It is toward more openness that I think the Canadian public is after. Certainly many say now that that is the problem with Meech Lake: it has not been nearly open enough.

I am certainly a long-time educator and a short-time politician. Education of members of the Canadian public is extremely important. I think they will appreciate the openness and what really goes on here, rather than providing them with somewhat of an artificial situation much of the time.

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I want to congratulate my colleague, the member for Sault Ste. Marie, first, on his participation in this committee which is yeoman's work and, second, on his analysis which I think is excellent.

The hon. member for Lethbridge asked my colleague whether or not the users should pay. No, the taxpayers should pay, in general, because it should be open to everyone. It is like medicare. You can use it if you need to use it. You can tune in if you want to. This is the Parliament of Canada. This is not MuchMusic or soap opera. It should be open.

The cable companies can afford to put it on. They are making a 28 per cent rate of return, twice the amount of the phone companies. The CBC gets a budget from Parliament. It should be for nothing that it is on. We in

the NDP and the hon. member for Sault Ste. Marie in his minority report said that we should not have to pay for this.

I do not want to end in a controversy. I will pass along a little story to my friends. A couple of years ago I was on holiday. I was in California. I rented a car and drove the highway by Big Sur from San Francisco to Log Angeles. I pulled in at Big Sur, which is pretty remote. There was a little tavern where I wanted to have a beer. I went in. There were two old hippies, probably my age, standing there at the bar.

I sat between them and had a beer. I noticed outside that they had a TV satellite dish. One fellow said: "Where are you from?". I said: "I am a Canadian". He said: "Canada, Canada. I saw that House of—". I said: "The House of Commons, Parliament". "Yeah, Parliament," he said, "I watch it on TV. They are really strange dudes, really strange dudes". I did not have the heart to tell him that I was a member of the institution.

The point is, as my friend said, that it should be open to all. Maybe there are junkies, as the hon. member called them. I think there are a lot of people who watch us and approach us on the street.

The point is that there should be an opportunity for everyone to watch it. The point we are trying to make in the NDP is that it should be free. It should be paid through general taxes and not paid by people once again being asked by the cable companies to pay more money when they are already making big profits. They should put this on free of charge.

The House of Commons should have instructed the CRTC to require that. I hope the CRTC, the group that governs television and the price that people pay for their cable, requires that it be free.

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Madam Speaker, I am pleased to participate in this debate. At the start I must admit, as most of us do, that I was not a member of the committee that looked into this matter. Thus, first, I would like to pay tribute to those members of Parliament who looked into this topic and issued the report that we are debating by way of a concurrence motion today.

I did make a presentation by way of written correspondence to that committee. I must say that the committee did not accept my perspective. While I speak against the report, it is not with any malice because I do respect the parliamentary process whereby people come together to form committees that look into different topics. They invite the public to comment. They invited us as members to comment, and we all did.

They then went through a process of negotiation and discussion and came up with the report that we are debating today. The fact that I disagree with the committee does not in any way take away from the respect I have for the members of the committee and the thanks I have for them doing this good work.

Our differences are, I guess, in perspective. My perspective would be for us to get back to this House being more meaningful in the life of Parliament.

By that I mean I wish we could have debates here, as used to happen in earlier days, when people would actually change their mind as a result of hearing a debate in the House of Commons. The reality today is that no views or opinions are ever changed as a result of a debate in this House.

Where peoples' minds are changed is at the committee level. Once television hit the House of Commons nobody could be seen to be compromising because that leads to all sorts of problems from your own supporters out in the ridings who do not appreciate the nature of Canada and the nature of Parliament. This is a body where we come together to broker in a sense the honest and legitimate interests that are held out across this broad country with our very different populations, whether they are in Newfoundland, B.C., Alberta or Quebec. The role of Parliament is to broker those differences and to come up with compromises.

Compromises never meet the needs of the extreme group, the people who feel so strongly. The fact of the matter is that if you are going to survive in life you simply have to compromise. The fact of the matter is that none of us know every issue perfectly and we are not as smart as we think.

I can remember giving my maiden speech in this House some 11 years ago and really pounding forth the view of southern Albertans as to how we held our opinions on certain issues. I then listened to other members and realized that they were far smarter than I.

They just as honestly and fervently held their view which represented the perspective of their constituents.

The point is that once television hit this House the power flowed out to the committees where people could debate the issues, make compromises and send them back to this House.

Another point I would like to make is that in the United Kingdom, in France, in many other parliaments and in the United States, the vast majority of the full legislative jurisdiction is in one parliament. The legislation that is considered in Britain and in France is the equivalent of all of the legislation that we consider in this House plus everything that is done in the provincial legislatures.

That means they have had to come up with routines that make the House far more efficient. In Britain, a major bill, whether it be like the National Energy Program that we had in the last Parliament, or free trade or the Meech Lake Accord as we had in this Parliament, would be allocated four speeches, perhaps two hours in all. They then go to a legislative committee where it is looked into by a committee, and comes back.

The point is that during that major debate opinions can change because people know that it is a significant speech. Madam Speaker, as you well appreciate, in this House, and it does not matter who is in the government and who is in opposition, the fact of the matter is that when you are in opposition, and we were exactly the same when we were in opposition, you try to use up as much time as you can.

Yet beyond the first speech it is all repetition. That is why this House has lost its meaningfulness. The vast bulk of the speakers just repeat what the first speaker said on behalf of the party, whether it is the government party or the two opposition parties. It is an enormous waste of time here and it does not change anyone's mind.

• (1250)

I speak from the perspective of someone who has been here for some 11 years. I have sat as a back–bencher in the opposition. I have sat as a critic of a specific department in the opposition. I have been a back–bencher on the government side. I have chaired standing and special committees. I have been a parliamentary secretary and all that involves at the committee level. The fact of the matter is that the most satisfying part of being a parliamentarian is committee work.

What might have been an imperative driving the members on the committee was to be able to give members of Parliament more visibility back in our ridings, for those many, many hours we all spend at the committee level where we really make a substantial contribution to the public life of Canada. There is no doubt about that. I fervently believe that.

I know of all sorts of occasions when committee members of all three parties have made substantial changes to bills. On the standing committees they have input policy that has then showed up later on in a statute that comes out. The problem is that we get no credit for it. But why should we expect credit for it? We are elected. We have a term as long as the Parliament exists. We have an obligation. We are very well paid at $80,000 a year, $20,000 of which is tax free. We do have an obligation to come and work hard, and the vast bulk of members do.

If I could have my choice, I would rather be an independent. Independents do not have any responsibility. They never have to go to committees. They do not ever have to compromise their views. They can sit there in all their pristine virginity and never compromise. But they have absolutely no power. They never change one thing in this House. If you want to be here, get very well paid and not do anything, then you want to cross the floor and sit as an independent. It is a marvellous life of freedom with no responsibility. The fact of the matter is that government members and opposition members do have a responsibility. I think that it is at the committee stage.

I remember being the Parliamentary Secretary on the legislative committee which studied all the deregulation bills on transportation. It studied the National Transportation Act, the coasting trade and other statutes. As a Parliamentary Secretary I could see the logic of dozens of amendments that came from government members and from both parties in the opposition. As I recollect we accepted some 118 amendments.

When I became convinced that it was a good amendment, as the Parliamentary Secretary I would go to the minister, who happened to be the present Minister for International Trade, and say, "Look, minister, if we can get these amendments I think I can negotiate a package with the opposition to be able to get the bill through in a

reasonable period of time at report stage and third reading". That is exactly what happens.

If that committee was televised, I do not think opposition members would be able to make those compromises. They would be seen to be co-operating with the government. Again, I say that whether or not I am in the opposition. If I were in the opposition the same pressure would be on me as an individual.

If we televise committees, then the power will have to move to a steering committee. That will mean we will spend far more time at steering committees where we will make those compromises. I would rather not do that. I would rather see us have a totally new orientation that would bring more influence and power back to this House, even where there is television. I think we could become less partisan if we had agreement on fixed hours for debates. Bills could still go off to a legislative committee where the technical changes could be made from the expert witnesses. They could come back here for the policy debates. If government had a fixed agenda, it would be much more amenable to accepting amendments from the opposition parties.

That is my perspective. I do not claim to be a total expert, but I feel strongly on that perspective.

I want to respond to the point made by the NDP members who feel that this channel should be provided free. It has often and long been the NDP model that something be free.

Canadians know that nothing is free. Under the principle of offering something for free, this nation built up a national debt that is now over $400 billion. When we came to power the deficit was $38 billion, $22 billion of which was interest on the national debt, and $16 billion was surplus spending on programs compared to what was being taxed from people. By borrowing $16 billion, we were able to offer programs to people for free.

But the young people of this nation in particular surely realize today that nothing is free, and that in fact what we successfully did was to pass on to their shoulders this huge national debt that they are either going to have to pay for directly by way of tax dollars, or by a very substantially reduced income and standard of living.

Madam Speaker, what would you and I think today if our grandparents had done to us what we have done to our children and grandchildren in a mere 20 years? The fact of the matter is that this country went from 1867 to 1968, fought two world wars, came through a major economic depression, purchased the west, developed the north, built roads to resources—developed the whole of this country—and the national debt was only $18 billion. Maybe only six cents out of every tax dollar went to service that debt.

But in the last 20 years we have offered people a whole host of programs, all of which are very attractive and which we like to have. At the same time we have maintained low taxes in order to have a good cash flow in our pockets. For that we went out and paid too much for land if we were farmers, too much for businesses if we were business people and too much for our homes. The secret is that collectively we were borrowing it on the side and under the table from rich people who had lots of money who had nothing to do with it except lend it to the government. We borrowed it from people from other countries and we built up this debt. As I say, at first it was six cents to service the debt. In 1968, it was 12 cents. Then it went to 15, 20, 25 and 30 cents. Now 35 cents out of every tax dollar that comes in has to come right off the top to service the debt.

As I say, some people argue that we owe it to ourselves so it does not make a difference. It does make a difference because people with lots of money rather than investing it in plant and equipment and taking the risk of going belly-up, sit back and lend it to the government. They have a guaranteed rate of return. But that money is not then available for putting out into social programs or developing new mining ventures so our young people can get great jobs as engineers and technicians. It is just not available.

If our grandparents had done that to us, Madam Speaker, we would not have the very high standard of living we have today. I think it is really wrong what we did to our children and our grandchildren. Thus I make the point that when the NDP continue to offer to our fellow Canadians something for free, surely to goodness that concept has been totally discredited as, indeed, I

think it has. We notice that when people are polled between elections they like the NDP but when they actually have to decide if they are going to give the socialist philosophy their votes only one in five ever come to that decision.

I am privileged to speak on this matter. I would like to refer to Conclusion C which states: "Broadcasting committees would relieve some of the pressure that is presently put on Question Period and would permit the public to better understand the roles played by members".

I do not think there is any solution to the Question Period. Question Period is very important in our society in terms of being able to hold the Cabinet accountable. I know it is a raucous period and all of that. It not being a congressional forum we do not have real solid journalists who are well educated and penetrating in their investigative journalism. We do not have that. The National Press Gallery in this country really does not measure up to a professional—

Mr. Dick: It's a joke.

Mr. Thacker: It is a joke, as my colleague says. It is a real tragedy in the nation. It is one, I suppose, that will only be solved over time with better education.

In the meantime we need to have Question Period. It is going to be partisan because politics is a quest for power. Whoever has it wants to hang onto it. Whoever does not have it wants to get it.

I do not apologize to my constituents when they say that Question Period is childish and raucous. I just explain to them that yes, it is a battle for the late night journal, and it is too bad, but they have a responsibility as a citizen to be able to appreciate it. It is 45 minutes. You have the responsibility as a citizen to put it into proper perspective and to see it for what it is. When there is a stupid question followed by a stupid answer, people should realize that, yes, it is a stupid question and a stupid answer.

[*Translation*]

Madam Deputy Speaker: It being 1 p.m., I do now leave the chair until two o'clock.

At 1 p.m., the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

ABITIBI INTERNATIONAL BICYCLE TOUR

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the cyclists' federation of the Soviet Union will send a junior team to the Tour cycliste international de l'Abitibi, from July 24 to July 29. The 22nd Tour de l'Abitibi, in which all races will start and finish in Amos, will be presided over by the honorary chairman, reporter Léandre Normand.

The Amos organizing committee is ready to receive teams from France, Czechoslovakia, the United States, Canada, Quebec and several provincial teams.

Mr. Speaker, Mrs. Marie-Claude Audet will be honorary chairwoman.

* * *

[*English*]

HUMAN RIGHTS

Mrs. Christine Stewart (Northumberland): Mr. Speaker, Amnesty International has just released a shocking report showing that Brazilian authorities are implicated in the torture and murder of Brazilian street children.

In a news release, Amnesty states that police officers in Brazil are torturing and killing suspects in and out of custody, including youth, secure in the knowledge that they will not be punished. Off-duty police officers are running many of the growing number of death squads—vigilante groups acting as judge, jury and executioner—and many of its victims are vulnerable, destitute street children. Indeed, death squad killings accounted for one-third of the violent deaths of children.

Brazilian authorities are overlooking these gross violations by not punishing those committing these atrocities. Few effective investigations or prosecutions are carried out for serious abuses such as torture and extra-judicial executions. Canada must call on the Brazilian authorities to stop these gross human rights violations.

The situation in Brazil further demonstrates the urgent need to ratify the UN Convention on the Rights of the Child. This convention is a standard by which all nations will be judged.

I urge the government to press for early ratification of the convention, both here in Canada and abroad so that we can legitimately press other governments, such as that of Brazil, to commit to the survival, protection and development of the world's children.

* * *

CANADA POST CORPORATION

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, Canada Post's annual report and five-year plan were tabled yesterday. They are enough to outrage even the most cynical.

Canada Post gloats over its recent $149 million so-called profit. It is not profit, it is the blood of rural post offices slashed from Canada Post's roster. This comes from the cruel harassment and intimidation of its employees on sick leave, from denying Canadians door-to-door delivery, from cutting back service to Canadians everywhere. Nowhere in Canada Post's mandate is there a call for a national postal service to turn money over to the government at the expense of service—nowhere.

But our new Canada Post has decided to gift wrap itself for the private sector, by turning a profit and cutting back on such costly ventures as providing service to rural Canadians, or delivering mail to people in sizeable communities door-to-door as it always has, and at the expense of providing a humane workplace.

However, the criminal is not Canada Post. It is this government's cowardly failure to confront our Crown corporation, its refusal to stand up for rural, suburban and urban Canadians, its abuse of postal workers and disregard for the future of our national postal system.

Shame, Mr. Speaker, shame on the government.

* * *

LIBERAL LEADERSHIP

Mrs. Edna Anderson (Simcoe Centre): Jean Chrétien, where are you?

Earlier this month, speaking in French, Mr. Chrétien said clarifications to the accord seemed to have been made, and he hoped that the accord would pass.

Last week, in English, he would not say what he thought the legislatures of Manitoba and Newfoundland should do.

Well Mr. Chrétien, you should say the same thing to Canadians in English and in French.

Do you think the Meech Lake Accord should be adopted this week or not?

Yes or no, Mr. Chrétien? Yes or no?

* * *

ENERGY

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I wish to advise this House that there is an alternative fuel that is renewable, which will not only reduce global warming but whose production might even contribute to the reduction of carbon in the atmosphere.

It would reduce urban ozone and polluants, and would require no new technological breakthroughs and would assist in providing our agricultural producers a better income. It was first used in the 1930s.

The fuel is ethanol, and its use has been studied time and time again.

A recent report commissioned by the Department of Grains and Oilseeds calls on the government to set an ethanol fuel policy. The energy committee report, Alcohol Additives, in 1986 called on the government to encourage the use of ethanol.

While this government dithers, other countries are gaining a huge lead in the use of ethanol. There are as many litres of ethanol blended fuel sold in the United States as there is gasoline sold in all of Canada. The U.S. spends close to $400 million a year fostering its ethanol industry at a net saving of $25 million a year according to its General Accounting Office.

It is time this government provided action on global warming instead of contributing to it by talking about the problem rather than implementing the solutions staring them in the face.

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[*Translation*]

VOLUNTEERS

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, several years ago, the municipality of L'Ancienne-Lorette started a very positive tradition.

Annually, the town's authorities organize a special evening to thank volunteers who work day in day out to make life easier for fellow members of their community, of all ages.

These people who donate their time and skills and certainly do not advertise the fact, are invited to a special evening where they are offered entertainment, have a chance to talk to other volunteers and are given public recognition for their dedicated work.

I believe this is a wonderful example of how we can give merit when merit is due.

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[*English*]

LIBERAL LEADERSHIP

Mr. Peter L. McCreath (South Shore): Mr. Speaker, the man who would be king, the man who intends to assume the mantle of national leadership this weekend, has gone underground on the greatest national issue of the day.

His leadership rival, the member for LaSalle—Émard said: "One could not ask for a better demonstration of his failure to exercise leadership." Mr. Speaker, I agree. This is a total failure of leadership. The man has nothing to say to his Liberal colleagues in Newfoundland and Manitoba.

Mr. Chrétien, if you are to be a leader, it is time to show leadership. Do you support the Meech Lake Accord? Yes or no?

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TRANSPORT

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, you will recall that some months ago the Minister of Transport commissioned a study into the implications of a year round ferry service for Argentia.

Since the release of that study in March, the minister has been looking at his options. In the meantime, private shippers in just about every municipality in southwestern Newfoundland including Port aux Basques, Stephenville and the city of Corner Brook have opposed the move toward year round service, and with very good reason.

It is widely felt in Newfoundland that even a slight variation from the existing system would lead to major disruptions and major problems regarding transportation and that the idea of a year round service to Argentia should be scrapped altogether.

• (1410)

I call upon the minister to let his decision be known and to not displace the obligation under the terms of Confederation, which places Port aux Basques as the main point of entry.

* * *

CANADIAN BROADCASTING CORPORATION

Mr. Lee Clark (Brandon—Souris): Mr. Speaker, the agricultural voice of CBC Radio has retired.

On behalf of thousands of farmers who are faithful listeners to the CBC's farm broadcast, I would like to thank George Price for the valuable service that he provided for so many years. His informative, succinct reports and interviews will be missed, as will his presence at national and regional agricultural conferences, at which he was regarded both as a celebrity and an institution.

In wishing George Price well in his retirement, I would also like to urge CBC Radio to appoint a full time successor. Although the CBC as a Crown corporation should carefully regulate its expenditures just as government departments must do, the information which George Price provided was too important for his position to go unfilled. Canadian farmers need the daily agricultural reports which George Price so faithfully provided.

* * *

THE ECONOMY

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, the Minister of Finance is blaming Canadian workers for causing inflation, and his latest scapegoat has been women. His targets have included teachers, nurses and social workers, jobs that are traditionally female oriented. Yet, since this government came to power, real wages have fallen almost 4 per cent while salary increases for fat cat executives of Canada's Crown corporations have been nothing short of unconscionable.

Last year, the government allowed salary increases of $40,000 to $84,000 for the top brass of CN. These are increases that are more than the average Canadian worker earns in a year. Why is the minister attacking reasonable wage settlements for ordinary workers, while remaining silent on these pork barrel payouts to senior government executives? Why does he not wake up and smell the coffee? The minister should stop blaming

others and look to his own financial policies for the cause of Canada's economic woes.

* * *

[*Translation*]

LEADERSHIP OF LIBERAL PARTY

Mr. Gilles Bernier (Beauce): Mr. Speaker, the silence maintained since Sunday by the number one candidate for the leadership of the Liberal Party of Canada, Jean Chrétien, is a blatant insult to the intelligence of Canadians and shows contempt for the democratic process.

The man responsible for the Meech Lake crisis is lying low in his cottage.

For two years he has been urging the Wells, Carstairs, Doers and Filmons to fight Quebec.

The Liberal Party of Canada is about to choose as its leader a man who has shown contempt for Quebec.

Quebecers are proud through and through. They have not forgiven Jean Chrétien for the role he played during the referendum campaign, the contempt he has shown for my province and the humiliation he imposed on Quebecers in November 1981, when Quebec was isolated from the rest of Canada, at his instigation.

On June 24, the national day of Quebecers, the people of Quebec will be mindful of their motto: "Je me souviens".

Jean Chrétien has shown many times over that he has betrayed Quebec.

* * *

[*English*]

"REACH FOR THE TOP" CHAMPIONS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, once again Cape Bretoners have proven that they can compete with the best and come out on top.

Last weekend, the *Reach for the Top* team from Memorial High School in Sydney Mines captured the North American championship in Houston, Texas. They defeated American champions from Richmond, Virginia and captured this tremendous honour.

Team members Jay Boutlier, Patrick Sutton, Anthony Serroul, Jennifer Morawiecki, Robert MacDonald and Karl White demonstrated outstanding mental agility under tremendous pressure. I know I join with all Canadians, including members of this House, in congratulating them on their victory.

To this group of young scholars and their coaches, bravo for a job well done, and a very best wish for an enjoyable and rejuvenating summer holiday.

* * *

THE ENVIRONMENT

Mr. J.W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, if this environment committee report about the hazards of CFCs and halons accomplishes nothing more than to communicate a public call to action as contained in its text, then it will have served a very important purpose.

I am convinced that neither the average citizen nor the average legislator truly appreciates the very significant hazards which atmospheric pollution poses for our world.

Certainly in my own case, until I became involved in hearing the expert advice and opinions made available to our committee, the serious prospects of ozone depletion or global warming seemed very far off in dreamland. I was largely unaware of the problems or the causes. To quote from the CFC report:

> The members of our committee reached one overpowering conclusion, not just a consensus but a unanimous opinion, that ozone depletion is a threat for the continuation of life on earth.
>
> Literally we must declare war on all those elements which cause that risk.

This CFC report is well worth reading.

* * *

BILL C-21

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, countless Tories have risen in their place to decry the delay to Bill C-21.

As recently as yesterday they rose to a member to defeat a motion that variable entrance requirements be implemented. They try to divert our attention by staging

a mock battle with the Senate. In the meantime it is Canadians who are being wounded and it will be our highly effective unemployment insurance system that is the casualty.

In British Columbia, New Brunswick, and Alberta the section 26 training option has been suspended, with Ontario and other provinces soon to follow. The Tory back-bench continues to applaud the commitment of the employment minister to job training while she steadfastly refuses to release additional funds for this valuable option.

New Democrats have consistently asked the Government to bring in the variable entrance requirement so workers in economically depressed areas or in seasonal jobs can more readily qualify for benefits. This plea has been ignored.

Again, New Democrats demand the government withdraw Bill C-21, bring in the variable entrance requirement and grant the much-needed additional funds for the Section 26 training options.

ORAL QUESTION PERIOD

[*English*]

MEECH LAKE ACCORD

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to pose a question to the Prime Minister.

The Prime Minister's latest attempt to break the Meech Lake impasse in Manitoba has clearly failed. In fact it is clear that the envoy sent to Manitoba did not understand the significance of the statements made by the Manitoba chiefs.

I ask the Prime Minister, given the extraordinary nature of the problem which he must take responsibility for creating, will he undertake to meet personally with the aboriginal leaders in Manitoba in an effort to come to grips with the fundamental issues which are at the heart of this very serious crisis in Canada?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, on June 9, in the final communique of the Meech Lake discussions the undertaking was as follows:

> The Premiers of New Brunswick, Manitoba and Newfoundland undertake to submit the Constitution Amendment, 1987 for appropriate legislative or public consideration and to use every possible effort to achieve decision prior to June 23, 1990.

That was 10 days ago, 10 days ago, and the premier of Manitoba had agreed to use every possible effort to achieve a decision prior to June 23.

Inasmuch as the premier has, and all people acknowledge it, a unique minority situation, the comments of the leaders of the opposition that same day were also important. I think my hon. friend would agree.

Mrs. Carstairs, the leader of the Liberal Party, said that day: "We are prepared to meet all days and all nights, long into the nights, early into the mornings, if need be weekends, in order to make it happen and we think it will happen.

Mr. Doer, the Leader of the NDP, said:

> We felt it was the best we could do under the circumstances and that we should move on in our constitutional process and get onto the real issues that are facing Manitobans and Canadians and take this proposal to the legislature—

The obligation clearly rests upon the signatories of the agreement to deploy their best efforts to get this passed by the twenty-third because the unity of Canada very much depends on their seeking to honour that undertaking.

With regard to the chiefs, I think it is generally acknowledged that Senator Murray led a very significant delegation to Winnipeg.

We put forward what is described in the press today as a most generous and attractive package in favour of the aboriginal peoples by the Government of Canada. Phil Fontaine, leader of the Assembly of Chiefs, said that the aboriginal people were not swayed from their strategy, and I am quoting him, "—to do everything we can to kill the accord and its companion resolution." I am saying to the premier of Manitoba, to the leaders of those two parties, to Phil Fontaine and all the chiefs with whom we want to work: do infinitely more on behalf of aboriginal justice in Canada; do not take the position that it is time to kill the Meech Lake Accord; work to get the Meech Lake Accord passed because it is the instrument whereby aboriginal justice can come to the peoples of Canada.

• (1420)

Some hon. members: Hear, hear!

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, nevertheless the fact is the envoys of the Prime Minister did not address the cry of heart that came from the aboriginal leaders.

It was told to the Prime Minister during the meetings in Ottawa by the premier of Manitoba that there was not sufficient time to allow the democratic process to be heard, and the Prime Minister decided to roll the dice. Will the Prime Minister now undertake his solemn responsibility, as the First Minister of this nation, to meet directly with the aboriginal chiefs of Manitoba and come up with concrete proposals, not promises, but proposals that would meet their concerns?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I bring to my friend's attention something that he may have missed. In a statement on June 18, the Manitoba Métis Federation representing, I believe, 80,000 people, said it wants the debate on the Meech Lake Accord, and the companion resolution, to be allowed to proceed in the Manitoba Legislature.

Yvon Dumont, president of the federation today called on MLA Elijah Harper to end his procedural blockage of the resolution. Here is a very distinguished aboriginal leader who is saying: "Let the people decide. Let the people who are elected get to the legislature and let them take cognizance of the package that has been put forward".

Mr. Simmons: Answer the question.

An hon. member: You are shifting the blame.

Mr. Mulroney: Mr. Speaker, the Liberals say I am shifting the blame. I am quoting a very distinguished aboriginal leader, and I am not shifting the blame to anyone.

I took the liberty of calling Phil Fontaine directly. I called Mr. Fontaine, notwithstanding the fact that the statement he made on Saturday was negative. The statement was: "We want to kill Meech Lake. No matter what you say or what you do, we want to kill Meech Lake". I called him and asked him, given the great importance of the Meech Lake Accord to Canada and the fact that the Meech Lake Accord is an instrument that is so vital to unblock further instruments that will provide justice for the aboriginal peoples, if he would undertake to meet a delegation from Ottawa led by Senator Murray. Senator Murray went out there and put forward a package pursuant to my conversation with Chief Fontaine which this morning, for example, in *The Montreal Gazette* is described as follows:

> Even in their own terms, the leaders of Canada's native leaders have probably made a serious mistake in not accepting the large olive branch that Prime Minister Mulroney held out to them in exchange for passage of the Meech Lake Accord.

It goes on:

> That offers the native people as much as Meech offered Quebec. And just as Meech is the best offer Quebec is likely to put to the rest of Canada for many years, so the native people may find that having spurned this chance, they may not get another, in such a favourable climate, for a long time.

We want and we stand for justice for the aboriginal peoples. That is what I conveyed to Chief Fontaine. That is what I convey to him today on the floor of the House of Commons.

I know that my hon. friend wants that justice for aboriginal peoples. It can only be secured in these circumstances by passage of Meech Lake. I ask my hon. friend from Winnipeg: call your friends in Manitoba. Ask them to ensure the passage of Meech Lake so that the aboriginal peoples of Canada can finally get justice.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I say very simply: I do not understand why the Prime Minister is evading his own responsibility in this case. It does not matter how many editorials he reads, how many other people he quotes, the situation is of his making and, therefore, he must take responsibility.

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. Axworthy (Winnipeg South Centre): Why will he not simply meet face to face with the aboriginal chiefs, put concrete proposals to meet their concerns and break the impasse. The power is in your hands, Prime Minister, why won't you do it?

Mr. Speaker: Order, please. I do not know whether this line of questioning is going to continue, but I want to advise both sides of the House that I am not going to let liberties be taken on this issue.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend is asking me about why I won't, I suppose, go out and see the chiefs myself. I asked Senator Murray to head a delegation composed of Paul Tellier, the secretary of the cabinet and Clerk of the Privy Council, Norman Spector, the secretary to the cabinet for federal–provincial relations and Stanley Hartt, my chief of staff. All of this, by the way, was

approved by Chief Fontaine and by his lawyer in Winnipeg.

They went out and put forward the proposal that has been described in today's media as probably the most generous ever put forward by a Government of Canada. Inasmuch as my hon. friend is asking me to do more, before he says that, perhaps he should understand what has already been rejected.

What was put forward was that my government is ready to act expeditiously in relation to and provide financial resources for each of the following, as soon as the Meech Lake Accord is ratified:

1. a Federal–Aboriginal process to set the agenda for the First Ministers' Conference on Aboriginal matters; and the acceleration of holding the first Conference;

2. a commitment by the Government of Canada to full constitutional recognition of the aboriginal peoples as a fundamental characteristic of Canada;

3. a participation of representatives of the aboriginal peoples of Canada at any future First Ministers' Conference held to discuss the "recognitions clause";

4. an invitation to participate in all First Ministers' Conferences where matters being discussed directly affect the aboriginal peoples;

5. the joint definition of treaty rights, something that the aboriginal peoples have been seeking for a long time, and;

6. the establishment of an historic royal commission on native affairs of the dimensions and the power of the Royal Commission on Bilingualism and Biculturalism that could bring about historic and sweeping changes that would benefit the aboriginal peoples well into the next century.

That is the offer that is on the table. Having seen the offer, Phil Fontaine, the leader of the aboriginal people, says: "We want to do everything that we can to kill the accord and the companion resolution." By taking that attitude, Chief Fontaine is killing off a tremendous opportunity for the aboriginal peoples to move very swiftly and effectively along the road to justice for the aboriginal peoples, which is what this government and all members of the House want.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is directed to the Prime Minister.

A number of observers on the constitutional scene think it will be extremely difficult to find a way to resolve the constitutional deadlock by June 23.

What alternatives, what options is the government considering at this point?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, a formal document was signed by the Premier of Manitoba and the other Premiers, and by virtue of this document, the Premier of Manitoba, seconded by the two opposition leaders, is committed to making—and I will quote the English text—;

—to use every possible effort to achieve decision prior to June 23, 1990.

Ten days later, because of dilatory action by one MPP, they have not even had a chance to hear witnesses, let alone discuss it and vote on it!

When people say they are going to make their best effort, this implies leadership. It implies acting responsibly and exercising leadership. My friend from Winnipeg, who knows what the situation is, should be interested in this statement by the Manitoba Métis Federation, where we find the following:

• (1430)

[*English*]

"Any action in the name of aboriginal people affects the Métis equally", said Mr. Dumont. "We have considered the latest undertaking by the Prime Minister and believe that it is now in our interests, more than at any other time in the past, that we take advantage of the provisions now before us and which are possible following the approval of the accord."

My message to the premier, to Mrs. Carstairs, and Mr. Doer is: "Follow the wishes of the Métis people in Manitoba, pass Meech Lake, and move on to justice for the aboriginal people".

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, my question is for the right hon. Prime Minister.

Notwithstanding what the Prime Minister has already said, I do not think it takes a rocket scientist to figure out that the Manitoba legislature cannot deal with the Meech Lake Accord before the Saturday deadline. There are legislative procedures to be followed, and some 3,000 Manitobans have indicated they want to speak at pubic hearings.

What does the Prime Minister do now? After all, it is his responsibility and he got us into this mess in the first place. He said he rolled the dice and he even bragged about it, and now we see the result: a complete mess. What is the Prime Minister going to do now?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I will read for my friend from Winnipeg the formal undertaking that says:

> The Premiers of New Brunswick, Manitoba and Newfoundland undertake to submit the *Constitution Amendment, 1987* for appropriate legislative or public consideration and to use every possible effort to achieve decision prior to June 23, 1990.

That was 10 days ago, and notwithstanding that formal undertaking on a matter of the greatest concern to Canada that deals with our unity and the ongoing well-being of this nation, the Government of Manitoba and the Legislature of Manitoba has not even yet taken formal cognizance of the matter so that members can rise and speak and vote yea or nay on it.

I say that the question of leadership is important in the province of Manitoba. The Liberal member there is asking me where I stand. My stand on the Meech Lake Accord is very well known. I have been standing in the same place on it for three years, which is more than some people who aspire to lead political parties can say.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

As he has indicated in his remarks, the document signed on June 9, 1990 committed the Governments of Newfoundland, Manitoba and New Brunswick to "use every possible effort to achieve decision prior to June 23, 1990". Despite this, the government has indicated its intention to exert further efforts on these provinces by a motion in this House.

Does the Prime Minister not trust the commitment of those first ministers from those provinces? What is he trying to accomplish by this? It is the Prime Minister himself who chose the unrealistic deadline despite the warnings about that deadline. What is the Prime Minister's purpose in trying to bring forth further pressure on the people of Manitoba and Newfoundland?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my purpose in causing the government to introduce this resolution is to invite the House to do that which it was called upon to do in previous circumstances.

Ms. McLaughlin: This House?

Mr. Mulroney: Before the hon. member arrived in this House there was a motion in regard to Manitoba. It was supported and seconded in a very eloquent speech by the member from Fort Garry when there was a problem in Manitoba. It called upon people to stand up and be counted and to make sure that documents once signed are honoured, and that is what we want.

It was asked for in the past in regard to serious questions in Manitoba. We have a serious question now. All the Canadian people want is for parliamentarians to stand up and be counted and to make sure that this passes in Manitoba and that Canada can go on to the great work that awaits us all.

Some hon. members: Hear, hear!

Ms. Audrey McLaughlin (Yukon): My supplementary question, Mr. Speaker, is for the Prime Minister.

Is the Prime Minister saying that he wants this House to do something which he was evidently not able to do in his own negotiations? He rolled the dice, as he said, and set a deadline that could not be met. He is now trying to have this House pass another motion four days before the June 23 deadline.

I have asked repeatedly in the House of his government what the Prime Minister's plan is to deal with ongoing constitutional talks, and I ask the Prime Minister again today. We know what the Prime Minister's plans were in the past and they failed. What is the plan today? You owe it to the people of Canada to tell them.

Mr. Speaker: I indicated that I was going to be very careful about allowing any liberties in this exchange. I would ask the hon. Leader of the New Democratic Party to co-operate with the Chair.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I was pointing out to my hon. friend that on two occasions, some 48 hours after I first entered the House in 1983, Prime Minister Trudeau, supported by his Liberal colleagues, quite properly introduced a resolution that the House support the Government of Manitoba to cause to give effect to an undertaking that had been reached. The House spoke on this, I believe almost

unanimously. I would have to go back and check the record.

Sometime thereafter, in February 1984, Prime Minister Trudeau communicated with me again, and he communicated with Mr. Broadbent, and called upon the House to debate again a resolution that would call upon the Government and the Legislature of Manitoba to honour its commitments given to the French speaking minority in the province of Manitoba.

On both of those occasions I rose and stood in my place, notwithstanding some difficulties, and I was counted. As I said to my hon. friend, it is important that all Canadians know where all those who seek to be leaders and who are leaders stand on these great national issues. That is all that we seek to do by this resolution.

On June 1 the leader of the NDP was asked: "Did the Prime Minister show you any polls or anything like that kind of information that would obviously jolt the two of you into coming out with this sort of unity-country scare scenario here?"

The leader of the NDP said: "I don't think we are coming up with a scare scenario. No, the Prime Minister didn't show us any polls. All of us read the papers. All of us have contacts in every province and territory in this country. I think we are all very well informed about the feelings in this country, the kinds of objectives in every part of the country. It wasn't necessary for the Prime Minister to create a crisis scenario—I know there is a crisis in the country."

That is what the leader of the NDP was saying three weeks ago. We are trying to deal with that crisis, and I ask her to stand and support us in that.

Some hon. members: Hear, hear.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, neither the New Democratic Party nor anyone in this caucus needs to enter into a debate about the importance of the unity of this country. The bottom line for the New Democratic Party is the unity of this country.

Some hon. members: Hear, hear.

Ms. McLaughlin: It is for that reason, Mr. Speaker, that I ask the Prime Minister this question. He told this country publicly last week, after the First Ministers' Conference, that he had a plan. We know now that plan did not work. We cannot have any more secret plans.

Will the Prime Minister tell the people of Canada, in this House today, what his plan is? Not the history of other debates, not what happened in 1984, but what is going to happen in 1990 about the unity of the country? What is he going to do? What plan is he presenting to the people of Canada?

• (1440)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, three years ago, in June 1987, we managed to secure a unanimous agreement, signed by 10 premiers and the federal government, which was then passed twice in the House of Commons. It was a process welcoming Quebec back into Confederation.

In the intervening three years, the time frame provided by section 39(2) of the 1982 Constitution, three governments changed. Two of them did not follow through; one revoked the consent given. I then had to work with my colleagues and with many of you to bring them together again, as we did last week. Again we achieved what appeared to be the consent, if not the binding obligation of 10 out of the 10, plus the Government of Canada.

At this moment, as we speak, eight legislatures representing 94 per cent of the population of Canada have already ratified the Meech Lake Accord. Newfoundland is going to vote on it, and Manitoba has yet to even take cognizance of it, irrespective of and notwithstanding the undertaking signed by the premier of Manitoba and the other premiers.

This is the history. I do not know why my hon. friend—

Some hon. members: What's the plan?

Mr. Mulroney: The NDP is yelling: "What's the plan?" The leader of the NDP said that the bottom line—and I do not quarrel with her statement—for the NDP is the unity of Canada. If that is the case, perhaps she could talk to the NDP member in Manitoba and ask him to pass the Meech Lake Accord.

* * *

CANADA POST

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the minister responsible for Canada Post.

It concerns the tabling of Canada Post's annual report yesterday through which Canadians discovered that this government has sold off $118 million worth of assets of Canada Post in order to achieve the sought after phoney profit this government is looking for.

Will the minister announce immediately that he will stop the closure of rural post offices in Canada, stop the selling of the furniture of Canada Post, and cancel the next stamp increase?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, it is too bad the hon. member cannot join the rest of Canadians in applauding Canada Post management for its spectacular success. It would seem the hon. member was happier with Canada Post when it had a $500 million subsidy from the taxpayers.

The profits from postal operations were up $107 million last year. They were higher than the previous year, a spectacular performance. The hon. member talks about recoveries from the sale of some assets. He forgets to mention that Canada Post self-funded a $470 million investment program in fixed assets and other management systems and product development.

If he is going to talk about proceeds on sales, in that context he should also recognize the capital expenditures and most of all he should recognize the spectacular performance of Canada Post.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, there is nothing spectacular about shutting down post offices that are serving ordinary Canadians.

[*Translation*]

In its last Budget, the Tory government abolished the Postal Services Review Board, the so-called watchdog for Canadian consumers. Is the Minister now prepared to at least reinstate the Board to protect consumers from the catastrophic policies of this government?

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the hon. member forgot to mention that Canada Post has also forgone a planned increase of 1 cent.

He forgets to acknowledge that stamp price increases since 1984 have been less than inflation, therefore down. He forgets to acknowledge that the number of postal outlets have increased from 12,000 to 18,000. He forgets to acknowledge that everywhere, including in rural Canada, people by way of opinion surveys are saying that service has improved. He forgets to acknowledge that on all counts things have got better. I guess that is tough for a Liberal to bear.

* * *

JUSTICE

Ms. Mary Clancy (Halifax): Mr. Speaker, my question is for the Minister of Justice. The Parliament of Canada Act prohibits senators from doing business with the federal government. In light of the police affidavits alleging civil and criminal offences against Senator Cogger, will the minister tell us what measures she plans to introduce to prevent even the appearance of such activities in the future?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am just a little confused by the member's question which appears to relate to something that is under police investigation. I do not quite understand her question. Perhaps she would be prepared to restate it.

Ms. Mary Clancy (Halifax): Mr. Speaker, I am happy to repeat the question. I will repeat it in French or in English.

[*Translation*]

I repeat, this abuse of confidence is intolerable. Mr. Speaker, I will repeat my question to the Minister: What measures will she take to prevent similar scandals from occurring?

[*English*]

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, in either of our official languages I do not believe there has been any determination of this process. I think the hon. member's question is totally inappropriate and presumptuous.

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THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the President of the Treasury Board in his responsibilities for the environment. Yesterday the minister tabled Bill C-78 to establish the federal environmental assessment process. As the minister knows, it regrettably does not provide for an adequate review of government policy

and it deliberately excluded reference to existing environmental legislation such as the Fisheries Act.

Could the minister explain to Canadians why, after two years of drafting and a year of public consultation prior to that, cabinet chose not to include in the regulation section those trigger mechanisms, those pieces of environmental legislation such as the Fisheries Act that are necessary for the legislation to work?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, my hon. colleague has raised two questions, the question of policy and the question of the Fisheries Act. In terms of the question of policy I also tabled yesterday a fairly detailed statement of how government policy would be assessed from an environmental point of view. Those assessments will form the basis for a statement when government policy is announced. They will be referred to the Standing Committee on the Environment for full public airing should the committee decide to do so. I believe that is a very open process, a very fair process, and a process that provides the necessary forum for any concerned Canadian to make his views known.

In terms of the Fisheries Act, as in any other act, it is very clearly stated in the legislation that those will be determined by regulations. My hon. colleague is asking why. It is for a very good reason. This is a dynamic act. It will change over time and we want to have the possibility of including more and not less. If we cast it in stone at the beginning it will be a restrictive act and we believe very strongly that the environment is too important to be subject to an act that is restrictive. We want it much broader.

Mr. Jim Fulton (Skeena): Mr. Speaker, my supplementary question is directed to the same minister. The act is so dynamic that it is like a car with no gas in it. I think someone in this House had experience with that kind of a situation.

Everyone, from environmentalists to industrialists, was hoping that some kind of certainty would come from the legislation and it has not. The minister does have the chance here in the House today, though, to give assurance that the 1984 cabinet guidelines order upon which the Rafferty–Alameda decision was made by the Federal Court and the Oldman decision was made unanimously by the Federal Court of Appeal will stay in place and will not be tampered with by his office or by cabinet between now and the passage of Bill C–78.

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, I think the government's commitment is very clear. If my hon. colleague opposite would take the time to read the legislation, he will see that Bill C–78 goes well beyond what we have in terms of environmental protection today.

All major projects will undergo mandatory assessment. Mandatory assessments are to include cumulative effects for the first time. Public registries will be maintained for all assessed projects. I could go on and on.

• (1450)

When we compare Bill C–78 to existing legislation in other countries which are advanced, as we are in this area, which we have done on 12 of the major elements of the legislation, we see that Canada ranks number one in the world.

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GOODS AND SERVICES TAX

Mr. Douglas Young (Gloucester): Mr. Speaker, yesterday the Minister of State for Privatization and Regulatory Affairs stated that the wage settlement arrived at for Air Canada employees which included protection against goods and services tax inflation up to 2.5 per cent was nothing new. Also yesterday the Minister of Finance stated that rising wages, especially for women, nurses, teachers and social workers, were among the leading causes of increased inflation.

In the wake of huge increases and bonuses paid to the Governor of the Bank of Canada, heads of corporations and senior officials, does the Minister of Finance really believe that Canadian workers, especially women, are going to sit back and not protect their families against the goods and services tax that is coming into effect next year?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I challenge the hon. member to show where I said that which he attributed to me as a quote. He will have to show me precisely where I said that because that was not said by me at all.

I did say that at the provincial government level there have been settlements which have been leading the private sector and also have been higher than the rate of inflation. It is precisely that which is causing pressures on other parts of the economy, to which my hon. friend has referred on other occasions in this House, in the resource sector and the manufacturing sector.

If these pressures from the provincial sector put the competitive position of the resource and the manufacturing sector under pressure and cause us to lose jobs, we all suffer from that.

That is the precise point that I am making. That is the precise point that I think Canadians should take into account when they go into wage negotiations or when they are making pricing decisions, because we must get our costs under control in our economy if we are going to maintain a healthy future.

Mr. Douglas Young (Gloucester): Mr. Speaker, I certainly will undertake to get that information to the minister. It is taken from newspaper reports of his speech yesterday in St. Andrews.

Mr. McDermid: Read the speech. You might learn something.

Mr. Young (Gloucester): Mr. Speaker, the Minister of State for privatization learned something yesterday in his answer.

I want to ask a supplementary question of the Minister of Finance. The Assistant Deputy Minister of Finance, David Dodge, has publicly criticized the Conservative government's legislation, specifically the pension reform bill, Bill C–52. He has said that that legislation was very unfortunate.

Is it the intention of the Minister of Finance to retain the services of David Dodge in order that he can second guess the minister's judgment as well as the government's legislation?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I am still looking for the quote that the hon. member has said that I made. I know what I said yesterday and I know that I absolutely did not make the statement that he is attributing to me now.

The key point here is that we have a slower economy. We have some pressures in the economy today but the point that all Canadians have to take into account in coming to decisions is that if we try as a country to take more out of the economy than it is capable of giving, we will all suffer. We will suffer through higher interest rates and through lost jobs.

It is for these reasons that I say to Canadians that we should use some good common sense in approaching these decisions so that we do not undermine the competitive strength of the economy.

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ROUTE CANADA

Mr. George S. Rideout (Moncton): Mr. Speaker, my question is for the Minister of National Revenue. Bankruptcy proceedings reveal that Route Canada owed the federal government $1.7 million in taxes and employee deductions. That amount has mysteriously become a mere $500,000, a reduction of $1.2 million. The minister assured us last week that a majority of the funds owing to the Government of Canada had been recovered.

Will the minister please explain to the House and to the former employees of Route Canada why the debt was reduced by $1.2 million? Where is the cash?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, as I told the hon. member's colleague on the Liberal benches last week, if they do their homework—and this is all public knowledge—they would find out that the federal government debt from Route Canada in fact was eliminated. Most of it has been collected. The remaining approximately $200,000 is guaranteed, held in trust by the agent for the Royal Bank.

As well, I am happy to repeat to my hon. friend that all back wages of employees have been paid in consultation with the agent. Having studied this case very carefully from day one, I can assure him that Revenue Canada made every effort to support the benefits, wages and wishes of the employees of Route Canada, all of which have been satisfied.

Mr. George S. Rideout (Moncton): Mr. Speaker, we know from the bankruptcy proceedings that the government filed a document which reduced the amount from $1.7 million to $500,000. This would only benefit the directors of the company, Ruhland and the Fingold's, and other secured creditors like the Royal Bank will save, in effect, $1.2 million, with the only losers being the Canadian taxpayers and the workers.

Why would the government give a gift to its friends and sacrifice the workers?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I do not know how I can make myself any clearer than to say that all of the elements of the pensions and all of the back-wages of the employees have been satisfied. There were no gifts by this government, by Revenue Canada or any other department, to the principals of Route Canada.

In fact, as the hon. member knows, the situation is that some of the $200,000 is still outstanding. It is guaranteed by the agent. At the end of the day we could and would assess the directors under the directors' liability provisions, should those provisions be required. At this point in time we do not expect that to be the case.

* * *

INDUSTRY, SCIENCE AND TECHNOLOGY

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is for the Minister of Industry, Science and Technology. As he knows, NRC has announced some considerable restructuring today with the creation of five new research institutes.

Gerhard Herzberg, the NRC's only Nobel laureate, says he does not know what it all means. We know what it means. It means that cutbacks have occasioned the need to function within restricted resources, as they keep telling us.

How many sections and projects such as medical engineering are to be lost? How many more scientists are to be laid off, and how many important, significant researchers of Canada are going to flee the country because they have lost their jobs because this government has cut back at NRC?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I will indeed not be as pessimistic as my friend is, but that is something that we are used to seeing on the other side.

Those institutes which will be created at the NRC today are for micro-structural sciences, national measurement standards, environmental chemistry, molecular sciences and information technology. All those institutes will reinforce the capacity we have to do research. It is based on the result of an arduous evaluation process involving the staff and experts from industry and the scientific community.

I believe that the NRC decision is a good decision. It will reinforce what my friend reproached the government for many times, a basic research sector. I believe it is good for NRC and it is good for Canada.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, that is all very nice. There may be some merit in these changes, but my question to the minister was how many scientists are going to lose their jobs, how many scientists are going to leave the country.

There has been in process the development of a five-year plan at NRC. When will that plan be available? Will the minister allow the House Standing Committee on Industry, Science and Technology to have some input into evaluating that five-year plan before government chops it up and fires some more scientists?

• (1500)

[*Translation*]

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, first of all, in reply to the question about employment or staff cuts further to the restructuring announced by the National Research Council: they are completely out of the question. No staff cuts are involved.

Secondly, as for the NRC's five-year plan, I think it will be tabled when the science minister sees fit to do so. The minister will carry out the required consultations to the extent that he thinks advisable, Mr. Speaker.

* * *

TRADE

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, my question is for the Minister for International Trade. One of the Canadian negotiators of the Canada—U.S. Free Trade Agreement, Michael Hart, recently predicted that Canada would eventually conclude a trilateral free trade agreement with the United States and Mexico. Moreover, he came out with a positive report on it yesterday. He also maintains that without a trilateral agreement, the benefits that Canada derives from its free trade agreement with the United States will disappear as the Americans look south.

Can the minister assure this House and Canadian industrialists that Canada will participate in these negotiations so that it can adjust to any new competition that might arise?

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the Government of Canada has not yet decided whether or not we wish to participate in any discussions or negotiations that occur between the United States and Mexico on a possible free trade arrangement.

As I explained to the House of Commons Standing Committee on External Affairs yesterday, we intend to consult the provinces, the business sector, the labour movement, and members of this House before we make a decision on that. Of course we do not know whether or not there will be a free trade agreement between the United States and Mexico. There will be no decision made as to whether negotiations will be entered into likely until December. We certainly have, I would suggest, until the end of September to make up our own minds as to whether we wish to be involved or not.

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HOUSE OF COMMONS

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question is directed to the Prime Minister. It concerns the vacancy in the riding of York North, created by the decision of the Supreme Court of Ontario on May 28, 1990.

The Prime Minister has already called two by-elections, one in Oshawa and one in Laurier—Sainte-Marie in Montreal, for August 13, 1990. I wonder if the Prime Minister could tell the House today if the people of York North will have a chance to vote early on a representative in the House of Commons. Will he call the election on August 13 for York North? He has until June 25 to call the election. Will he do it before that?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I thank my hon. friend for the comment but I have not had a chance to give it the thought it deserves. I will and get back to him. If I thought that the soon-to-be leader of the Liberal Party were interested, I would like to see him in the House as soon as possible.

Mr. Speaker: A point of order, the hon. member for Kamloops.

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POINT OF ORDER

REQUEST TO REVERT TO ROUTINE PROCEEDINGS

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I rise on two points of order. Earlier in the day, the government whip sought unanimous consent to revert to Routine Proceedings for some government business. Consent was naturally given. Because of the proceedings this morning, we missed the presentation of petitions. I wonder if I could seek unanimous consent to revert to petitions to allow members to present their petitions before we get on to other business of the day.

Mr. Speaker: The hon. member for Kamloops has asked the House for unanimous consent to revert to petitions. Is there agreement? The hon. member for Calgary West on the same point.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, as the whip of the government party, I asked for unanimous consent this morning to table a committee report. I am not quite clear on the request. Is this a request to put a single petition on the table or are we looking at a whole lot of petitions that might eat up an hour or two? What is the nature of the request?

Mr. Riis: Mr. Speaker, I have not done a count but I assume there might be half a dozen members presenting petitions and since we missed it earlier, we may want to conduct the business in the usual way if there is unanimous consent to do so.

Mr. Speaker: Is it agreed?

Some Hon. Members: Agreed.

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PETITIONS

LOW-LEVEL FLIGHTS

Mr. Jim Fulton (Skeena): Mr. Speaker, I am honoured to present some 12,500 signatures from across British Columbia on petitions certified correct pursuant to Standing Order 36, co-ordinated by Greenpeace and the Alliance Against Low Level Flights.

These petitioners join with organizations representing hundreds of thousands of British Columbians, First Nations, labour, churches, peace groups, environment groups, and disarmament groups, in calling upon the government of Canada to cancel all low-level military

flights in B.C. Such flights escalate the global arms race and cause pollution, noise and accidents that are harmful to people, wildlife, and the environment.

In light of this significant public concern in B.C. about flight route I.R. 910, the Minister of National Defence must refer the matter to a full environmental assessment and review. The minister has never given proper written reasons for refusing to refer I.R. 910 to an EARP and surely the Federal Court rulings on Rafferty–Alameda and the Oldman dams, combined with the significant public concern in B.C., determine that this matter deserves such assessment and review process.

Madam Deputy Speaker: The hon. member was getting into debate and not just presenting petitions.

COMMUNICATIONS

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I have a series of petitions from Coquitlam, British Columbia; Port Coquitlam and Port Moody, British Columbia, and other places in the lower mainland of British Columbia.

The petitioners say that cable companies made an average 32 per cent profit on fixed assets in 1988, more than twice the level of the telephone companies. The reason is that the telephone companies are regulated and cable companies are not.

The petitioners pray and call upon Parliament to adopt Bill C–284 which I have presented, and which applies a rate of return regulation to the cable industry. In other words, regulate the rate of return to the cable industry, which will reduce the costs people pay for their cable television.

GOODS AND SERVICES TAX

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, the fight goes on against the goods and services tax from coast to coast to coast. People in Canada do not want this particular tax and they have requested a number of us to continue to present petitions asking that this government come to its senses and stop the tax and bring in a tax that is fair to all Canadians.

SCALLOP FISHERY

Mr. David D. Stupich (Nanaimo—Cowichan): Madam Speaker, I rise to present a petition under Standing Order 36, certified correct as to form and content by the clerk. The petitioners state that the offshore scallop fishery in Nova Scotia, initiated some 30 years ago, has been continuously the most economically viable fishery on the east coast.

They are urging that there not be changes made. If it ain't broke why fix it. They are urging that there not be an increase in the 12–day trip limit, that there not be a licence for factory–freezer processing vessels, and that we do not allow the banks to be decimated as were done in Norway by freezer trawlers.

GOODS AND SERVICES TAX

Mr. John Manley (Ottawa South): Madam Speaker, I have a number of petitions I would like to present today. First of all, I have many hundreds of petitions from residents of the national capital region, calling upon the government to withdraw the proposed goods and services tax. People continue to be very concerned about this.

VIA RAIL

Mr. John Manley (Ottawa South): Madam Speaker, another 350 petitioners are calling upon the government to restore passenger rail service in Canada through VIA Rail.

CLEAN–UP OF RIDEAU RIVER

Mr. John Manley (Ottawa South): Madam Speaker, I have a very important petition from this region calling upon the federal government to enter into an equal partnership with provincial and municipal governments to implement a plan of action for the clean–up and maintenance of the Rideau River, one of Canada's most important historic waterways.

SOCIAL PROGRAMS

Mr. John Manley (Ottawa South): Madam Speaker, finally I have approximately 6,000 petitions from people all over Canada objecting once again to the proposed clawback of Old Age Security and family allowance benefits, a matter which is still before this House.

• (1510)

TAX BENEFITS FOR NORTHERN AND ISOLATED AREAS

Mr. Réginald Bélair (Cochrane—Superior): Madam Speaker, I would like to present three petitions under Standing Order 36 in which the petitioners call upon Parliament to reject the report of the task force on tax benefits for northern and isolated areas.

The petitioners are residents of my riding of Cochrane—Superior, and are from the towns of Nakina, Geraldton, Terrace Bay and Manitouwadge.

On behalf of the 303 petitioners who rely on this isolation tax benefit, I must reiterate the importance of this tax deduction to northern communities. On the average, food and gasoline prices are 25 per cent higher than in any heavily populated area of Canada.

This tax benefit is the only compensation these people have. It should not be taken away. The government is presently studying the report. It is imperative that it rejects the recommendation presented in that report.

SOCIAL PROGRAMS

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I am pleased to present two petitions today signed by residents of the province of Newfoundland.

The first petition concerns the cuts that the government has proposed to the unemployment insurance scheme in Canada. It recites the promises made during the last election campaign in which the government promised that it would not change Canada's social programs, particularly the unemployment insurance program.

The petitioners call upon Parliament to reject changes in the program and to propose more meaningful reforms to concentrate on labour force development strategy, a full employment strategy and a regional development policy, all of which have been abandoned by this government through its proposals in Bill C-21. The petitioners call upon Parliament to reject these proposals.

I am sure that had the people had a petition updated, they would have asked us to pass Bill S-17 yesterday instead of having it defeated by this cold-hearted government.

Point of Order

GOODS AND SERVICES TAX

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, the second petition deals with the goods and services tax.

The petitioners call upon Parliament to reject the goods and services tax, which is the thirty-second unfair tax imposed by this government since it took office in 1984. It represents an absolute grab of money from Canadian taxpayers' pockets.

These taxpayers have had enough of these Tory taxes and call upon Parliament to reject this bill.

HUMAN RIGHTS

Ms. Mary Clancy (Halifax): Madam Speaker, I have several petitions to present here today pursuant to Standing Order 36.

The first petition is signed by hundreds of Haligonians who asked that the Canadian Human Rights Act be amended to prohibit discrimination on the basis of sexual orientation in all areas of federal jurisdiction.

WOMEN'S RIGHTS

Ms. Mary Clancy (Halifax): Madam Speaker, the other petition on which I have in excess of 4,000 names is from women across the country who are asking that unnecessary legal restrictions which abrogate the reproductive rights of women and encourage disrespect for the law be removed.

* * *

POINT OF ORDER

ACCEPTABILITY OF MOTION

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I rise on a point of order to ask for a ruling on the acceptability of the motion on today's Notice Paper under the name of the Minister of Justice.

Specifically, I ask you to consider, Mr. Speaker, whether the motion which urges other legislative bodies to follow a certain course of action is properly in order, in light of the parliamentary convention restricting debate on matters before the other House.

Our House operates on a tradition, a philosophy which was developed over centuries in the British Parliament. From them we have inherited a wisdom of self-restraint in matters which should not properly be discussed in this House. For example, we restrain ourselves from rehashing questions that are already decided, from making

personal charges against one another, from casting reflection upon the conduct of judges and from referring to debates in the other place.

There are good reasons for this last category of discretion. We do not discuss Senate debates because we understand the importance of the two parliamentary Chambers not interfering with one another's decisions.

As Erskine May points out in the twenty–first edition at page 375:

> Members are restrained by the Speaker from commenting upon the proceedings of the House of Lords.
>
> The rule that references to debates of the current session in the other House are out of order prevents fruitless arguments between Members of two distinct bodies who are unable to reply to each other, and guards against recrimination and offensive language in the absence of the other party.

This important guide is adopted in Beauchesne's fifth edition in citation 314:

> The rule that allusions to debates in the other House of the current session are out of order, prevents fruitless arguments between members of two distinct bodies who are unable to reply to each other, and guards against recrimination and offensive language in the absence of the party assailed;

We inherit this rule from a country with only two parliamentary chambers. Britain, not being a federal state, does not have independent legislatures with their own distinct areas of responsibility as we do here in Canada. This means that in applying this parliamentary tradition, it is important to not only apply the letter of the convention but also to apply the logic. How does this logic apply in a country with 14 legislative bodies? If we want, as Erskine May cautions, to prevent fruitless arguments between members of two distinct bodies which are unable to reply to each other and to "guard against recrimination and offensive language in the absence of the other party", does it not then make sense to apply the restraint on debate exercise with respect to the Senate to the debates of other independent legislative bodies?

I ask you, Mr. Speaker, to consider how inappropriate it is for this House to pronounce itself on something which is outside the administrative competence of the government or the legislative authority of this House. If this motion is in order, and the House is permitted to debate the independent decision–making of the legislatures of the provinces of Newfoundland and Manitoba, we will have destroyed this useful and important parliamentary convention. We will go beyond our legislative authority and we will infringe upon the rights of members of provincial legislatures. In essence, this House will be guilty of legislative battery, of assault by motion, and I ask you to safeguard the integrity of the relations among Canada's legislative bodies.

I think it is important that we recognize the comments of the premier of Manitoba, who last evening indicated clearly that he thought it was appropriate for the Parliament of Canada to be telling his government, his legislature and Manitobans what they should do on this very critical matter. I suspect that if others get in this debate, they might refer to the October 1983 decision when this House decided to pass a motion regarding language rights in Manitoba. That I do not think is a reasonable precedent because at that time we introduced and deemed the motion passed based on unanimous consent, which is not the case before us now. We also know that it provoked animosity and resentment in Manitoba regarding the interference in provincial affairs and the provincial legislature by the federal government and the federal House.

Mr. Speaker, I urge you to give this serious consideration and ask you to rule this motion out of order.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I am intrigued by the hon. member's assertion in his point of order that the motion that is on the Order Paper would be out of order.

His argument is one that I find very interesting in that he alludes to the fact that it would be out of order for this House to comment on or make decisions on procedures in the other place or in other legislatures. Yet virtually every day in this House the hon. member and other members put questions to the government relating to issues that are before other legislatures that are a matter of debate or concern in the other House of this Parliament. In fact, often we have questions put to us here that deal with matters before the courts. Also, I think that there are ample precedents for this motion. The hon. member refers to one particular one, that is the debate in Manitoba concerning the language laws. He says that somehow, because it was deemed to have been

passed unanimously by this House without debate, that therefore makes it an exceptional case.

Mr. Speaker, the absence of debate does not in any way detract from the fact that the House was seized of the motion. The House was given the motion, it was found to be in order and it was agreed to unanimously, even without debate. Nevertheless, the motion was considered to be in order.

There is another case, if my memory serves me right. The hon. member on reflection may want to withdraw his point of order. It seems to me that on another occasion in this House, Parliament made a decision regarding the Moresby Island park in the province of British Columbia. If I recall correctly, not only did the House have such a motion encouraging the legislature of the province of British Columbia to make a decision or to at least be supportive of this issue, I think it too was supported unanimously. Even more important, if my memory serves me correctly, I believe it was seconded by the hon. member for Kamloops who has just brought forward this argument. In fact, if we look at the precedents before this House, including one in which he was an active player—we were all very complimentary of his efforts at that time—his own precedents refute his argument.

• (1520)

[*Translation*]

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, I fully agree with the point of order raised by the hon. member for Kamloops and I should add that the notice as presented not only asks another legislative assembly to ratify an agreement as is but it also suggests holding a second constitutional debate on which this House has not yet taken any position at all. I note, among other things, the following "open the process for Canada's future constitutional development including the important issues of Senate reform, of aboriginal rights and languistic rights". We could talk about the Canada Clause and all these other major amendments to the Meech Lake Accord. So I do not think that we can ask another legislative assembly to take such an approach and basically distort the whole debate that has gone on in eight other legislatures in Canada.

[*English*]

Mr. Riis: Mr. Speaker, in conclusion, I simply want to say in response to my hon. colleague regarding the South Moresby motion in the House that there were actually two differences in that case.

One was that we were calling upon the government for a certain course of action. In other words, it could take that action in any way it wished. We were not calling upon the legislature in the province of British Columbia to act. I think it is quite a different matter to be calling upon a government to take some action or to be virtually committing the legislature to take action.

Second, at that time we were calling for federal-provincial negotiations in order to carry out the establishment of the park.

I want to use this opportunity to say that we remember what happened when the federal House involved itself in the language issue of Manitoba when the premier of that province publicly stated that in no way did he wish the federal government to involve itself in the very sensitive issue at that point. There was animosity and resentment of the infringement upon what they perceived to be their jurisdiction.

I think it is not only dangerous to be horning in on an area where we ought not to tread and where our views are already well known at this point and at the eleventh hour, at a critical point in this very sensitive process, but inappropriate in terms of parliamentary practice.

SPEAKER'S RULING

Mr. Speaker: The hon. member for Kamloops has raised a matter of interest.

So that all hon. members can fully understand what is placed in front of the Chair, I draw their attention to the *Order Paper and Notice Paper* wherein the government has indicated by notice of motion placed on the Order Paper that, although it has not been called for debate yet, a resolution relating to the constitutional accord and the results of the discussions of a week or so ago.

I will not read the whole preamble, but I will read the substantive part, which is the basis of the complaint brought to us by the hon. member for Kamloops. It reads:

—the House—

That is, this House of Commons.

> —urges the Manitoba and Newfoundland Legislative Assemblies to exert efforts to bring about full ratification of the *Constitution Amendment*,

The hon. member has said that this ought to be ruled out of order because, in one way or another, it seems to trespass into the realm, the area, or the jurisdiction of another legislative assembly within the Canadian Confederation, within our federal system.

First of all, he has put forward to the Chair one citation of Erskine May and another, I think, in Beauchesne's fifth edition, if my memory is serving me correct.

I would point out to begin with that if we try to take Erskine May or even Beauchesne's, if it is referring back into British practice, we are dealing there with comments which involve the appropriateness of the British House of Commons debating what is a subject matter of debate in the House of Lords.

What is being asked for here by the government, although as I say the government may not even call it, but that is not for me to say, is that this House urges the Manitoba and Newfoundland legislative assemblies to do something.

The question is whether or not that is an inappropriate trespass into the jurisdiction of another legislature.

It is not the first time this has happened and I draw attention to the motion in 1984 which, if memory serves me correctly, was urged upon the government of the day by members. It related to a matter which was divisive in the nation and in the province of Manitoba. I quote the motion.

It is true, as the hon. member has pointed out, that it was done by unanimous consent. That is of interest but I do not think that it is a matter that takes away from this precedent. I quote: "The House urges the government of Manitoba to persist in its efforts to fulfil the constitutional obligations of the province and protect effectively the rights of its French-speaking minority."

It goes on: "The House urges the legislative assembly of Manitoba to consider such resolution and legislation in an urgent manner so as to ensure they finally pass it."

We are not a unitary state as is the United Kingdom. We are a federal state. Under the British North America Act, which brought in our constitutional position in 1867, property and civil rights and a number of matters were given to the provinces and other matters were retained by the House of Commons and the Parliament of Canada.

So it is absolutely true, as the hon. member points out, that within the provincial legislatures there are a number of matters that are the exclusive jurisdiction of the provincial legislatures across the country and of course that has to be respected.

The issue here is whether a motion like this is a trespass into the debate of another legislature. The motion relates to something which is absolutely fundamental to the whole nation and is just as important at the provincial level as at the federal level because it concerns the amendment of the Constitution of our country. It is not something that is exclusively related to the jurisdiction of a provincial government.

Even if it was, and I point out that distinction, what is being asked for here is nothing more or less than an expression of this federal House on a matter of great national interest in which it says:

> —the House urges the Manitoba and Newfoundland Legislative Assemblies to exert efforts to bring about full ratification of the Constitution Amendment—

• (1530)

It is not for me to say what reaction there may be in the province of Newfoundland and Labrador and the province of Manitoba if the House decided to do this, but I have to say on a procedural basis that it is very hard to be persuaded that that is some kind of a jurisdictional trespass into the appropriate workings of a provincial legislature.

As I say, this is a national issue. If the House of Commons chooses to express itself on a matter of national import—and it has in the past done so—I would think that it would be inappropriate for me to rule that it cannot do so.

I also want to bring to members' attention the debate of 1987 to which the hon. parliamentary secretary referred, in which there was a motion from the New Democratic Party debated on an opposition allotted day which stated: "That this House calls upon the Government of British Columbia to co-operate in setting aside

the South Moresby area of the Queen Charlotte Islands as a National Park Reserve". It goes on.

That particular motion was debated in this House. Some hon. members will remember there was such unanimity within the chamber on it that long before the day that had been allotted for the full debate was over, at the suggestion of the then hon. member for Winnipeg—Bird's Hill and the then Minister of the Environment for the Government of Canada, the motion was put to the House at that point and the motion was passed. Debate then continued, but it was a unique and unusual day; there is no question about that.

I must say that that motion did have an effect outside this Chamber. It had an effect in terms of the province of British Columbia, the province from which I come. Of course there was an effect.

Again, what the House did here was call upon the Government of British Columbia "to co-operate in setting aside". One could say that that did not call upon the legislative assembly. Perhaps not, but it is a very direct plea from this House to a legislative assembly in a province to do something.

I think I have to take the position that it is not an invasion into the jurisdiction of another legislature. There is a difference here which probably distinguishes the case from those set out in Beauchesne's or in Erskine May because this is a federal state, not a unitary state.

Third, it has clearly been done before not just once in a while but quite often. Some members who have been here for some time will remember that it has been customary. It has happened again and again that members have risen in the House and urged the government of the day, whatever government it might have been, to make a public statement on matters of great national importance, and invited the government of the day to put motions to this House in order to make such a statement.

The hon. member for Kamloops raises a point which causes me concern, and that is that this process, if abused, may very well cause some difficulties and some resentment in some places. That is of course a political question, not a procedural one, and it is not for me to rule on that, but I have listened carefully to the point.

I also thank the hon. member for Kamloops for having given some indication to the Chair in advance that this point would be raised. It gave me a few minutes reflection in advance, which is always helpful and helpful to the House itself.

I see the hon. member's point. There may be political considerations that ought to be taken into account. I am always advised not to put my political hat on, so it is not for me to say, but procedurally I find that it is not appropriate to rule it out of order.

[*Translation*]

We also have an important statement from the hon. member for Mégantic—Compton—Stanstead. He took a position in support of the point raised by the hon. member for Kamloops. I understand the hon. member's position, but I believe there is a difference between the precedents in *Beauchesne* and *Erskine May* and the situation before us today. However, I wish to thank the hon. member for his statement, which of course is still helpful to the Chair.

GOVERNMENT ORDERS

[*English*]

CUSTOMS ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-55, an act to amend the Customs Act, as reported (without amendment) from a legislative committee.

Hon. Otto Jelinek (Minister of National Revenue) moved that the bill be concurred in.

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

Some hon. members: Agreed.

Motion agreed to.

Mr. Jelinek moved that the bill be read the third time and passed.

He said: Madam Speaker, I will be very brief in making a few additional comments on Bill C-55, an act to amend the Customs Act, which will benefit many Canadian businesses, particularly the import sector of our economy.

We have a situation where the rate of duty on certain imported goods is reduced retroactively. Consequently it is only fair and equitable that importers of those goods receive a refund from the duties that they overpaid during the period of retroactivity.

Over and above these refunds, importers should be paid interest on these sums since their financial resources have been tied up for a period of time through no fault of their own.

The act also provides for appeal rights where a departmental decision adversely affects an importer.

I believe these same provisions should be applied uniformly in all cases. In order to ensure equity and fairness, the appeal provisions should also apply in these circumstances. In essence this bill gives the Department of National Revenue, Customs and Excise, the mechanism to grant the full benefits arising from orders made the Governor in Council. Unless this legislation is passed, importers will not receive fair and equitable treatment.

We have had some debate in the House on this matter over the last two or three weeks wherein members of all three parties participated, including some comments by myself. The bill then moved on to the appropriate standing committee where it was dealt with. It is now back in the House for third and final reading.

I hope that it will be passed forthwith since this is not a contentious piece of legislation but one that does indeed benefit a very important segment of our economy.

Mr. David Berger (Saint-Henri—Westmount): Madam Speaker, several years ago the government introduced the harmonized tariff system in Canada which involved a reclassification of our tariff system along the lines of the harmonized system employed throughout the world.

Some importers or manufacturers that import products suffered an injury simply as a result of the reclassification in the new tariff system which was introduced. Several years ago the current government sought authority from Parliament, from the House of Commons, to compensate importers affected by this change in systems.

• (1540)

The previous legislation gave the government with the authority to provide such compensation for a limited period of time. As I understand it, this bill is to extend to July 1992 the date by which changes can be made to the tariff schedule to assist manufacturers or importers inadvertently injured by this reclassification of tariffs.

When this bill was debated at second reading we indicated that we fully supported the goals of this legislation, that our party was in favour of more liberalized trade internationally, and that this harmonized system of tariffs was indeed designed to ensure more liberalized international trade. Therefore we extend our support for the bill.

Motion agreed to, bill read the third time and passed.

* * *

[*Translation*]

CRIMINAL CODE

MESURE TO AMEND

The House proceeded to the consideration of Bill C-54, an Act to amend the Criminal Code (joinder of counts), as reported by a legislative committee with amendment.

SPEAKER'S RULING

Madam Deputy Speaker: There are three motions set down on the Notice Paper for the Report Stage of Bill C-54, an Act to amend the Criminal Code (joinder of counts), two standing in the name of the hon. member for Burnaby—Kingsway and one in the name of the hon. member for York Centre. All motions are in order. They will each be debated and voted on separately.

[*English*]

MEASURE TO AMEND

Mr. Svend J. Robinson (Burnaby—Kingsway) moved:

Motion No. 1

That Bill C-54 be amended in Clause 1 by striking out lines 5 to 8 at page 1 and substituting the following therefor:

"repealed."

He said: Madam Speaker, the purpose of this amendment is to extend the scope of the proposed Clause 1 effectively to strike out the whole of Section 230 of the Criminal Code.

The reason for this is that four courts of appeal in Canada, the Ontario Court of Appeal, British Columbia, Alberta and Manitoba provincial Courts of Appeal, have all declared subsection 230(a) to be unconstitutional.

In the Vaillancourt decision of the Supreme Court of Canada, subsection 230(d) was struck down by the Supreme Court. It was held to be unconstitutional. However, during the course of that decision the Supreme Court of Canada also criticized the balance of Section 230. They did not strike it down, but certainly they were critical of the other provisions.

Briefly, Section 230 deals with so-called constructive murder. This means that the mere act of killing another person during the commission of the underlying offence, even if death or serious bodily harm are not intended, would subject the killer to a conviction for murder and a mandatory life sentence. This is the so-called felony murder rule.

The Law Reform Commission has criticized this provision very seriously. Indeed, the Law Reform Commission, during their appearance before the legislative committee that studied this bill, recommended the repeal of all of Section 230 of the Criminal Code. That is the effect of the amendment which is now before the House.

I would hope, in view of the fact that this provision and the remaining provisions of Section 230 have been struck down by four courts of appeal in Canada, and have been seriously questioned by the Supreme Court of Canada, that we could show some leadership in these circumstances and repeal the whole of Section 230 and not just Section 230(b) which has already been struck down by the Supreme Court of Canada in the Vaillancourt decision.

This will in no way weaken the criminal law and it will certainly reduce the risk of an injustice occurring.

Mr. Benno Friesen (Parliamentary Secretary to Solicitor General of Canada): Madam Speaker, the government opposes this motion at this time because it would have the effect of pre-empting the Supreme Court of Canada's consideration of the constitutionality of Section 230(a) in cases now before it.

We would prefer to proceed in this very technical area only after we have the full benefit of the Supreme Court's views in this matter. Should the Supreme Court of Canada rule that either Section 230(a) or Section 230 generally is unconstitutional, the government would move quickly at that time to repeal the subsection.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: No.

Some hon. members: On division.

Motion No. 1 (Mr. Robinson) negatived.

Madam Deputy Speaker: We will now proceed to Motion No. 2.

Mr. Milliken (for Mr. Kaplan) moved:

Motion No. 2

That Bill C-54 be amended in Clause 2 in the French version by striking out lines 13 and 14 at page 1 and substituting the following therefor:

"a) le chef d'accusation visant l'acte criminel autre que le meurtre découle de la même affaire qu'un chef d'accusation de meurtre;".

He said: At the present time, Madam Speaker, under Sections 591 and 589 of the Criminal Code, a person can be tried at a single trial for any number of murders or for any number of non-murder offences, but murders and non-murder offences cannot be tried in the same trial.

As indicated in committee, the principal purpose of this bill, as set out in Clause 2, as expressed in the English version, is to amend Section 589 to provide that where a person is being tried for one or more murders, he may be tried at the same trial for any non-murder offence that arises out of the same transaction as the murders for which he is being tried.

Unfortunately, in our view, the French version of Clause 2, as reported from the committee, fails adequately to convey the full meaning expressed in the English version of this clause. Hence, my colleague, the hon. member for York Centre, has proposed this amendment. Unfortunately, he is unable to be here to move it

and I am pleased to be able to move it in his name and to speak briefly to the amendment.

This amendment would have the effect of bringing the French version into conformity with the English version so as to fully express the intent of Parliament in adopting the bill.

The English version states:

> No count that charges an indictable offence other than murder shall be joined in an indictment to a count that charges murder unless
>
> (a) the count that charges the offence other than murder arises out of the same transaction as a count that charges murder;

The present French translation of that is as follows:

• (1550)

[*Translation*]

New section 589.

> 589. No count that charges an indictable offence other than murder shall be joined in an indictment to a count that charges murder unless:
>
> (a) both charges arise out of the same transaction;

The hon. member for York Centre (Mr. Kaplan) has proposed the following amendment to the French version of paragraph (*a*) only:

> *a*) le chef d'accusation visant l'acte criminel autre que le meurtre découle de la même affaire qu'un chef d'accusation de meurtre;

Madam Speaker, the French text now is the same as the English text. That is not the case in the bill presented by the government and I ask the parliamentary secretary to support the motion by the hon. member for York Centre that I have the honour to present to the House this afternoon.

[*English*]

Mr. Benno Friesen (Parliamentary Secretary to Solicitor General of Canada): Madam Speaker, I recognize that this is a friendly amendment to do with translation rather than substance and does not propose any change in the substance of the subsection. It seeks to substitute for the present French version of the subsection a word for word translation from the English.

The wording of the present motion has been carefully considered by the legislative drafters. In their view, after considerable reflection, the French wording of the bill as passed in committee is still to be preferred.

I might add that when it comes to translation each version and each element of each version has to be read in its entire context in conformity with the normal rules applicable to each language. The French and the English text must be read vertically, and it is essential that no comparison be made horizontally between an element such as a paragraph, because the logical and grammatical structure might be different from one version to another.

In the present case the word *les* does not refer to all the counts that might be found in the indictment but to the counts that are specifically mentioned in the opening part of the proposed Section 589. Although taken out of their respective context, paragraph (a) and *alinéa* a) do not have the same content, their respective meaning comes not from a direct comparison of the two paragraphs, but from a reading of the entire section. Therefore, we feel that the amendment is superfluous.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: No.

Some hon. members: On division.

Motion No. 2 (Mr. Kaplan) negatived.

Mr. Svend J. Robinson (Burnaby—Kingsway) moved:

Motion No. 3

> That Bill C-54 be amended in Clause 2 by striking out lines 17 and 18 at page 1 and substituting the following therefor:
>
> "transaction as the count that charges murder, and the additional count is either manslaughter, attempted murder or criminal negligence causing death; or"—

He said: Madam Speaker, this amendment would have the effect of deleting subsection (a) from the provisions of the proposed Section 589. That would mean that effectively the section would read: "No count that charges an indictable offence other than murder shall be joined in an indictment to a count that charges murder

unless the accused signifies consent to the joinder of the counts".

The effect of this would be to delete the possibility of substantial prejudice at trial should the government's amendment pass.

I want at this time to pay tribute to the work that was done by the criminal lawyers association and in particular by a very distinguished advocate, John Rosen, on this issue. Mr. Rosen drew to the attention of the legislative committee that studied this bill and to the House some of the very serious implications of passage of the amendment as has been proposed.

It has been suggested that the criminal accused can always apply for severance, but of course the onus in an application for severance in a criminal trial is in fact on the accused. I suggest that this could work serious hardship to the accused.

There are a number of reasons for supporting this amendment which would in effect ensure that when an individual is charged with murder other offences are not being tried at the same time. There are three or four reasons for this.

The first is that there is a real possibility that the jury might be distracted, might lose its focus because of a number of other counts which are included in the indictment and will fail to appreciate the profound importance of what is at stake in the case of a murder charge.

The second is that an accused who faces a multiple count indictment which begins with the offence of murder will be viewed by the jury, even before the evidence is called, as a person of disreputable character with this long string of other possible offences.

As well, the rule concerning admissibility of similar fact evidence could be circumvented by the prosecution. Once again, this could lead to prejudice to the accused.

Finally, the evidence of other related criminal conduct which may be admissible as part of the narrative relating to the homicide will now be used to convict the accused of specific offences rather than permitting the jury to consider the evidence and its weight, if any, only on the issue of liability for murder.

As well, this proposed legislation could have a serious negative impact on police investigation in Canada. In most major police forces in this country there is a homicide squad, or at least a major crime squad, which deals with homicide investigations. Routinely, the police will tell witnesses, people they want to get co-operation from in murder investigations, that that person does not fear any possible prosecution for other offences. That in fact encourages people to come forward to co-operate with the police. This could be jeopardized in fact if this government proposal becomes law.

Some people have argued, including the Law Reform Commission, that we can now allow joinder of counts because we abolished the death penalty and thus it is not as serious. The fact is that murder is singled out in the Criminal Code as a very serious offence indeed. It is the only offence for which there is a life term of imprisonment with a minimum time served before parole of 25 years. The criminal law recognizes that. I believe that criminal procedure should recognize that as well by not allowing a joinder of counts.

The reality is that probably the major objective of this bill is to ensure that a person who is involved or may be involved in an offence leading to a homicide is convicted of some serious offence, particularly in light of the decision of the Supreme Court of Canada in Vaillancourt.

I suggest that we adopt the amendment which I have proposed which would in fact delete the possibility of joinder of counts and that we as a Parliament look at more carefully defining the offence of manslaughter.

Those are my comments with respect to the amendment. I hope that the House will give it favourable consideration.

Mr. Benno Friesen (Parliamentary Secretary to Solicitor General of Canada): Madam Speaker, if I can put my finely trained legal mind to this, I would point out to the member that any prejudice to the accused can be dealt with by severance of counts by the trial judge. I think he understands that.

This amendment is intended to restrict the number of offences that can be joined to a count of murder.

The Law Reform Commission, as the member has pointed out, initially took the position advanced by the hon. member for Burnaby—Kingsway as recommendation 13 in its Working Paper 55, the charge document. But as it testified before the legislative committee on this bill, it has had occasion to reconsider its position and now favours an expansion of the number of offences that can be joined to a count of murder. It testified at the

committee that it has now come to a position similar to the one contained in this bill.

On the basis of consultations held, the government is of the view that the subsection as approved by the committee is in accordance with the overwhelming weight of current views on this issue.

• (1600)

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: No.

Some hon. members: On division.

Motion No. 3 (Mr. Robinson) negatived.

Madam Deputy Speaker: Before putting the concurrence motion to the House, it is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Saskatoon—Clark's Crossing—Post-Secondary Education; the hon. member for Burin—St. George's—Fisheries; and the hon. member for Glengarry—Prescott—Russell—Government Advertising.

Mr. Robinson: Madam Speaker, I rise on a point of order. I believe we are at the concurrence stage. Is there a minister in the House?

Mr. Friesen: The ministers are in a cabinet meeting and one will be in the House shortly.

Mr. Angus: Madam Speaker, on a point of order. Perhaps it might be appropriate to suspend the sitting of the House for five minutes or so if there is unanimous agreement.

Some hon. members: Agreed.

[*Translation*]

SITTING SUSPENDED

Madam Deputy Speaker: The sitting is suspended to the call of the Chair.

At 4.03 p.m., the sitting of the House was suspended.

[*English*]

SITTING RESUMED

The House resumed at 4.05 p.m.

Hon. Elmer M. MacKay (for the Minister of Justice) moved that the bill be concurred in.

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

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to.

Madam Deputy Speaker: When shall the bill be read a third time? At the next sitting of the House?

Some hon. members: Agreed.

Mr. Dorin: I believe that you would find, Madam Speaker, that there is consent for the House to suspend the sitting until 5 p.m. for Private Members' Business.

Madam Deputy Speaker: Is there unanimous consent to call it five o'clock?

Some hon. members: Agreed.

Mr. Gérin: No.

Madam Deputy Speaker: If there is not unanimous consent to suspend the House until five o'clock, may I call it five o'clock?

[*Translation*]

Mr. Gérin: No.

Madam Deputy Speaker: The hon. member for Mégantic—Compton—Stanstead has the floor.

Mr. Gérin: Thank you, Madam Speaker. I was not consulted in any way, although I am here. I left my riding to come to sit in the House of Commons and I see that the government has no bill to present to us. I, who have not been consulted, am being asked to wait around in the corridors, I suppose, until the government—Well, I think I am here to sit. So let the government sit or adjourn until the fall!

[*English*]

Madam Deputy Speaker: I am in the hands of the House. The government can either call whatever other bill there is or the House will adjourn.

Mr. Friesen: Madam Speaker, I think there is general agreement that we suspend until five o'clock for Private Members' Business.

Mr. Angus: Madam Speaker, I think it was clear from discussions among the three parties in the House—the government party, the Official Opposition and the New Democratic Party—that there was an agreement to call it five o'clock. But, under the Standing Orders, should a single member rise and object to that, then we as a House have no choice but to continue our work or to adjourn.

• (1610)

[*Translation*]

Mr. François Gérin (Mégantic—Compton—Stanstead): Madam Speaker, you know and my colleagues know that I am always willing to consider such arrangements.

There are seven independent members in the House of Commons, and several more are expected to join us within the next few days. The government will have to get used to consulting with independent members if it wants unanimous consent.

Unfortunately, I was not consulted, and I am here to do my job. There are motions that could otherwise be tabled, but they should tell me, they should come and discuss and explain what the government's business will be for the next few days, and then I would be able to give my consent. Until that happens, however, I will not give my consent.

Mr. Benoît Tremblay (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, may I ask that the House suspend proceedings for about five minutes and subsequently resume sitting?

Madam Deputy Speaker: Considering what was said by the hon. member for Mégantic—Compton—Stanstead, there may be unanimous consent for suspending proceedings for a few minutes to let the desired consultations take place, and subsequently, the House could resume sitting.

The Chair is in the hands of the House. The hon. member has the floor.

Mr. François Gérin (Mégantic—Compton—Stanstead): Yes, I think five minutes would be adequate, Madam Speaker. I don't want them to use this as an excuse to do indirectly what I did not want them to do directly.

If we want to have a discussion, perhaps this could be done while you are in the chair, for two or three minutes. If they explain what the future business of the House will be, in two or three minutes we can resume.

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, I fully agree with the hon. member for Mégantic—Compton—Stanstead. We are in the House today to discuss bills and to engage in debate, and all of a sudden there seems to be a hiatus, apparently due to the absence of members on the government side and also to poor organization or failure to table certain business.

For the past few minutes, we have been wasting our time instead of getting on with the business of Parliament.

[*English*]

Mr. Angus: Madam Speaker, in response to the hon. member's response to the suggestion that we suspend the sitting of the House for five minutes, one of the difficulties right now is that the House leaders of the three parties are meeting, presumably to deal with the very question as to what the order of business will be for whatever time it is we will continue to sit here in Ottawa.

I am not sure whether in five minutes the member will be able to receive the kind of answer that I think all of us are looking for in terms of the over-all plans of the government for the next two, three, ten days or whatever.

Mr. MacKay: Madam Speaker, I agree with my colleague who has just spoken. There is a certain irony here. It seems to me that colleagues have been handling legislation and matters of the House with dispatch in order to clear the decks, as it were, for certain events that are taking place in Calgary, and to prepare for the closing of the session.

The fact that there seems to be a hiatus, as it has been referred to, I think is a sign of co-operation and nothing else. I would say that perhaps the Chair might consider taking a short recess in order to consult with the House leaders and to see what the situation is.

There are many events going on at the present time, some are of critical importance. I think the House has been handling matters with the kind of despatch that many of us have—

Mr. Friesen: Longed for.

Mr. MacKay: —longed for, as my colleague says. So I would urge that the Chair consider the matter, taking whatever time the Chair needs in order to bring clarification to this particular situation.

Mr. Cooper: Madam Speaker, I can confirm that the House leaders are meeting at this moment to discuss the business for the rest of the week and what may or may not happen.

I am sorry that I missed the intervention of the hon. member.

Normally, what we do when we have completed a couple of pieces of legislation and people have had adequate opportunity to speak, knowing full well that we would normally start Private Members' Business at five o'clock, is that we would seek the consent of the House to suspend until five o'clock. I am sure that in this case the hon. member, knowing his care for the institution and his experience in it, will not have a major problem with that.

Mr. Robinson: Madam Speaker, I would certainly like to assist the government in dealing with this apparent paralysis of the institution.

There is, as I understand it, legislation pending which deals with the question of firearms control in Canada. If the Minister of Justice wants to come into the House now and bring that legislation forward, we can debate it right now and deal with it. The people of Canada want this legislation. Let us bring it on now.

[*Translation*]

Mr. Gérin: Madam Speaker, I would like an undertaking from the government that the notice of motion in the name of the Minister of Justice which concerns the constitutional question and urges the legislative assemblies of Manitoba and Newfoundland to proceed with ratification of the Meech Lake Accord will not be tabled either today or tomorrow.

[*English*]

Madam Deputy Speaker: The House puts the Chair in a very difficult situation.

Our Standing Orders are very clear. Government Orders are to be debated until five o'clock, at which time the House will proceed to Private Members' Business.

If the government does not present some business, the Chair normally, as the hon. minister said, would ask for consent to suspend the sitting until five o'clock. I have asked for that consent. I have not received it as yet.

There seems to have been an understanding at one point that if a short recess were called hon. members could speak together and hopefully come to an understanding.

Mr. Cooper: Madam Speaker, there have been discussions. I can tell the Chair that we are prepared at this moment to proceed with Bill C–74, the amendments to the Fisheries Act.

We have chosen that particular bill because the minister is here. I want to assure hon. members that it is not our intention in any way to complete second reading of that bill, but simply to make sure that the House has some valuable work before it until five o'clock when we can proceed with Private Members' Business. I want to assure hon. members of the other parties that we will co–operate in keeping the debate alive until five o'clock.

* * *

[*Translation*]

FISHERIES ACT

MEASURE TO AMEND

Hon. Bernard Valcourt (Minister of Fisheries and Oceans) moved that Bill C–74, an Act to amend the Fisheries Act and to amend the Criminal Code in consequence thereof, be read the second time and referred to a legislative committee.

He said: Madam Speaker, I thought the hon. member for Mégantic—Compton—Stanstead was here to work. He has already left—

An hon. member: He has gone—

Mr. Valcourt: In any case, Madam Speaker— Aha, he was hiding behind the curtains!

Madam Deputy Speaker: I realize the hon. member rose. However, I am sure he noticed the Speaker had risen before he did to call the minister to order for making a comment he should not have made, and he knows that perfectly well. I think we can proceed. The minister has the floor.

Mr. Valcourt: Madam Speaker.

An hon. member: You can leave!

Mr. Valcourt: Okay, you can leave, François!

An hon. member: Gone again!

• (1620)

Mr. Valcourt: Madam Speaker, hon. members are aware that a few days ago, the government tabled in the House a bill to amend the Fisheries Act in order to achieve certain objectives, which are entirely in line with the commitment our government made in the Atlantic region not long ago, when I had an opportunity to announce the fisheries adjustment program.

As you know, Madam Speaker, I have been Minister of Fisheries and Oceans for slightly more than three months. Upon my appointment, I immediately went to the Atlantic region where I had consultations with people in the fisheries industry. I spoke to fishermen, plant owners and unions representing plant workers, and I met various ministers representing provincial governments throughout the Atlantic region. Everywhere it was clear from the situation in the fisheries that certain provisions in our present legislation were not really adequate to allow us to meet the objectives we, as the government, wanted to pursue in the Atlantic region.

When I went to regions like —

[*English*]

—whether it is Lockeport, Canso, or any area of Newfoundland, including Gaultois or wherever, people made the point to me and my colleagues that if we were going to really try to rebuild the fish stocks, then certain measures had to be taken. These must be measures not only in terms of putting more money into rebuilding fish stocks, or trying to put more scientific effort into trying to rebuild these fish stocks, but conservation measures would also have to be taken.

Among these measures outlined by fishermen in Atlantic Canada and also on the Pacific Coast, where I went a couple of days after, was the need for us to take steps to reduce the over-fishing, the discarding, the high grading at sea—things that happened in the past which had a bad effect on the stocks.

I am talking about the minority now, very few people, but for too many still a fine under the Fisheries Act was the equivalent to a cost of doing business. Looking at the dispositions in the Fisheries Act, the government decided that incurring a fine when the Fisheries Act is violated is not a cost of doing business. It proposed increased fines under this bill. Some will claim that they are very large, and they are. But that just goes to show how serious this government is about protecting the fish resources. At a time when Atlantic Canadians especially depend on this resource, it is unacceptable that we would continue to consider violating the Fisheries Act or a fine ensuing the violation of the act simply as a cost of doing business.

The bill before the House today proposes to increase dramatically these fines so that those who choose to violate the act can no longer consider that these heavy fines are simply a cost of doing business. Quite literally, the magnitude of these fines will ensure that violating the act will not be considered as a cost of doing business. Tribunals and the courts will conclude the importance that Parliament attaches to this act because of the range of fines prescribed in these amendments. We could literally wipe those who violate the act out of business with this range of fines.

The other aspect of these increased fines is that, and you know too often, Madam Speaker—

[*Translation*]

—there are people who want to take the credit for certain projects, especially in politics. There are people who like to brag and take the credit for what happens. Of course my government wants the credit for introducing amendments to the Fisheries Act, but my point is that the fishermen themselves initiated the amendments that were introduced today in the House. The fishermen asked our department, my colleagues and various members on both sides of the House to introduce strict measures to preserve this resource. Madam Speaker, I must admit that when the Prime Minister asked me to go to Fisheries and Oceans, I did not have a clear picture of our fishermen, either on the Atlantic or the Quebec or

the Pacific coast, and I had not really stopped to think what life was like for these people.

Before, I often travelled in the Acadian peninsula, in my own province of New Brunswick, in Nova Scotia, around St. Marys Bay, in the Evangéline region of Prince Edward Island and in Newfoundland, but I never stopped to think how attached fishermen were to their line of work. People who want to believe that the proposed amendments to significantly increase fines will meet with opposition from the fishermen are wrong. They are wrong, and I must admit I was both surprised and relieved when during my visit to the Atlantic region, in every community, all the fishermen, all the groups I met showed this tremendous sense of responsibility. Our Canadian fishermen, wherever they are from, are very responsible people.

For instance, last year, quotas for northern cod were reduced. Of course, a number of experienced politicians in this House preferred to put the blame on foreign overfishing outside our waters or even inside Canadian waters, but the fact is that our own fishermen have also been guilty of overfishing. And this fact, together with foreign overfishing, has contributed to the significant decline in fish stocks in our waters. Once our fishermen realize that, if we want to rebuild these stocks and conserve them, we must take the proper steps to do so. My point is that the fishermen do not object to our increasing fines for those who want to plunder our resources and violate our fisheries legislation, because they are responsible people.

• (1630)

They are responsible people who, throughout the Atlantic and Pacific regions, know that unless the government takes clear measures to show its intention to conserve and rebuild these stocks, they will be out.

Why should these people make the sacrifice involved in going through the present perilous situation of the fisheries in the Atlantic Region if the government and Parliament do not support their efforts? And the best way to support our fishermen is to take action to update a law that has not been amended in quite a while.

Madam Speaker, I am sure that you will hear people say that these amendments to the Fisheries Act are not enough. Certainly, we could have waited months or years to develop a consensus within the industry and address all the evils besetting the fisheries. Of all the provisions in the Act that could be re-examined and amended, we have a series in this bill that will be eliminated because they are no longer relevant, quite simply, to the industry in the present circumstances.

Just because the law as a whole would need additional study does not mean that we should delay adopting these amendments that are an important step towards resource conservation.

[*English*]

We have to look at what this bill is really all about, what are the highlights of the bill before the House.

In May 1989, recognizing that resource and industry were undergoing dramatic adjustment, the government under the leadership of my predecessor undertook to develop amendments to the Fisheries Act to meet the realities of today's complex fisheries.

The amendments in this bill are urgently needed, and that was the point I was making. It is not because other areas of the bill could also be subjected to amendments that we should refrain from moving now on these urgent amendments. These amendments are urgently needed. As a result, they are specifically focused to provide greater deterrence for fishing violations and for fish habitat offences, and to strengthen the effectiveness of fishery management including the collection of accurate fishing statistics.

I have talked about the increase in fines for fishing violations. We are going to be the country which will have the more stringent fines for fishing violations. It just shows how important we see this issue to be.

In terms of general fishing offences I use as an example what the trawlermen in Canso told me. They talked about illegal dumping of fish at sea. Another example is the misreporting of catch. People would go out to sea and fish for a period of time and then come back and misreport the catch. Today, before these amendments become law, if someone is caught illegally dumping fish at sea in a period when we know the fish are scarce and we have to reduce quotas or if someone is greedy and wants to pick up fish that will pay him more, to dump fish at sea illegally and maybe to bring back a load of fish worth $50,000 or $60,000, we will charge him with violating the act for illegal dumping and he will be

fined $5,000 at most. That is a joke. If he brings in a load of fish worth 10 times that amount, what is $5,000?

When I referred earlier to the cost of doing business, that is what I was talking about. If he brings in that amount of fish for big dollars and all he has to face by way of a fine is $5,000, then why not? The present act is almost equivalent to encouraging the illegal dumping of fish at sea.

That is what the trawlermen in Canso told me when I visited them in February and March after my appointment. The trawlermen in Newfoundland talked to me about misreporting northern cod. Given the fact that we had to reduce drastically the quotas in order to protect the future fishery, we literally encouraged these people to do so by not imposing penalties high enough. It was simply considered a cost of doing business.

This is why it is proposed in the bill that for these offences the current maximum of $5,000 be increased to $100,000 on summary conviction and $500,000 on indictment. That is a drastic increase. Those who choose to violate the Fisheries Act and jeopardize the future of fishermen in Atlantic Canada, as well as on the Pacific coast, those who choose to take the livelihoods away from the kids in Atlantic Canada who may become fishermen, and some of them will, they will pay for it.

I think the decision as to the laying of an information from summary conviction offence which can bring a fine of up to $100,000 to one by indictment which would bring a fine of up to $500,000 is an important step in our efforts to try to rebuild and conserve the fish stocks.

There are also options in this bill for second and subsequent offences to include fines and/or imprisonment of up to one year on summary conviction and up to two years on indictment.

The government decided because it was asked by the fishermen. I do not want to pretend that I am standing here as the great minister of fisheries who has decided all alone to do this. No, this is the Government of Canada, and this was started by my predecessor, the Minister of Indian Affairs and Northern Development, to answer the concerns of the fishing industry all across Canada that these fines for general fishing offences should be increased.

• (1640)

A lot of people complained about the fact that fishery officers were not really helped by the present act in that you could obstruct a fishery officer and get a fine of $100. Anyone wishing to violate the act knowingly could obstruct the fishery officer. The cost of doing business for the fun of it would be a maximum fine of $100. This will go up to $100,000 on summary conviction and $500,000 on indictment. There will be a big difference. I just cannot see the effect this will have on our fishery officers.

It is normal that when people talk about the fisheries they only look at the fishermen. They never look at the whole apparatus behind the fishing industry that makes it work. The real people out there whose livelihood is tied to the fish resource have to rely on good fishery officers. The officers themselves need support and need to know that what they are trying to do is worth something. Fishery officers attempt to prevent violations.

[*Translation*]

Or observe violations of the Act. If that person, Madam Speaker, in presenting himself to do his job is faced with people who say, "Oh, you're just a fisheries official! I'll give you a punch in the mouth," would the penalty be a $100 fine? Come on! What support do we give our officials? If our officials enforce the provisions of the Act, and they will do so professionally, I do not think they will take advantage of the situation to hurt people. On the contrary, they will know that when they discharge their responsibilities and do their duty under the Fisheries Act, whoever hinders them will be liable to a fine of up to $100,000 on summary conviction and $500,000 if found guilty after being charged. I sincerely believe that these measures will improve the enforcement of the Fisheries Act.

Now, Madam Speaker, there is another aspect of this legislation before us today that I would like to talk about a bit. It concerns the protection of fish habitat.

[*English*]

The bill before the House also entails amending provisions for those who violate the act by committing the offence of altering fish habitat. We know that in some places it has occurred.

For example, someone close to a brook or a river decides to construct a road or a bridge to gain access to his cottage, camp, or wood lot to cut wood, or a big company does so to gain access to its lodge or whatever. Why bother about this little brook or the river? They build a road or bridge across the river and literally not only alter but destroy the fish habitat.

How does the act deal with some who violate the fish habitat section of the Fisheries Act? The current maximum fine is $5,000 on summary conviction, and $10,000 for second and subsequent offences.

I submit, with all respect to my colleagues in the House, that this is ridiculous. We are a generation of Canadians in this Parliament who see people every day in Canada, Canadians young and old, concerned about our environment. Today everyone wants to be seen as a proponent of environmental protection.

Political parties and governments throughout Canada are addressing the issue. We can see it. It is an important one. We realize that this fragile environment in which we live is important for us, our children, and the future Canadians who will enjoy it. We have to protect it.

Under the Fisheries Act we have the sections dealing with fish habitat. Those who violate the act and destroy fish habitat will be fined $5,000.

In this bill we propose to increase the fine on summary conviction to $300,000, and on indictment, to $1 million. For those who choose to violate the act, who decide that they can destroy our fish habitat, it will not simply be the cost of doing business any more.

If you want to build a road across a river to access your camp or woodlot, you had better not destroy the fish habitat because you are going to be liable on summary conviction to a $300,000 fine, or indictment to $1 million.

Some will argue that these are steep fines.

[*Translation*]

—they are much too high! No, they are not. If you do not want to comply—We can all talk about protecting our environment—Of course, in the back of my mind, when I talk about protecting fish habitats, I am thinking about my environment in general, but I am also thinking about fishermen and people who must depend on those resources. When I talk about people who build roads across the river or bridges over streams, I can also talk about people who fish on the high seas, who literally throw harmful material in the water.

People will have to look seriously at how they treat fish habitats in future, because those who decide not to pay attention, who just do not care, will be liable to very heavy fines: $300,000 and $1 million—that is real money, even in Saint-Quentin! It is a sizable amount anywhere.

Once Parliament, with the consent of all parties, I hope, has endorsed these amendments to the Fisheries Act, it will send a message to the courts, to our system and to people that the Parliament of Canada is serious about wanting to protect our fish habitats.

[*English*]

We also know that people are guilty of dumping chemicals which are harmful to fish. It has happened in the past and it happened again recently. This was a little more serious. Currently, the fine is $50,000 for dumping chemicals that are harmful to fish. There is a fine of $100,000 on second and subsequent offences. There are no provisions for indictment. Not everyone out there is a lawyer and people should understand that when we talk about an offence under summary conviction, it is a less serious charge. It is going to be serious enough in terms of the fine or the jail term that can be imposed. Usually, though, the summary conviction offences are those that are less serious.

• (1650)

Those by indictment are more serious because of the act itself and the greater importance Parliament decided to put on those offences. For those who decide to dump chemicals that are harmful to fish, the maximum fine is $300,000 on summary conviction, as proposed in this bill. So we take it from a $50,000 fine to a $300,000 fine. On indictment, we take it from $100,000 up to $1 million. Court options, which do not exist under the present act, include up to three years imprisonment on indictment.

The present fine for failure to provide habitat information is a maximum of $5,000 on summary conviction, with a maximum of $10,000 for second and subsequent offences. We will increase this maximum to $200,000 on summary conviction and $200,000 and/or six months imprisonment for second and subsequent offences.

When one looks at the range of all the amendments and all offences dealt with by the courts, it gives increased flexibility for the courts to make additional discretionary orders on conviction such as payment of clean-up costs. When we talk about protecting our environment and those who deposit harmful substances, the court will be able to impose a clean-up cost on the accused person or corporation.

Let us deal with the area of tagging. The salmon is a species which is dear to the people in Atlantic Canada. If the salmon is not tagged, the current maximum fine is $100. The government proposes in this bill that the maximum fines be $1,000 and automatic forfeiture of the fish and gear seized. Again, we are sending a signal. The government and the Parliament of Canada are ready to live up to its responsibility toward the fisheries but we also have to take the steps to, as some say—

[*Translation*]

—put our money where our mouth is.

[*English*]

That is what we are doing with these increased penalties.

Another important aspect of this bill concerns the management of the fisheries in Canada. One can understand its importance especially when one reads the Harris panel report. This is the panel of learned Canadians, with one American and one Englishman, both of whom were very helpful with regard to forming this report. A lot was said.

There are two aspects to our discussion about the Harris panel report. There is the report itself for those who care to read it, and there is what the media says about it. A lot of people seem to think that the scientists in the Department of Fisheries and Oceans were severely indicted by the Harris panel. The media accused the scientists of having blown it, that they were wrong. The media seemed to attribute this conclusion to the Harris panel. I read it in the media, but Mr. Harris never said that.

Anyone who cares to read the Harris panel report will find that the Harris panel confirmed what the scientists in the Department of Fisheries and Oceans had said, but it pointed to the lack of good, solid data. It pointed to the inadequacy of good, solid information allowing the scientists to do their jobs more accurately.

In order to rely on our scientists, we have to allow them to get the proper and correct information on the quantity of fish out there, on the catch rate, on the effort and on the landings. Data is required. That is why in terms of statistical provisions, Section 61 of the act is rewritten to define who may be required to provide information and keep records. It defines the type of information required, the responsibility to keep records as prescribed by regulation or licence and how information may be sought.

In addition, fisheries officers will have the authority to examine records and books of accounts to verify accuracy of information.

Mr. Speaker, you are indicating to me that my time is running out.

The Acting Speaker (Mr. Paproski): The hon. member can wind it up at 5 p.m.

Mr. Valcourt: That is Section 61. It is being rewritten to define who may be required to provide this data. This information will help our scientists to manage the health of those stocks better. We will be able to have much better information for our scientists to analyze and to rely on in order to assess and inform the government on what the situation really is.

There is another aspect to these proposed amendments to the Fisheries Act that I consider very important. It is in terms of enforcement and management processes. In this bill, there are provisions for broader liability for offenders. According to these amendments, license holders can be held liable for offences. Officers and directors of corporations can be held liable for offences.

That reminds me of Pat Fougère, a trawlerman in Canso who was telling me that on certain vessels—I will not say which ones—they were receiving instructions from the corporate headquarters to do things that were in violation of the act. We have corporations holding licence with the board of directors being responsible. Under the present act we cannot do anything against these people. They are the ones saying that something be done in violation of the act and because of the structure of the present Fisheries Act we cannot prosecute them. Under the proposed amendments, officers and directors of corporations can be held liable for offences.

I hope that I will have a chance to continue when the bill is next before the House.

The Acting Speaker (Mr. Paproski): I regret the hon. minister's time has expired.

[*Translation*]

It being 5 p.m., the House will now deal with Members' Business, in the order set out in today's *Order Paper*.

PRIVATE MEMBERS' BUSINESS—BILLS

[*English*]

CANADA PENSION PLAN

MEASURE TO AMEND

Mr. Bill Kempling (Burlington) moved that Bill C-260, an act to amend the Canada Pension Plan (spousal agreement) be read a second time and referred to a legislative committee.

He said: Mr. Speaker, it is a pleasure to rise to seek the consent of the House to pass Bill C-260 through second reading and on to a committee for study.

This bill has been more than three years in the making, so it is really interesting after that time to see it finally on the floor of the House of Commons.

Bill C-260 is intended to amend the Canada Pension Plan. The Canada Pension Plan was established in 1966 to provide a source of retirement income for Canadians. Since 1966, Canada Pension Plan benefits have been improved on a number of occasions. Canada Pension Plan credit splitting legislation came into effect on January 1, 1978.

The objective of credit splitting was to recognize that pension credits earned by one or both spouses during a marriage were a joint asset. It is recognized that both spouses contribute to the accumulation of the Canada Pension Plan credits during their marriage, either directly by virtue of their both earning credits, or indirectly by one contributing through work in the home.

We recognize that work in the home does contribute to family income and therefore to the Canada Pension Plan credits accumulated by the spouse who is in the labour force. The 1978 amendment, by permitting the splitting of these credits, assured each spouse a fair share of the assets to which they both contributed.

For five years it was believed that the division of pension credits was outside the jurisdiction of the courts. Waivers in separation agreements or other similar orders which renounced future property claims were not binding on the Canada Pension Plan administration in that they did not affect the division of pension credits. This understanding changed as a result of an appeal to the Pension Appeals Board in the case of Preece *v.* Preece.

The Pension Appeals Board is the third and final level in the appeal process. Section 86(d) further states that the decision of the board, unless provided for elsewhere in the act, is final and binding.

In the June 30, 1983 Preece ruling the Pension Appeals Board decided that the division of pension credits is subject to an agreement or a settlement that may have been reached by former spouses.

A February, 1990 report on pension reform by the National Council of Welfare states that as of September, 1989, only 21,267 applications for splitting under the Canada Pension Plan have been approved since the option was first made available in 1978. During those years there were approximately half a million divorces that should have led to splitting. Informal estimates by the Department of Health and Welfare suggest that at least 15,000 spouses could benefit from Bill C-260.

It is my understanding that since the Preece *v.* Preece judgment the Department of National Health and Welfare has been seeking a solution to restore the legislation to its original intent prior to the Pension Appeals Board ruling.

In the last Parliament the government introduced Bill C-116, an act to amend the Canada Pension Plan and the Federal Court Act, which came into force January 1, 1987. The passage of Bill C-116 restored the division of pension credits as a non-assigned right, unless a waiver is allowed under a provincial statute.

Unfortunately for the drafters of Bill C-116, those spouses who signed a separation agreement between January 1, 1978 and June 4, 1986 were still left out. It was determined at the time that the information they received was correct. In 1978, when the original credit splitting legislation was put in place, I recall writing to all the lawyers in my constituency advising them of the credit splitting. In fact, National Health and Welfare and National Revenue continued to advise people that credit splitting was automatic and non-assignable for at least

two years after the Preece *v.* Preece decision. Bill C–260 will correct this administrative error.

The Minister of National Health and Welfare informs me that his department is reviewing its files on a case–by–case basis and in certain circumstances is using the Canada Pension Plan erroneous advice provisions to restore rights to a division of pension credits. However, the credits are not being split, they are being extended to the disentitled spouse creating an additional financial burden on the Canada Pension Plan. Bill C–260 would give the minister the statutory authority to credit split Canada pensions to those who were disentitled between 1978 and 1986.

The chairperson of the National Council of Welfare, on behalf of the council, has written to the Minister of National Health and Welfare endorsing Bill C–260.

I remember, Mr. Speaker, the excitement in 1978 when credit splitting was introduced. It was really a step forward for women. As a member of the 30th Parliament that introduced the credit splitting amendment I recall that it was the intent of Parliament that Canada Pension Plan credit splitting would be a non–assignable right. This private member's bill, Bill C–260, restores the original intent of Parliament.

This whole matter came to my attention several years ago as a result of a case brought to my office. I learned of several personal tragedies that resulted from a decision to waive the Canada Pension Plan splitting after the Preece *v.* Preece decision. To my surprise, once the word got out among some women's groups that I was working on this, I was inundated with correspondence from a large number of women who found themselves in the same position. In other words, they had been denied their rightful half of their spouse's Canada pension. So I began to gather information and discuss the matter with officials in the Department of National Health and Welfare. That is where we ran across what we refer to as an administrative error in the drafting of Bill C–116.

We worked away at it and had a good deal of consultation with officials in the Department of National Health and Welfare. I want to thank the minister and his staff as well as several people in the department for their aid and assistance. They worked closely with my office and went so far as to assist in the drafting of this bill.

• (1710)

As well, I want to thank the critics for the Liberal Party and the New Democratic Party for their consideration. When I was speaking to them I noted that as soon as I mentioned Preece *v.* Preece they immediately grasped the thrust behind Bill C–260. The National Council of Welfare immediately supported this bill and wrote to the Minister of National Health and Welfare supporting its passage.

I recently read again a study on poverty that was produced in 1988. It clearly stated that most elderly—and I use that word very broadly because when you are a senior citizen you are not elderly—unattached women are among the poorest in Canada. The passage of Bill C–260 will be of assistance to many of the women who, unfortunately, fall into this category.

I am pleased that everyone I have spoken to on the bill has realized that an injustice occurred. It was the result of an unfortunate error in the drafting of a bill. This bill, I hope, will return some equity and justice to the women who have been hurt by this.

I want to thank members who have spoken to me and told me that they support the passage of this bill. I have the support of the minister and his staff.

I believe the plan today is to have a member from the official opposition and a member from the New Democratic Party speak, and then I believe it is the intention of the House to pass the bill on to a legislative committee where, hopefully, it will move on and amend a federal statute. If it goes through that course, I believe it is going to be one of the first private members' bills ever to amend a government statute. We look forward to that. I thank you very much for your close attention.

[*Translation*]

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Paproski): I have the honour to inform the House that a communication has been received as follows:

Message from the Senate

Rideau Hall
Ottawa

June 19, 1990

Sir,

I have the honour to inform you that the Right Honourable Brian Dickson, Chief Justice of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 19th day of June, 1990, at 5:15 p.m., for the purpose of giving Royal Assent to certain Bills.

Yours sincerely,
Anthony Smyth
Deputy Secretary, Policy

* * *

[*English*]

CANADA PENSION PLAN

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Kempling that Bill C-260, an act to amend the Canada Pension Plan (spousal agreement) be read a second time and referred to a legislative committee.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, it is my pleasure to rise today in support of my colleague's bill, Bill C-260, an act to amend the Canada Pension Plan. I wish to congratulate my colleague from Burlington and thank him on behalf of many women who will benefit from this proposed change to the legislation.

The member for Burlington pointed out that among those most in need in Canadian society are senior, single women, many living below the poverty line. As he said, the intent of the original legislation was that the division of pension funds would not be subject to any agreement or settlement by spouses.

He pointed out today that half a million divorces have occurred in the period of time since this legislation originally came into being and a total of perhaps 15,000 spouses may be affected by this legislation. So we are not talking about isolated cases nor are the cases of senior women living in poverty isolated cases in this country.

I think that all of us here wish to do everything possible to try to support women in need as those needs exist. It is very regrettable that the Preece *v.* Preece case caused this source of problem in our society. We are grateful that there have been members in this House who were aware of this instance and who have worked effectively to try to correct the error that has existed for these last five years.

When this bill comes back from the legislative committee and we deal with it here in the House, those who have been disentitled will be grateful for this change. We must all do everything we can to support this proposal, Bill C-260, as presented by my colleague from the riding of Burlington.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I am pleased to rise on behalf of the New Democratic caucus to support this Private Member's Bill, Bill C-260, which would solve one of the problems with the application of the Canada Pension Plan to women. The New Democratic Party advocates mandatory, automatic pension credit splitting. We would like to see even greater pension reform than is represented in this bill, but this is a good start and it does address one of the inequities.

In 1978, pension laws were changed so that Canada Pension Plan credits of spouses could be split upon divorce or annulment. A 1983 Pension Appeals Board decision declared that the division of credits was subject to separation agreements or settlements. Apparently some women signed away their pension rights without even realizing it as CPP credits were now interpreted as part of other assets not enumerated. This had the effect of disentitling those spouses who signed a separation agreement between the years 1978 and 1983 and who were granted their divorce decree between 1983 and 1987. Legislation introduced to remedy this problem applied only to those divorced after 1986.

The bill before us allows for pension credit splitting for those who were disentitled by the Pension Appeals Board after the Preece *v.* Preece case. It is estimated that 15,000 individuals may be eligible to benefit from this bill being enacted. Upon divorce the accumulated credits of both spouses are added together, divided and distributed equally to each spouse.

Both spouses contribute to a marriage. However, if a woman stays home to raise children, at that time only her husband accumulates CPP credits. Credit splitting recognizes that work that women do in the home is important, that that work in the home raising children does have value.

As a result of the Preece case, women could trade away about $10,000 worth of pension income for a few pieces of household furniture.

The statistics, of which the member for Burlington made some mention, concerning the poverty of older women are really frightening. One out of every two single, divorced or widowed women over the age of 65 is currently living below the poverty line here in Canada. The situation is especially bad for women who have spent long periods of time doing the nation's most valuable work, I would submit, that of raising children.

It is not likely to improve drastically with women spending the majority of their lives now in the paid labour force because the average earnings for women in the full year, full time labour force is only 65 per cent of what men earn. This has become worse, not better, over the past few years. According to the National Council of Welfare, the average man in the labour force has a reasonable chance of retiring with a full CPP pension. The average woman will be lucky to get 60 per cent or 70 per cent of what is now the maximum.

• (1720)

Women are poorly placed in Canada's pension system, whether they are part of the paid labour force or not. Many of the women who have retired in recent years are getting meagre benefits from the Canada and Quebec Pension Plans. Occupational pension plans only cover 37 per cent of women in the paid labour force, compared to 52 per cent of men. Women have a much lower average income than men and most cannot afford to put money aside into an RRSP.

Often women are made to rely solely or primarily on inadequate old age security cheques. That is why so many older women are poor. After a lifetime of contributing to society through raising children and performing paid and unpaid work, many are sentenced to poverty in their older years.

Our pension system is unfair to women and this Private Members' Bill we are discussing today is only a drop in the bucket of change. Even after this bill is passed, there remain many problems with the Canada Pension Plan in relation to women.

The government claims that mandatory, automatic CPP credit splitting is already in place. But this is really not the case. Spouses must apply to Health and Welfare for credit splitting. So few women know to apply for it that only 4 per cent of those who are eligible do apply. This is hardly automatic.

The National Council of Welfare, in its most recent report on pensions, says that as of June 1989, only 20,482 applications for credit splitting had been submitted and approved since this option was first made available in 1978. During that same period there were approximately half a million divorces in Canada.

One solution would be to improve the Department of Justice's collection of divorce statistics and information so that enough information could be collected by Justice to allow for truly automatic, mandatory credit splitting upon divorce. That way, one divorced spouse would not have to apply for credit splitting.

It is more complex to have mandatory, automatic credit splitting for common-law spouses as there may be no record of these relationships. The time limit for application, however, could be removed so that women who hear about the credit splitting option several years after the break-up could still apply for the credits accumulated during that relationship.

Divorced people have unlimited time to apply for credit splitting, but common-law spouses who separate have only four years to apply for credit splitting. After four years their pension rights are forever waived.

Mr. Speaker: I hesitate to interrupt the hon. member. I am quick to point out that when the House resumes the hon. member will be able to complete her remarks. I hope my intervention has come at a point where the tenor and sense of her speech will not be lost. I thank her for her co-operation.

THE ROYAL ASSENT

[*English*]

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

> Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the Chamber of the honourable the Senate.

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

• (1740)

And being returned:

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

Bill C-15, an act respecting plant breeders' rights—Chapter 20.

Bill C-66, an act respecting diseases and toxic substances that may affect animals or that may be transmitted by animals to persons, and respecting the protection of animals—Chapter 21.

Bill C-67, an act to prevent the importation, exportation and spread of pests injurious to plants and to provide for their control and eradication and for the certification of plants and other things—Chapter 22.

Bill C-294, an act to change the name of the electoral district of Brampton—Malton—Chapter 23.

Bill C-296, an act to change the name of the electoral district of Montmorency—Orléans—Chapter 24.

Bill C-298, an act to change the name of the electoral district of Elgin—Chapter 25.

Bill C-308, an act to change the name of the electoral district of Selkirk—Chapter 26.

Bill C-309, an act to change the name of the electoral district of Surrey—White Rock—Chapter 27.

Bill C-310, an act to change the name of the electoral district of Laval—Chapter 28.

Bill C-311, an act to change the name of the electoral district of Laval-des-Rapides—Chapter 29.

Bill C-305, an act to change the name of the electoral district of Gloucester—Chapter 30.

Bill C-307, an act to change the name of the electoral district of Langelier—Chapter 31.

Bill C-312, an act to change the name of the electoral district of Duvernay—Chapter 32.

Bill S-16, an act to amend the act of incorporation of The Canadian Institute of Mining and Metallurgy.

Bill C-75, an act for granting to Her Majesty certain sums of money for the Public Service of Canada for the financial year ending March 31, 1991—Chapter 33.

PRIVATE MEMBERS' BUSINESS—BILLS

[*English*]

CANADA PENSION PLAN

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Kempling that Bill C-260, an act to amend the Canada Pension Plan (spousal agreement) be read a second time and referred to a legislative committee.

The Acting Speaker (Mr. Paproski): The hon. member for New Westminster—Burnaby has four minutes left in debate.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I was not sure what was going on when the knock came at the door, so I am sorry if I did not stop when I was supposed to.

To continue, in 1988 Saskatchewan passed a law to override mandatory credit splitting. The pension rights of women in Saskatchewan are subject to separation agreements, which goes to show just how seriously further pension reform is necessary. We know that we must look more carefully at homemakers' pensions. The National Action Committee on the Status of Women advocates homemakers' pensions and set up a special lobby session with a few MPs on this issue. I was pleased to participate in that session.

New Democrats stand for pension reform that would guarantee an adequate pension for every Canadian. We have a record of achievement in pension reform of more than 50 years. In 1926 the old age pension was enacted because J. S. Woodsworth, the first leader of the Co-operative Commonwealth Federation, the parent party of the New Democratic Party, insisted upon it in a minority government situation. It was New Democrats who placed unceasing pressure on another government in 1966 to bring in the Canada Pension Plan. In 1973 New Democrats won from a minority government the full indexing of the Canada Pension Plan to help pensioners keep up with inflation.

This is something that the Conservative government tried to take away in 1985. I would like to see a commitment from this government to real pension

reform. Seniors are demanding decent pensions for their lifetime of work in our society. Instead this government is clawing back at their income security programs and the old age pension. I am pleased to support the bill. The New Democrat caucus is pleased to support the bill. It will solve one of the inequities women in our society face. What we need is real comprehensive pension reform.

I want to congratulate the hon. member for Burlington for the work done over the past three years on this issue. He indicated some surprise at the number of women who contacted him who were in the same situation as the first constituent who contacted him. Also, he indicated some surprise at the lobbying received from women's organizations that contacted him once it became known that he was working on this issue. I would say that that goes to show the power, the advocacy and energy of women in this country once they know that someone is taking up an issue of real concern to them.

I offer my congratulations to the hon. member for Burlington. I am pleased, as he indicated, that the government plans to support this bill and he has the support of all three parties in the House.

Mr. Murray W. Dorin (Edmonton Northwest): Mr. Speaker, I was just going to see if there was another member who wished to speak. I do not want to use all the time. I would be prepared to allow the other member to share the time remaining in this—

The Acting Speaker (Mr. Paproski): Why do you not split it up? You have 15 minutes.

[*Translation*]

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, the hon. member for Edmonton–Northeast rose first. I am prepared to yield to him. I will take whatever time is left.

[*English*]

Mr. Kempling: Mr. Speaker, I just want to say to the hon. member who said he would speak later that we have an arrangement with other parties to pass this bill to committee. I hope it is not the intention of the hon. member to talk it out.

[*Translation*]

Mr. Kindy: The hon. member for Burlington need not worry for I support his bill. I think it is a good measure and I have no intention of killing his bill. I think it is a good bill.

Mr. Gauthier: Mr. Speaker, perhaps I might make a small suggestion to the House which, I think, will solve the problem. We might hear the member for Calgary–Northeast (Mr. Kindy) and, when he finishes his remarks in a few minutes, we would listen to the last member on the conservative side.

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): In that case I recognize the hon. member for Calgary–Northeast.

Mr. Kindy: Thank you, Mr. Speaker. First I want to congratulate the hon. member for Burlington for introducing this bill which will certainly help women in distress. As the previous speakers so eloquently pointed out, there is a lot of divorced women. Apparently there are half a million divorce cases in Canada. Quite a few women live under the poverty line. This is why I think the bill afford fairer treatment to those who must share pensions.

I wish the situation of people living under the poverty line would improve because it is essential. I would suggest that the government now has a bill which will solve this pension problem. I am sure this legislative measure will be effective and help people who need money.

The hon. member for Burlington was chairman of the committee when I submitted my bill on the referendum and he did not have the courtesy to support it, as I support his bill today. He said then it was not necessary, that we did not need referendums in Canada. I point out to him that a referendum right now in Canada could resolve the constitutional problems Canada is facing.

• (1750)

For this reason, I hope he will grant me the courtesy of supporting my motion on referendum when it comes before the House. So I congratulate him once more. I think Bill C–60 is a excellent piece of legislation and I support it wholeheartedly.

[*English*]

Mr. Murray W. Dorin (Edmonton Northwest): Mr. Speaker, I want to indicate at the outset that after a few brief remarks I intend to allow this bill to move forward to a legislative committee where it can be examined in greater detail.

As members speaking on this bill prior to myself have talked about the need for it and how it came about, I might give a little additional background in the area that was not addressed so far in regard to the court decision.

That is something that the legislative committee will have to examine very carefully when it deals with this matter. In principle what we seek to do in this House is to redress unfairness. Speakers prior to myself have managed to demonstrate that circumstances were unanticipated both when the original bill was put forward as well as when the amended Bill C-16 was later introduced with the result that people who thought they would be eligible to receive benefits from the Canada Pension Plan have found that they cannot.

I think we must be careful in trying to redress that unfairness that we do not, in any way, set a precedent where we restrict people from entering into agreements which they, with full knowledge, would like.

Presumably what the original bill intended was that Canada Pension Plan benefits were not assignable rights. In other words one could not waive the right to receive them.

The question we would ask ourselves is if an individual who is knowledgeable of their own situation, has proper legal advice, and decides to enter into an agreement, under what circumstances is it appropriate for this House and this Parliament to restrict a Canadian from entering freely into that agreement.

It was in that vein that the court in reviewing this case stated the following: The facts show that the former spouses have, in three instances, entered into settlement agreements or minutes of settlement, whereby they have undertaken not to make further demands on the property of the other. The fourth has the *order nisi* approbating the division of property and granting maintenance after a hearing but on the basis of a consent judgment.

The decision of the minister purports to overlook or set aside such agreement or adjudication. The facts show that the parties to the minutes of the settlement and agreements were *sui juris*.

All parties were represented by counsel in the negotiations, culminating in the settlement agreements or consent judgment and are thereby presumed to have had proper advice and instruction as to the intent and effect of the agreement into which they entered.

There was no allegation of fraud or undue influence. Essentially, we are considering whether an agreement made properly between parties who are *sui juris*, can be altered by the provisions of a statute. Here we are dealing with divorce cases and under ordinary circumstances in divorce the jurisprudence is clear that an application under Section 2 of the Divorce Act can succeed to vary the terms of a *decree nisi* and settlement agreements for minutes of settlement, but that is a specific statutory provision and, in our view, is not applicable in these circumstances.

They went on to discuss this case and I do not want to go on at great length here today because I want to ensure that this matter can go forward to the appropriate legislative committee to be discussed. But I would urge that that legislative committee, in considering this, does review very carefully the findings of the court because I think they point out something that has been of historic understanding within the common law system and that is the right of parties to enter into contracts. We should be careful that nothing in this House destroys that basic principle under which we have been guided for many, many years.

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

Some hon. members: Agreed.

Motion agreed to, bill read the second time and referred to a legislative committee.

The Acting Speaker (Mr. Paproski): The time provided for the consideration of Private Members' Business has now expired.

GOVERNMENT ORDERS

[*Translation*]

FISHERIES ACT

MEASURE TO AMEND

The House resumed consideration at second reading of Bill C-74, an Act to amend the Fisheries Act and to amend the Criminal Code in consequence thereof.

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, I am pleased to rise today to speak to Bill C–74 amending the Fisheries Act. I was not expecting to speak today because I thought we would examine this bill sometime next week. However, the debate has started, the Minister has explained his bill and we are now ready to discuss it.

As the Minister has explained, this bill proposes changes to the various fines faced by fishermen who violate the law. The first amendment is designed to increase fines for general fishing violations. At the moment, offenders are liable to a $5,000 fine or a 12 month prison sentence in some cases. The new bill increases that fine to a maximum of $100,000 on summary conviction and $500,000 on indictment.

I must say, Mr. Speaker, that many representatives of the fishery industry had requested such long-awaited changes. When the minister introduced these amendments last week, he said there was an urgent need to adopt them because the people in the industry had been waiting for quite a while. That is true, they did.

Well then, I have only this simple question to put to the minister: Why has it been so long? It is not the first time that we talk about making those changes. Other changes will deal with, as the minister was telling me, people who obstruct or hinder a fishery officer. At the present time, such people are liable to a fine not exceeding $100 or six months of forced labour on summary conviction. With the amendments, the maximum fine would be $100,000 on summary conviction and $500,000 on indictment.

Of course, Mr. Speaker, our fishery officers need some protection. They also need some degree of authority and the means of carrying out their duties. Of course they need protection, and I think that everybody in the fishing industry—fishermen, plant workers and trawlermen—recognize that need, since the fishery officers are in fact working for the protection of the fisheries, that is the protection of a resource on which the Atlantic fishing communities depend so much.

• (1800)

Pollution of fish habitat is also mentioned. There again, an increase is proposed, from $50,000 to $300,000 upon summary conviction and up to $1 million for an indictable offence. All those who are concerned about the environment, and I mean all fishermen, all men and women who work for plants in my riding, in the Atlantic area, on the west coast, worry because the dumping of harmful substances in the oceans, and in rivers, threatens the very resource they depend on to earn their living and put food on the table. So I agree the measures brought forward must apply.

Other fines are provided, and there are clauses on information returns. As I said at the outset, Mr. Speaker, we expected to debate this bill later, in weeks to come, and we did not have the time to make a complete and thorough study of it.

According to a provision on information returns where changes are proposed, people could be required to provide information or keep books up to date, and it could be specified what type of information is required, the responsability of keeping books as required by regulations or conditions of licences and how to collect the information. I have some reservations here, Mr. Speaker, because that could become a very heavy burden for small undertakings and for some fishermen who have small boats and manage what are in fact small businesses. So we would have to know.

[*English*]

The bookkeeping requirements of Bill C–74 are extremely stringent. For instance, Section 61(2) states that fishermen and purchasers shall be required to keep records of the number, sex, size, weight, species, product form or other particulars of any fish caught. Other information required will include the time and place of landings, the type of gear, buildings, and other equipment used in the process.

[*Translation*]

Now, of course, Mr. Speaker, when we have to determine the situation of our stocks, the number of fish in the oceans and in different species, we need as much information as we can get. But I am concerned that these requirements will be a heavy, a very heavy burden to carry for some companies, and we reserve the right to take a second look at this and move amendments in due time.

Now, as I was saying, generally speaking, this bill meets a certain need. This bill will make happy some people active in the fishing industry. It is certainly not perfect and of course we will try to improve it when we

examine it so that it better meets the needs of the Atlantic coast or the Pacific coast.

We are talking about penalties and surveillance, but we must have the personnel to carry on that surveillance. That is where the shoe pinches on the Atlantic coast as well as on the West coast.

We have heard a lot about surveillance recently and especially about the inadequacy of that surveillance in relation to the ground fish crisis and, above all, the northern cod. The control was inadequate simply because we did not have the boats and vessels to ensure that the Canadian laws concerning catches and quotas were respected. There was nobody there to stop foreign fleets from coming and plundering—yes, plundering is the word, Mr. Speaker—our fish stocks. Those people were coming and going as they pleased in and out of the 200 mile limit and we did not have the personnel or the boats to stop them from doing so.

By the way, the Harris report to which the minister alluded earlier mentions that and proposes some recommendations.

To go back to the matter of surveillance, the minister, when asked questions here in the House on several occasions, talked about a contract recently awarded to a private firm. That firm would do surveillance within the 200 mile limit, a job that was performed previously by tracker aircraft based in summerside.

Now, Mr. Speaker, I am sure that you know that the $28 million contract that was awarded will not replace the surveillance work that the tracker planes did for the fishing industry, although the government says it will do more than that. And you also know that, when the contract was awarded, the call for tenders was done in a such a way that only one firm had the equipment required and could in fact provide those services to the government. Naturally, Mr. Speaker, that $28 million contract went, we are told, to friends of the government who are now giving us surveillance services. But that was mentioned in Recommendation 22 of the Harris report which says, I think, that the governement of Canada should have additional patrol boats for its offshore surveillance operations in order to take immediate actions when offences are reported by trackers or observers, and that helicopters should be used in conjunction with smaller patrol boats for inshore surveillance.

Of course, Mr. Speaker, even if we have trackers to fly over our fishing banks at the 200-mile limit, allowing us to see what is going on in those areas, those planes unfortunately cannot land and arrest anyone in breach of the law. So, we need patrol boats which could react on the spot to what the pilots see from the trackers. That is exactly what Recommendation 22 in the Harris report is all about; a small increase in the number of patrol boats. Even if the minister increases the fines imposed on anyone committing an offence, first the fishing officers and the Department of Fisheries and Oceans have to be able to arrest the offenders on the spot. What good is it to observe an offence being committed if we do not have the means to arrest the offenders; it's a waste of time and energy. We can come back to base and say: "Well, we did see offences being committed, but there was nothing we could do about it." Unfortunately, that is what is happening with the northern cod and other species.

• (1810)

When the minister spoke earlier, he did mention the Harris Report, but he also alluded to the effort made by scientists. Apparently, scientists were blamed in newspapers and in reports for having supplied inaccurate information to the various committees whose mandate it is to establish the total allowable catches. These committees need a great deal of information on the health status of fish stocks, something which is not easy to gather.

What the minister meant, of course, was that these scientists are not to be blamed, and I agree with him, even though the information they supplied was not completely accurate. They had to make do with the means available to them. And that is the problem, for in the last few years the Department of Fisheries and Oceans did not put the necessary funds into this scientific endeavour. People had to make do with limited means, which could only give results at some variance with hard facts. And that is exactly what happened; we got into a situation where the information available to us was at a very large variance with the catches, with real numbers. That is when we realized that our stocks of northern cod were in a very bad shape and that we had to reduce fishing as soon as possible.

I wanted to make that point, Mr. Speaker, in order that we do not attack the scientists. They have done the best they could with the means available to them.

Speaking about his bill, the minister also said that he had tabled it as part of the Atlantic fisheries adjustment program. You will recall, Mr. Speaker, when that program was announced, that the government spoke very highly of it and said of course that it was the solution to many of our problems. We talked about $130 million, $426 million and even about a program worth $150 million, which were of course comprised in the $426 million for the restoration of our fish stocks. We talked about the amount of $130 million for an adjustment program to today's context, and about $146 million for economic diversification.

The government used a lot of numbers twice, Mr. Speaker. They were announced more than once, and it seems to be a lot of money. People believe we will just solve all the problems. Well, such is not the case. I must say, Mr. Speaker, that, at the time being, nothing much is happening in terms of the Atlantic Fisheries Adjustment Program.

When the announcement was made, certain communities were mentioned; it was said then that the governement would give millions of dollars to people, that is the workers of St. John's, the employees of fish plants, the people of Grand Bank, of Trepasse, and even communities of Nova Scotia like Canso, North Sydney, and Lockeport. However, Mr. Speaker, you know that in the Atlantic, these are not the only communities that have to deal with the serious problem concerning fisheries. And they asked the Minister why so many communities had been forgotten? In certain cases, fishermen cannot yet go out to sea. They are locked in by the ice. I remember very well the questions that my colleagues of Newfoundland and Nova Scotia were asking te Minister: What are you going to do for those communities not specifically identified in the Atlantic Fisheries Adjustment Program? Mr. Speaker, you heard it yourself, they were telling us that the solution lies in Bill C-21, the bill that proposes very major changes to the unemployment insurance program.

Mr. Speaker, it is really unfortunate that the Minister of Fisheries and Oceans chooses to hide behind this false argument that bill C-21, if passed, would solve the probelms of these people. I suggest that, on the contrary, Bill C-21 would only make people's lives in the Atlantic area more complicated. Why? Because it is a high unemployment area. It is certainly not as developed as other areas in Canada and although we are not resentful, we should like to get our fair share. But even before setting up the mechanism to help us catch up with the other areas, the government has decided to deprive us of our livelihood. That is exactly what Bill C-21 is doing, a bill meant to reduce the unmemployment insurance benefits available to various people in Atlantic Canada. Mr. Speaker, I can tell you that back home, in my own Beauséjour riding, it is going to hurt. It is going to hurt badly.

Why? Because now people are just stuck in a one way dead-end street. As you know, in Atlantic Canada, it is difficult, if not outright impossible, to get over ten weeks of employment. No matter how hard people try, the jobs are simply not there. They simply do not exist.

As a matter of fact, as recently as last week, I received several calls from people who were wondering what was going to happen with the unemployment insurance benefits.

Mr. Plourde: Ask the senators!

Mr. Robichaud: No. The senators just sent us Bill S-17 on which we voted yesterday and which would have made it possible for people in Atlantic Canada to qualify with ten weeks of employment entitlement which was the rule in the past. Why would they now no longer qualify with ten weeks? Well, the government has refused on several occasions to renew this bill dealing with variable entrance requirements as was done in previous years. It was done every year. Before the end of the year, they would renew this bill and people in areas with high levels of unemployment would qualify with 10 weeks of employment entitlement. This was the case back home. If you work in the lobster industry, the working season is limited to 10 weeks. It is out of the question to go fishing and say: "Well, this year, because we need to qualify for unemployment benefits, we are going to fish for 15 or 16 weeks." It is impossible. The lobster season only lasts 10 weeks and for a number of reasons, mainly because a longer season would deplete the resource.

• (1820)

Even though our factories process lobster from other areas, because the fishing season is not the same everywhere, there is hardly enough work for 12 weeks. But the government seems to be completely unaware of that

fact. I can assure you Mr. Speaker that those workers do want to stay home, they have no other choice. We prevent them from earning entitlement to unemployment insurance benefits. Like all the members of this House, nowadays families need two salaries to get by. Even with two pay cheques it is hard to make both ends meet. So, you can imagine what happens to the people working in greenhouses who called me last week-end. They were among the lucky few who could work for 14 weeks.

They called the Manpower Centre, the unemployment insurance office to find out what was going to happen to their application. They were told that they were not eligible, that they needed 20 weeks. Then they called me and said: "Well, what do I do with this?" I am out of a job, I am not eligible for unemployment insurance, I called everywhere but I couldn't find a job". I know people called, because they asked my office for addresses. But the truth is, there are no jobs to be had. These women were telling me: "What are we going to do? Are we going to stay home? And if so, who is going to put bread on the table? How are we going to clothe the children, run the household? We cannot work and we are not eligible for unemployment insurance". All they can do is wait until the unemployment rate reaches 11.5 per cent. At that stage, they will be eligible with 14 weeks.

But if the government had agreed every time it was presented with a bill on the variable entrance requirement and had passed this bill as in previous years, these people would not now find themselves in such an untenable situation. You must talk to these people. You must talk a little with them to understand what they are going through. I certainly would not want anyone here to be in such a situation. Mr. Speaker, unemployment insurance is not big bucks! Say you work for $6 an hour 40 hours a week, that makes $240 a week. If you work for 10 weeks, you earn $2,400 gross. Well, $2,400 is not a lot of money! You apply for unemployment insurance and if you are fairly lucky—but now, with 10 weeks, you do not qualify. That means that you will have to try your best to make ends meet with that money. In many cases, it is just impossible.

Mr. Speaker, just to make you aware of the government's insensitivity, yesterday, it again refused to support Bill S-17, which was intended to do what people in my area expected, namely to change or apply a new regulation for the variable entrance requirement. Too bad it was a wasted effort.

I was talking about the Atlantic Fisheries Adjustment Program. We had warned the government several times about the impending crisis. We saw it coming.

We were asking them, in fact, to do an indepth study of the situation and they assured us that consultations were going on with all those involved. But when you take a look at the program, you realize that it contains serious deficiencies. The lobster industry has been completely left out of it. Everyone knows that the industry is in a crisis. Last spring, at the opening of the fishing season, that is on May 1st, in the Acadian peninsula, in certain areas of Prince-Edward-Island, lobster traps were launched and a few days later fishermen brought back lobster which would be sold for $1.25 a pound. M. Speaker, no fisherman could make a living selling lobster at $1.25 a pound. It would be better for him to leave the traps at the bottom of the water. But they have no choice. They have to bring them back to the surface and, in spite of those low prices, sell them at $1.25 a pound.

It does not even pay for costs. Fuel costs were higher, and I must say again here that the government made things worse by repeatedly raising the excise tax on fuel. We cannot buy a boat, of course, at the same price as in the past. This increased, too. Fishing gear and lobsters traps that we could make for 5 dollars cannot be had for 5 dollars anymore. It is now 40 or 50 dollars. Where in the past we could buy bait—normally, a fish of lower quality we used to have for almost nothing—we now pay 30 cents a pound. And how much do we need every day? On average, between 200 and 300 pounds, depending, of course, on the catches, on the weather which may swing the traps around on the bottom. With those costs fishermen can absolutely not survive when the price is at $1.25 a pound.

We had warned the government against the low prices that we saw coming. Why? Because many factors were telling us that prices would drop. We had heard that the Americans would limit imports into the United States of lobsters less than 3 1/4 inches long. We talked about it here in the House last September. We had drawn this situation to the attention of the Prime Minister who was going to meet with the President of the United States shortly thereafter. You certainly remember that meetings in Kennebunkport. The Prime Minister had assured us, here in the House, that he would raise this question with the President and that he would see to it that this measure would not be implemented. Well, it was not a

surprise because, in many cases, we have good reason to question the Prime Minister's efforts. His plan did not work.

• (1830)

The Minister for International Trade also gave us the assurance this measure would not go any further. He could have saved himself the trouble. It just did not work, which means that today, the lobster we used to be able to export to the United States—a little under three and a quarter inches—which was marketed live, is now a glut on our own market and has to be processed either by freezing or canning. It means adding to the inventories packers already have. Of course, U.S. distributors knew perfectly well what was going to happen if this measure was passed. They were just waiting, not buying. Not until recently did inventories start to go down. Prices are now increasing. We would have liked to see the government intervene, but not by throwing money at the problem. I agree that money is not the solution.

In this case, however, the government could have intervened through the Fisheries Prices Support Board by setting a minimum price for lobster. This wouldn't have cost hundreds of millions of dollars. Inventories weren't that high. The government could have intervened. This would have had the effect of immediately stabilizing the market. We could have raised the prices, and the fishermen would have been paid $1.25 per pound.

Just imagine, Mr. Speaker, if you were a fisherman, and this summer—in my area, the season starts on August 10 and goes on until October 10—you realize you will have to do all that hard work, and fishing is hard work. You get up with the sun to be on the fishing grounds early in the morning. Then you do all that hard work and sell your lobster for $1.40 or $1.50 a pound— I must say, Mr. Speaker, that is not very encouraging.

No more so than for the plant workers who will have to return or have already returned to the labour market and who are unable to work more than 12 to 13 weeks, and even after working in these factories, they are ineligible for unemployment insurance. Imagine how you would feel in such a situation. It is not fun. The future is not too promising. Nevertheless, those are the situations facing people, fishermen and plant workers in the fishing industry. I hope, Mr. Speaker, that the government will be sensitive to the needs of these people and will do the right thing so that the unemployment insurance bill does not punish the people in these regions.

• (1835)

In conclusion, Mr. Speaker, to return to Bill C-74, we will certainly continue to discuss it and, as I was saying, even though the bill will make some people and interest groups happy, we reserve the right to study it thoroughly and to make the required amendments and corrections.

[*English*]

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, the bill before us, as the minister pointed out, is designed to increase the fines for infractions of fishing regulations in particular, something which is supported generally. Certainly I have heard no reaction from anyone in the ministry opposed to this measure. Perhaps the only concern is that the fines we have had in the past have been almost ignored.

When I raised this one day with the minister in Question Period, he said that that was the fault of the judges. One has to wonder, then, if simply doubling the fines, or even increasing some of them tenfold, will really make any difference unless somehow or other the message gets across to the judges that it is important the fines provided for in the legislation be at least considered when fines are levied against offenders.

The minister also said that the fishermen as a group support the regulations and conservation. That has certainly been my experience in the time that I have been fisheries critic for the New Democrats. Fishermen as a group want the fish to be conserved. They do not want to lose the resource. I think that is probably the same in every resource industry that we have. The people working in those industries recognize the importance of preserving the resource, whether it is agriculture, forestry, or fisheries. They recognize it.

There is always the bad apple, of course, who will try to take advantage of the situation for personal gain, out of desperation, or for whatever reason. There are people who will step beyond the bounds. There have to be fines

or legislation that will give the authorities the power to deal with that situation. Unless they are going to be supported by the courts—and this does not apply just to fisheries; it applies to many other activities—increasing the fines is not going to mean very much. Unfortunately that has been the experience so far.

When I spoke on this subject, again in Question Period one day, I quoted from several references to the effect that fisheries officers themselves are ignoring the regulations. They are not levying fines. There are examples of fisheries officers condoning and even encouraging the dumping of fish so as not to exceed the quota of a particular species. We have had reports from the east coast concerning observers turning a blind eye to what is happening. I will say a good deal more about that a little later in my remarks.

As the minister said, he has been in his present job for just over three months. One of the first things I was aware of that he did was he sent me an invitation to meet with him in Vancouver. That was within days, if not within hours, of his appointment as minister of fisheries. Perhaps it was even before I knew that he was appointed.

I received his invitation, but unfortunately was unable to attend. I did appreciate and made it known to him that I appreciated the fact that he was inviting me to meet with him in the west on my own ground, so to speak, where I could get some impression of him and his attitude toward the west coast fisheries.

More recently, when this legislation was introduced, an invitation came from his office to attend a briefing in his office on the amendments to the Fisheries Act and regulations. I was able to accept that invitation and attended. I appreciate the minister's invitation to so do.

He told us that since becoming minister he has worked to get to know the people in the fishing industry. I have spoken to fishermen and to people in the processing industry, the processors themselves on both coasts, and I give him credit for doing that. I know he has done that from my own experience and from the reports that I have received. The question is whether he is really listening to the fishermen with whom he is meeting. We can only hope that he is.

• (1840)

He said that it was not just a case of throwing money at the problem. There are other questions of rebuilding the stock. I think this is more serious on the east coast than on the west coast. We have some species problems in the west, but certainly nothing to compare with the dramatic events with respect to the northern cod. There is a real question and problem dealing with the sad, sorry and tremendous depletion of the cod stock resource off Newfoundland in particular.

The minister said that it was not enough to pour money in, that we had to rebuild the stock. The only way that we know of to rebuild the stock is to relieve the pressure on the stock; not just the fishing pressure but in part the fishing pressure. That is not just a matter of the people who are out there catching the fish. It is the technology. Over and over again when I travel to Newfoundland I hear complaints from the fishermen and the people in the fishing industry that it is the technology and the new kinds of equipment that are doing the damage.

Dr. Harris talked about this in part in his report. A group of us had people talk to us when we were in Newfoundland. One of the people in the fishing industry to whom I listened said that we had the technology now and within five years, unless the government really takes some drastic action, we could be looking for the last cod off the Grand Banks in Newfoundland. We have the equipment to find them. They tend to herd together. We also have the equipment to catch them, to pick them up, and to harvest them. So there will not be anything left, the way the pressure is going.

The scientists generally have been recommending that we cut our quotas drastically. Not just this government but also preceding governments, both Liberal and Conservative, have been very reluctant to reduce the quotas to the levels recommended by our own scientists because they did not want to inflict economic damage on the processing plants, the owners of the processing plants, perhaps even on the people working in the fishing industry, the fishermen, and the people working in the processing plants.

They were afraid of doing that politically and economically they did not want to do it, so they have been hoping that the fish would come back. If they failed to reduce the quotas to the extent that the scientists were saying, they were hoping that the scientists were wrong, they

were hoping that the scientists did not have the information that they needed, and in blind faith they were hoping that the fish stocks would rebuild.

It is necessary to rebuild the stock. The minister is right in that regard, but it will not happen unless the government is prepared to take the drastic action recommended by Dr. Harris, by everyone who looks at the situation, and by the fishermen themselves. They have told me that the only way to relieve the pressure is to stop fishing in some areas. It is that serious. In some areas it is too late to stop fishing because there are no fish there to fish.

Off the southwest bank of Newfoundland, when I was visiting the communities there, I saw the boats coming in. I saw three boats that had made trips out, set 12,000 hooks, and caught nothing of commercial value. They caught two catfish and one very small cod that was not worth bringing back from 12,000 hooks in areas where they used to make a good living catching cod.

It is necessary to take some drastic action. However the point I want to make is that it is not only the regular fishing, but it is also the technology. The auto-trawlers seem to be able to scoop up everything and what they do not want they cast aside dead. They are destroying it, not because of the actions of the fishermen but because the government regulations have allowed this to happen, indeed have encouraged it. If we let one do it, we have to let another do it. We cannot apply different regulations to different vessels, different fishermen.

There has been a complaint that the foreigners, the Portuguese and the Spanish, are overfishing. I do not doubt that they are off the nose and tail of the Grand Banks. However, I was in Europe with members of the fisheries committee. When we told them what they were doing, they came right back at us and said that we were also overfishing the quotas set by our own scientists. The same scientists were setting the NAFO quotas and urging the Spanish and the Portuguese to do what they were telling us to do. We are overfishing. They are overfishing. Everybody is overfishing, and the stock is depleting in all areas.

Until we clean up our own act—and I know we are working at it but not fast enough or not well enough—it is pretty hard for us to go to some other country and say: "We want you to cut down on your overfishing. We want to keep going at the present rate ourselves, but you cut down on yours so that we can do a little more of it ourselves". It is not good enough, and it is not going to provide the kind of rebuilding of the stock the minister has talked about.

• (1845)

Conservation is the same thing in this instance. We have to conserve the stock. There is the danger of wiping it out. Those are not my words. Those are the words I hear in Newfoundland from the people who are talking and are knowledgeable about the industry.

I mentioned the high grading, the fact that in many cases dead fish are thrown overboard. There are observers on the boats, but this may be done while the observers are asleep. Or, who can tell? An observer might just feel that it is wise to turn a blind eye so that he does not find himself washed overboard during the night. It is a pretty desperate situation sometimes, and these were the fears that were voiced to me. I am not making this up. These fears were voiced to me in Newfoundland, that some observers sometimes do not dare deal too forcibly on the boats on which they are working.

The minister did not mention it today, but on other occasions I have heard talk about the under-utilized species and the fact that we should be making more use of some of them. I have said it before in the House and I will say again that one of the most under-utilized species, one that has tripled in numbers in the past seven or eight years, is the seal herd. No one really knows just how much fish it consumes. However they do know that it is eating some of the same food that the cod are eating, so it is certainly competing with the cod for food. It is also known that it is eating some of the cod, at least the nice soft cod belly. Most cod do not seem to get along very well without that portion of their anatomy, so they might as well be eating the whole cod.

Representatives of the industry in Newfoundland have come to Ottawa to encourage the government. The price for seal leather is so low right now that they need some kind of financial help to encourage the building of that industry. We should be making use of that resource in the same way that we are making use of the fish resource. Let us husband the fish resource by taking

away some of the competition from the seals in particular.

Off the west coast the problems are different. In the same way that the problems on the east coast have been created by government's reluctance to set quotas that would deal seriously with the situation, on the west coast it is government action or inaction in a different way.

The Americans attacked us under GATT for some of the actions of our processing industry in buying salmon from U.S. fishermen off the Alaska waters and for enforcing regulations which state that our salmon and herring be landed in B.C. before they could be shipped anywhere else. They made that stick with GATT.

There was a way out. The industry, the union, and the people involved in the fishing industry at all levels urged the government to impose an export tax. That is GATT compatible. We support GATT, but that is GATT compatible. They could have imposed an export tax. The only reason I can imagine for the government not doing that was that it was waiting for the free trade agreement to come into effect so that it could then go to a free trade panel hearing and show everyone how well the free trade deal is working for Canada.

Whether that was what it planned or not, that is the route we took. We said that we need it for conservation purposes and for management of the resource, quite apart from maintaining employment in the industry. Several cabinet ministers, both past and present, guaranteed that there would not be job loss in the processing and in the fishing industry in B.C. as a result of the GATT attack and the free trade deal attack upon our landing regulations in B.C.

What were those guarantees worth? I remember Alex MacDonald of the B.C. legislature saying that a verbal promise is worth the paper it is written on, and that is all those promises by the government cabinet ministers were worth. They achieved nothing. The promises were totally worthless. One can only hope that they acted in good faith when they made these promises, but it certainly did not work out that way.

Nevertheless we went to the free trade panel which said that if we held back only 80 per cent and allowed 20 per cent to be exported it might be all right. Of course the Americans were not prepared to accept that. The Americans finally accepted 20 per cent for one year, then 25 per cent for the next three years, and then they would see what happens after that. There is no that question—and Carla Hills on behalf of the Americans has made it quite plain—that they want total, free, unrestricted access to all salmon and herring caught in B.C. waters.

• (1850)

I raised this matter with the minister in Question Period as well. His response was that the B.C. fishermen do not have to sell their catches to the American processors or to the American boats that are purchasing them. Yes, Mr. Speaker, that is true.

I spoke at a fisheries union meeting in B.C. and said that the only way we were going to be able to stop the export of round salmon and round herring to the Americans was for the fishermen themselves to stop it. They are going to have to police their own organization and the people who do not belong to their organization, if there is going to be any control of the export of round salmon and round herring from B.C. to the Americans. They want it. They are going to get it. The government is going to stand idly by as has proven to be the case several times in the past 18 months.

It is going to let it happen. It does not really care. It is prepared to write it off. That appeared to be the case when it was negotiating the deal. That was one of the arguments that we used in the election campaign, one of the reasons B.C. sent 19 New Democrats to this Parliament, as opposed to about half that number before. It was the concern about what the free trade deal was going to do to us. The evidence is there that it is doing it. There seems to be no question about that.

The legislation before us is oriented primarily toward increasing the fines, and we can accept that. I have not heard any quarrels about that. As far as letting it go to second reading and to committee, we are in favour of that.

There are so many problems in the fishing industry associated not just with the fines but with the actions against which the fines will be levied that we want the legislative committee to take this legislation and go to the east coast and the west coast to listen to some input from the people who are working in the industry.

The minister says he has listened to some of it. I do not doubt that he has. As a member of the fisheries committee I want this legislation to be referred to committee, and at the end of the second reading stage I hope that will be the outcome. If the fisheries committee will travel to both coasts, it must listen to all people—the fishermen, those who work in the processing industry, and the people who are not organized in unions but are organized in associations or whatever.

It is important that when this legislation is passed that it have the support of the people working in the industry or it is not going to work. Even this legislation depends to a large extent upon the willingness of the people who are affected by it to observe the regulations. The best scenario would be for us never to collect a fine because there is never any infraction of the regulations. In the past our attitude has been to levy the fines or find people guilty and fine them a nominal amount which, as the minister said himself, is a licence to keep on doing what they have been doing.

The best scenario, as I say, would be to encourage people to live with the regulations. We must convince them that everyone is living within the regulations. If the fishermen themselves know that, they are going to accept it. They are that kind of people. However, if they know that there are other people getting away with it, it will encourage them to try and get away with it. The best scenario would be if we never collected a dime, but if there is an infraction we would collect an amount that will be a lesson to the person who went against the regulations in that instance. This would not only be a lesson to him, but it would convince the other people that the legislation and the fines are being taken seriously.

Under the provisions of the Coastal Fisheries Protection Act fines have been levied in the past against foreign vessels for infractions of regulations. When this act was being passed in this Parliament in 1985-86, the then fisheries critic for the New Democratic Party, the member for Cowichan—Malahat—The Islands, Jim Manly, raised the following points in a debate. Unfortunately what he said was quite prophetic.

He said that it was not enough for us to raise the maximum fine, that there had to be some way of getting the message through to the courts that they had to raise the level of fines they were imposing because in some parts of eastern Canada the courts were imposing very low fines when compared to the current maximum. If we are going to raise the maximum, we must send a message to our courts that the international fisheries violations are serious enough that they should be considering imposing the maximum fines in a number of those cases.

• (1855)

There is a range. There is a low and a maximum. The maximum is there so that the court, if it is convinced that it is in the interests of conserving that resource, can impose the maximum fine. They cannot go any higher but they can impose the maximum. To the best of my knowledge that has not been done, but there should be times when it would be considered at least.

It is not just that. Dr. Les Harris in his final report on the northern cod, issued just four months ago in February 1990, indicated that the warning given by Jim Manly was not one listened to by the present government. The provisions of the Coastal Fisheries Protection Act allow for severe penalties.

I quote from the Harris report in that regard: "However, in practice penalties have not even approached these levels. We cannot escape the feeling that the violation of fishery regulations are regarded as mere peccadilloes, as if the whole matter of enforcement were a game".

I have another point with respect to the fines and what is happening in this regard. On May 7, 1989, some 13 months ago, the federal government announced its long awaited adjustment package which was to address the crisis in the Atlantic fisheries. Contained in that package was a reference to the intention of the Department of Fisheries and Oceans to increase its surveillance and enforcement capability.

At that time, as a member of the fisheries committee, I referred to the annual report of the DFO to the effect that it just did not have the capability to do the surveillance it was presently being asked to do, let alone increase it. It did not have the vessels or the personnel, and it was being cut back. It is being cut back again this year, according to the budget.

The minister tells us that he is going to increase the enforcement. He says that he is going to get the extra money, but he could not tell us from where it is coming. Is he going to get it by cutting back on some other service in DFO? Is he going to get new money given to him from the government? I doubt that very much. So far the government has not given any indication of backing down

on any other of its cut-backs. Thus it seems unlikely that there will be no money.

It seems very unlikely that he is going to be able to get it by scrimping and saving within his ministry. I have great concern that as much as the minister may want to increase surveillance and enforcement he is not going to be able to do it. These increases in fines and penalties are going to look good on paper but will have very little effect because there just will not be the enforcement and the surveillance.

He announced in April that there was $28.5 million to be allocated for air surveillance. Now, unfortunately, we have seen privatization. We used to do this with the air tracker service from Summerside. That is gone, or going. So we are going to privatize it.

The entire air surveillance system will now be in the hands of the private sector. Now that of itself is not necessarily bad, but the minister himself in talking about observers said that with what he is doing now he is going to be able to hire DFO officials who will be the observers. The implication of that was that they are going to do a better job than the private staff, the people who were hired on a part-time basis or whatever to do the enforcement.

Certainly, as he put it to us in the fisheries committee, it was his opinion that it would be better to have trained officials, people who are dedicated to the work, determined to proceed efficiently with enforcing these regulations, so that it would be of service to the industry and the people working in it.

I wish to refer now to a document entitled *Vision 2000* prepared by the Pacific Advisory Group. Unfortunately, this minister was not minister at the time of its preparation. I am hoping that it will not be his policy. That document clearly forecasts the erosion of the DFO. The activities of the Department of Fisheries and Oceans will be cut back.

That document states in part:

> The cost of Pacific fisheries management will have declined to 70 per cent of the level of the mid-1980s and will be totally recovered from the industry in increased fees and royalties—by the year 2010.

There is a system of levies being proposed for the east coast. The minister has talked about that.

• (1900)

I raise this question with him as well. He said: "If it is going to help the fishermen, if it is going to help the industry, then why should they not pay part of the cost at least, and perhaps even the whole cost?" This is not the time to go to the fishing industry and to the fishermen on the east coast and ask them to put more money into the pot. They are being laid off. In some cases, they are being told that the plant will never reopen.

The quotas are being cut year after year, and there is never enough to deal with the problem. There are going to be more cut-backs. How can the government ask the people who are trying to get by on very minimal incomes to pay more? Who knows what is going to happen with the UIC changes being held up across the hall? We cannot wait until they are ready to pay to do the kind of job that we have to do with the east coast fisheries, much less the west coast.

I mentioned the observer program. Bill C-74 talks about strengthening the observer program. In his final report, Dr. Harris found that: "Even in respect of vessels carrying Canadian observers, we have been informed by what seemed reliable sources, that under reporting of 25 per cent is not at all uncommon." Twenty-five per cent under even when we have observers. If there are no observers, then who knows? Certainly, the situation would not be any better. Again, it is bad apples that are spoiling it. But people are going to be encouraged to cheat when they know that others are getting away with it. Word gets around.

Appearing before the Senate fisheries committee in May, officials of the DFO acknowledged that observers who are charged with reporting and monitoring the activities of the fishing vessels of the large companies are paid by the industry. I found this out when I was in Newfoundland. They are employees of the industry. They are the processors. They are the very people who are going to benefit from the wrongdoing. The employer is the one who benefits if the employees are not doing a proper job of observing what is happening to the resource.

The master is paying the observer. What can one expect those people to do? If they do not do what the employer wants, they know they will be looking for

another job. How can we get proper surveillance, proper control, proper management of the resource with that kind of situation?

Also in May, representatives of the trawlermen of Canso appeared before the Senate fisheries committee and described the failure of the observer program. They estimated that only 40 per cent of the observers are "honest, sincere, hard-working and caring" individuals. The minister is going to beef up the observer program. I ask: is doubling, tripling or quadrupling the observer program going to help if it continues working as in the past, unless there are going to be some changes?

That is when the minister brought in his proposal. They are going to be employees of the ministry who will do, in his opinion, a much better job of observing than has been the case in the past. Along with the observer program, the hope is that there will be a lot more technology used. That is good.

The suggestion of the federal government is that it will institute a full surveillance program that would include the use of transponder devices enabling DFO to monitor every movement of these vessels. On March 19, 1990, officials with DFO were saying that a pilot project was planned which would see up to 10 offshore vessels being outfitted with these devices.

However, according to the director of Atlantic operations, before there could be any wider application of this program "there would have to be a lot of consultation with the industry". The passage of Bill C-74 will turn a pilot project into permanent legal requirement, which may have to be accommodated regardless of consultation. We do not know.

In 1981, in a study prepared for the Economic Council of Canada on the public regulation of the commercial fishery, the role of technology was limited. "We are impressed with the important role that voluntary compliance must play if any schemes, including the present ones, are to be successful." Earlier in my remarks today, I made that point. That depends upon voluntary compliance and upon people being assured that the regulations are working and being observed, with proper fines to make sure the system is working.

• (1905)

Even with new technology such as automatic log books and electromagnetic transponders, it is more difficult to monitor compliance with rules on the high seas than elsewhere. With this in mind, we urge that control schemes will encourage voluntary observance and provide incentives for enforcement against third parties.

When the minister talked about fish habitat, he mentioned a small stream. Yes, there are small streams and certainly small streams do get impeded, people build small bridges and small roads. That is not the habitat that is really of great concern to people. The habitat on the west coast is being disturbed by industry.

You will recall when the minister of health and the previous minister of fisheries announced in the House the curtailment of the harvesting of clams and oysters from eight different sites on the coast of British Columbia because it was suspected that they had been polluted by the pulp mills and were not safe for human consumption.

At that time I tried to find out how serious it was. Was it safe to eat stocks already on hand in grocery stores and in homes? The response from the minister of health unfortunately was not satisfactory. He said he would not feed it to his grandchildren because he did not have any. That is not much comfort to the people on the west coast who might be wondering, is it safe to feed to their children? Unfortunately, I did not get a proper answer from the government and have not to date.

Pollution is serious on the west coast. We do not know how serious or how important this is. We do know that regulations are being imposed to make people and industries clean up their act. It is not just industry. The city of Victoria, for example, is dumping raw sewage into the Straits of Georgia. After all this time, the capital city of British Columbia is still dumping untreated sewage from the whole greater Victoria area, not just Victoria itself. Something has to be done to clean up that kind of pollution, as well as going after industry.

It is not just enough to talk about small bridges and small roads. We have to look at the larger picture. Doctor Harris indicates that while much of our fishery, specifically the offshore fishery, is conducted during the spawning season, other country's fisheries prohibit such activity, based upon the information available concerning that fishery. This is one of the problems I have been told exists with respect to the cod fishery in the Atlantic. The

fish are being harvested during spawning season in the spawning areas.

In B.C. we know better than that. To the extent that we are able to control it, we do not let people harvest salmon in streams while they are spawning. But, apparently the cod is fair game because there is lots of them around. You find them. You go after them. It does not matter that they are spawning. That does not seem to be important.

Will the protection of the fish habitat apply to that kind of situation? We do not know how bad it is right now. We do not know how effective it is at decimating the cod population. We may find out something tomorrow. The fact is we do not know today and this legislation does not provide for it. The regulations are flexible enough that we can impose them upon this new situation, and to the extent that we get new information, one would hope that the regulations could accommodate the new situation.

We will support the legislation. We hope that the fines will mean something, that the judges will take cognizance of the fact that Parliament has thought it important to make dramatic increases in fines and levies. We hope that the observer program will work. We will be watching it. We wish the government would do something about the landing regulations in B.C. but that will only happen when there is a change in government.

Nevertheless, we support the legislation and are quite prepared to go to committee, have the committee listen to the people involved, the people that know what is going on in the fishing industry and the ones who can help make it work. Then we will pass it through the final stages.

Mr. Cooper: Mr. Speaker, I think you will find that there is consent to call it ten o'clock.

The Acting Speaker (Mr. Paproski): Is there consent?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted.

Accordingly, this House stands adjourned until tomorrow at two o'clock, pursuant to Standing Order 24(1).

The House adjourned at 7.09 p.m.

HOUSE OF COMMONS

Wednesday, June 20, 1990

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

UNION DES PRODUCTEURS AGRICOLES

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, I welcome this opportunity to pay tribute to the Union des producteurs agricoles on the 60th anniversary of its founding. For many years, the UPA has defended the interests of farmers in the region of Nicolet—Drummond—Bois Francs, and it has a great deal to be proud of.

With 225 officers working in 14 sectorial unions and 14 unions specialized in areas such as milk, beef cattle, eggs and so forth, the UPA's real challenge is defending the socio-economic interests of its 5,000 strong constituency. The Fédération de l'UPA de Nicolet is synonymous with the many services that have become available to producers over the years.

Mr. Speaker, this is thanks to the perseverance and energy of farm producers who take part of their precious time to defend the interests of other farmers, and I want to congratulate them for their dedication and the tremendous job they have done.

* * *

TRACADIE MILITARY CAMP

Mr. Douglas Young (Gloucester): Mr. Speaker, this week the commission responsible for examining the consequences of expanding the Tracadie military camp received the report on the environmental impact study prepared by National Defence.

After waiting for five years, residents of the region of Tracadie and Allardville—Saint-Sauveur are very worried, considering the many questions that have some unanswered.

We are all aware of the drawbacks of being near a firing range that would allow National Defence aircraft to train in low-level flying near inhabited areas.

The federal government should immediately identify, clearly and precisely, all the components for an economic development program for the region directly affected by this project.

I am willing to listen to all parties, but I repeat my commitment to the people of my riding: I will be the most difficult person to convince that expanding the Tracadie military camp is a good thing.

* * *

[*English*]

BILL C-21

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, today I rise to draw your attention to an article which appeared in *The Financial Post* on June 14, regarding Canada's jobless. It stated the statistics of Canada's contribution toward job training in relation to other industrialized countries.

Canada falls behind Germany, Japan, Britain and Italy, to name a few. I believe if the Senate was acting for the good of Canada, like it says it is, then it would pass Bill C-21 so that the government can begin to address the need to do more in the area of job training. Of course, this is only one area of concern that is being held up in the Senate.

I continue to hear from many expectant mothers who had planned to take advantage of the extended maternity leave benefits offered in Bill C-21. They are most upset that the stalling of the Senate is playing havoc with their lives and those of their unborn children.

The Senate's partisan gamesmanship is certainly not in the best interests of these mothers-to-be.

* * *

HERITAGE LANGUAGE CLASSES

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, many members of Parliament have received letters and

petitions from Canadians who are concerned about the funding cuts to heritage language classes.

I have here hundreds of letters from constituents which state that the total Secretary of State budget has been cut by only 5 per cent, but heritage schools have been cut by 100 per cent for a total of $4.1 million. There are 129,000 students across the country enrolled in heritage schools receiving instruction in 60 languages.

By cutting heritage language schools the government is destroying the most cost-effective program ever offered for the delivery of an effective language training program.

In Vancouver East over $138,000 has been cut from 30 heritage classes, many of which will have to close or charge a higher tuition fee making them inaccessible to children from low income families.

I call on the government to reinstate full funding for heritage language classes today.

* * *

• (1410)

[*Translation*]

WORLD CHILDREN'S FOLK FESTIVAL

Mr. Charles DeBlois (Montmorency—Orléans): Mr. Speaker, from June 23 to July 1, the city of Beauport will host the 4th World Children's Folk Festival, a major event of the summer in the Quebec City area.

Nearly 100,000 spectators are expected to attend this great popular festival featuring ten young folk troupes from eight countries, including France, Mexico, Hungary, Colombia and the Soviet Union.

Today I would like to pay tribute to the organizers of this festival, especially to the president, Marc-André Touzin, and the hundreds of volunteers throughout the riding of Montmorency—Orléans who will house the 400 young dancers and singers who are to perform in a dazzling display of rhythm and colour until July 1.

Mr. Speaker, I invite the people of Montmorency—Orléans and all the Quebec City region to join in this great festival of children of the world.

[*English*]

MEECH LAKE ACCORD

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, we witnessed the Prime Minister put on a pathetic performance in the House yesterday.

He tried to blame everyone in the country except himself for the Meech Lake mess. Well, he won't get away with it, Canadians will make sure of that.

Who decided to leave the First Ministers' Conference until it was too late? Was it the premier of Manitoba? No. Was it Sharon Carstairs? No. Was it the NDP leader in Manitoba? No. Was it Brian Mulroney? You betcha.

In fact, he admits the timing was all very deliberate. He said he rolled the dice. He bragged about it. He even gloated over it. Now we know the result. The Prime Minister blew it. He has made a complete and utter mess of Meech Lake.

It is time the Prime Minister stopped looking for scapegoats. It is time he accepted responsibility for his own actions. Canadians do not deserve such a poor performance from the Prime Minister.

* * *

CORPORATE TAXATION

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, the first nominee for the corporate welfare bum of the week is Consolidated HCI Holdings Corporation. It had profits of $20 million in 1988 without paying a penny of tax.

The second nominee is Cairn Capital Inc. which had profits of $17 million in 1988. For producing these profits, it received a tax credit of $243,000.

The third nominee is BMO NT Financial Corporation. It did not pay any tax on profits of $8 million in 1988.

The envelope, please.

And the winner is: From these financial corporations that play shell games, the winner is BMO NT Financial, because the "NT" stands for "no tax". BMO NT Financial is the corporate welfare bum of the week.

VETERANS' BENEFITS

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, yesterday the Minister of Veterans Affairs announced that maximum rates payable for funeral expense assistance for eligible veterans has been increased from $2,000 to $2,940, a 50 per cent increase.

This announcement is yet more positive news. Hon. members will recall that last week the Department of Veterans Affairs signed an agreement with British Columbia for 200 long-term beds for veterans worth up to $35 million.

In addition to this, there will be increased income protection for spouses of veterans who are in long-term care centres, a special trust fund for the benefit of needy veterans, using moneys left unclaimed on the death of a veteran, payment of attendance allowance to widows for one year after the death of a veteran, and interest on moneys administered by the Department of Veterans Affairs on behalf of veterans.

These continuing improvements are evidence of this government's high regard for veterans and their families.

* * *

PRINCE EDWARD ISLAND

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, this month and the following summer months in Prince Edward Island will be exciting times for Islanders.

Numerous festivals and events across the province will take place to celebrate the heritage and tradition of the Island.

From Anne of Green Gables to our Malpeque oysters to fresh lobsters and potatoes, the Island has so much to offer.

Visitors keep coming back because the quality and richness of Island life is hard to match.

Islanders make visitors feel at home. Our glorious beaches and beautiful landscape make it even harder to leave.

1990-91 is special in the tourism industry as we remember our rich Celtic heritage and celebrate a special Irish homecoming. The theme for this celebration is We're Akin to Ireland.

I would like to take this opportunity to invite my fellow colleagues on all sides of the House to come to Prince Edward Island and enjoy one of the world's greatest Islands.

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[*Translation*]

CITY OF AMOS

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, for several months, the Mayor of Amos, Jean-Paul Veilleux, council members and the general manager, Réal Bordeleau, have been trying to obtain justice from CN with respect to renewal of the lease for a community parking lot.

The City of Amos does not agree with the rent increases proposed by CN management; it considers them to be excessive and unfair. The City of Amos is prepared to accept a normal rent increase based on the cost of living, especially since the city receives no revenue from this community parking lot.

Once again, CN property management in Montreal show that they could not care less about the people of Amos by charging an exorbitant price for this community parking lot.

Mr. Speaker, I ask CN property management to consider the request of the City of Amos for the welfare of the people of Amos and surrounding areas.

* * *

[*English*]

COMPARATIVE POLITICAL INTERNSHIP PROGRAM

Mr. Jim Peterson (Willowdale): Mr. Speaker, I wish to pay tribute to Dr. Helen Graves, organizer of the 1990 Comparative Political Internship Program and the 26 university students from Michigan who have worked with us in Parliament as our interns since May 9.

For the record, these interns are: Nawal Amori, Jennifer Bednar, Paul Berg, Kristen Brown, Lee Columbino, Renu Daga, Darrell Donakowski, Jeremy Efroymson, Elizabeth Gnegy, Jodi Goldman, James Green,

Donald Kennedy, Denise Legault, Kimberlyn McNally, Michael Morris, Anthony Nitsos, Gerrald Ottenbreit, Brian Parillo, Jennifer Perlove, Kenneth Ross, Judy Samp, Dennis Santillan, Ona Sostakas, Laura Van Havermaat, Julie Zazula, and Stephen Pancratz, my excellent intern.

Dr. Graves and interns, we wish you much success in your future and we thank you for your contribution to us.

* * *

NATIONAL UNITY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, as our constitutional problems unfold, Canadians are rightly asking how we got into this mess. The people in my riding, like the rest of Canadians, do not understand all that is happening. I do not understand it either. It leaves me frustrated and angry. I want my country back; I want my country back from the extremists; I want it back from the regionalists; I want it back from the special interest groups; I think all Canadians want their country back right now.

Premier Peterson said in Newfoundland this morning that what unites us is our ability to solve problems, not to create them.

[*Translation*]

Mr. Speaker, it is obvious, it is common sense, it is now time for all Canadians to say: Long live Quebec! Long live Canada! Our country first and foremost!

Some hon. members: Hear, hear.

ORAL QUESTION PERIOD

[*English*]

MEECH LAKE ACCORD

Hon. Bob Kaplan (York Centre): Mr. Speaker, as the critical path which the Prime Minister established for resolving the constitutional impasse continues to unfold, I would like to ask him for an update on developments in Newfoundland and Manitoba.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the latest developments of which I am aware are that Premier Peterson accepted the invitation of the premier of Newfoundland and Labrador to visit the Newfoundland and Labrador House of Assembly this morning.

I believe I can fairly say that he made one of the most impressive speeches that has been my pleasure to listen to on behalf of the unity of Canada and the desirability of passing Meech Lake.

Some hon. members: Hear, hear!

Mr. Mulroney: It was clearly an accurate statement because the member for Willowdale is in agreement.

It was a most impressive statement in which Premier Peterson, who had participated at the 1987 Meech Lake Agreement, and then the 1990 agreement, brought forward arguments on behalf of the unity of Canada and the compelling and urgent nature of concluding Meech Lake so that the country could move on to other important matters such as aboriginal concerns that we wish to deal with on an urgent and comprehensive basis. I understand that Premier McKenna is before the legislature in Newfoundland and Labrador as we speak.

• (1420)

My hon. friend will remember that Premier McKenna was the first to have some reservations about Meech Lake, but those were fully satisfied in the meetings in Ottawa 10 days ago. He went back, and the legislature of New Brunswick passed the Meech Lake Accord, bringing the number to eight legislatures representing 94 per cent of the population of Canada that, as of this moment, have already passed the Meech Lake Accord. I think that is very good and encouraging news.

With regard to Manitoba, I understand that the House is meeting, or will be meeting very shortly. I know that there is a unique situation in Manitoba because of the difficulties inherent in a minority situation. It has the only one that exists in a legislature in Canada. So there have been special problems for Premier Filmon and for Mrs. Carstairs and Mr. Doer that we recognize and seek to accommodate. I think on behalf of all Canadians, and in the same spirit of generosity that Premier Peterson put forward this morning in Newfoundland and Labrador, we simply ask the leaders of the three parties in Manitoba to please, on behalf of Canada, make an extra effort to make sure that the Meech Lake Accord is ratified.

Some hon. members: Hear, hear!

[*Translation*]

Hon. Bob Kaplan (York Centre): Mr. Speaker, considering the very real problems with the time frame in Manitoba, I would like to ask the Prime Minister whether he has considered the various suggestions that have been made for extending the deadline for ratifying the accord, and whether he sees any possible solutions?

[*English*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, if I can say in a non-critical way without any recrimination, I think it is probably fair to say, at least the reports were, that the problem 11 days ago originated from a procedural fault in the introduction of the original motion. That was used to delay by some 10 or 11 days consideration of this important matter by the legislature of Manitoba.

Human mistakes do occur everywhere. They occur in this Parliament, they occur in all freely elected Parliaments. But, it is our belief that this flaw of procedure can be corrected. I believe the premier and the two other leaders wish to have it corrected and that there is time under the rules of the Manitoba legislature to correct this situation and to move on and to cause that legislature to do within the timeframe, namely, before the twenty-third, what legislatures are elected to do, to be seized of a problem and to vote it either up or vote it down.

I believe that if it comes to the Manitoba legislature for a vote, pursuant to the undertakings given by the three leaders that the Manitoba legislature will substantially support the Meech Lake Accord with the companion resolution because of what it does for Canadian unity and what it does for aboriginal justice in Canada.

Hon. Bob Kaplan (York Centre): Mr. Speaker, certainly no one in this House denies the importance of solving the problem. Can we take it from the answer the Prime Minister has given that the government, having examined all of the various proposals made for ways of extending the deadline, is not able to propose any way which would be effective for doing that?

I want to ask the Prime Minister further whether he is prepared to meet with aboriginal leaders to see if he can earn their co-operation in seeing the constitutional impasse resolved?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend asks about extending the deadline. I have just tried to indicate to him that the present deadline suffices. Irrespective of the fact that the Manitoba legislature has already lost 11 days from what appears to have been a defect in the procedure in the bringing in of the resolution on June 11 after the signing ceremony, it is our advice that under the rules of the Manitoba legislature, if the three party leaders and the three parties are in agreement, while time is short, it can be done. It should not be forgotten that the Manitoba legislature and the people of Manitoba have had and have taken a great deal of time by committee to consider the implications of Meech Lake over many months prior to June of this year. There have been very extensive public hearings held on Meech Lake already. Under the rules of the Manitoba legislature, we are informed that the Meech Lake Accord could indeed be passed by the twenty-third with ample time left for public hearings in respect of the companion resolution which would ensure that all Manitobans are heard again, if need be, on the implications of the companion resolution.

It should never be forgotten that full and complete hearings have already been held on the Meech Lake Accord. Meech Lake, we are told, could be passed within the present time frames. There would be ample opportunity for public participation in respect of the companion resolution and so Canada would conserve and strengthen its unity and Manitoba would have done its duty toward the people of Manitoba by ensuring that they are heard again in respect of all the considerations in the companion resolution.

* * *

CANADA DAY CELEBRATIONS

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is for the Secretary of State. I want to ask if it is now a condition for getting a grant for Canada Day celebrations that a mayor or other official must have their picture taken with the local Tory MP. In this respect, has the minister received a complaint from Mayor Steve Olynik of Greenfield Park in Quebec that the member of Parliament for Saint-Hubert made such a request, made such a condition for delivering the Canada Day cheque? Does the minister think that this sort of behaviour is consistent with the spirit of Canada Day?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, there were some 270 projects approved by a remarkable Canada Day committee under the chair of Mrs. Geraldine Doucet.

The committee worked very hard and I think brought forward some very excellent proposals which were all, of course, approved and will bring great credit to our ability to celebrate together a very important Canada Day.

From what I understand, there were on some rare instances, opportunities for an MP to deliver some of the larger cheques. I am not fully conversant with how all of this takes place, nor am I really conversant with what took place between the mayor and the MP. I personally have not spoken to the mayor. He has not called me on the subject.

I will certainly look into the matter and get back to the member at my earliest convenience.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I would like to ask the minister when he or his department decided to have these cheques delivered by local Conservative MPs instead of having them mailed, and why is he making assistance for Canada's national day into a partisan act? What is the rationale for this abhorrent policy?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, the committee operated in a very honourable fashion and examined all of the projects that were brought forward. Those projects were all approved by this independent, impartial committee and it is my understanding that all of the projects that will go forward will be carried out with a great deal of enthusiasm and will be very helpful in celebrating Canada Day this year in the country.

* * *

• (1430)

[*Translation*]

MEECH LAKE ACCORD

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Prime Minister. Last week, the Prime Minister admitted he had planned the countdown, rolled the dice and then convinced first New Brunswick, then Manitoba, and finally Newfoundland. Clearly, his plan has fizzled. I therefore want to ask the Prime Minister when he will show some leadership. What is he going to do next? What are his plans today? Canada deserves a definite reply today!

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, inadvertently, the hon. member misrepresented what I said because she refused to go on and quote the rest, when I said we had no intention of isolating anyone, and that we proceeded this way because it seemed reasonable to do so, and because by doing so, we were pursuing the fundamental goal of Canada's unity. In any case, you have to have some idea where you are going when you get involved in complex negotiations, and we abided by some very important principles which were hailed as such, not only by the hon. member but also by other members of her political party, following the successful outcome on June 9.

Today, the hon. member is asking me about our plans for the future. I can inform the Leader of the New Democratic Party that we remain confident that MPPs in Newfoundland and Manitoba, who still have enough time, will agree to vote for the Meech Lake Accord. There will be a vote Thursday evening or Friday morning in Newfoundland. According to the Standing Orders of the Manitoba legislature, they still have enough time to proceed with the required vote. I am therefore confident that the leaders of the three political parties in Manitoba and the premier and the Leader of the Opposition in Newfoundland and Labrador will ensure that these votes take place, so that Canada will be able to preserve and reinforce its unity by the evening of the 23rd.

[*English*]

Ms. Audrey McLaughlin (Yukon): My supplementary question is for the Prime Minister, Mr. Speaker. The Prime Minister talks about the confidence he has in other legislatures to take the action to further the constitutional process. I would then have to question the Prime Minister as to why his government wants to bring forward a resolution today that talks about exerting influence on those legislatures, if he has such confidence.

The Prime Minister talks about what Manitoba can do, and I want to remind the Prime Minister that the agreement that was signed on June 9 by the premier of Manitoba, clearly states underneath the premier of Manitoba's signature: "subject to the public hearing

process". I will further draw to the Prime Minister's attention the Standing Orders of Manitoba which state:

> (2) Prior to the sixth day of debate on such a motion, that motion shall be referred to a Standing or Special Committee of the House ordered to receive submissions from the general public and to report back to the House.

Clearly Manitoba has Standing Orders, and I guess the Prime Minister is asking Manitoba to break this agreement.

Is the Prime Minister saying, by his comments today and by the resolution he wants to bring forward, that Manitoba should break its own rules and the rules that the premier signed with the agreement of June 9, 1990?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I do not want Manitoba or anyone to break any rules. I indicated to the member from Toronto in an earlier exchange that it was the view of the Government of Canada that, notwithstanding the fact that 11 days have already been lost because of a procedural defect in the introduction of the original motion, there still remains under the rules of the Manitoba legislature time to pass the Meech Lake Accord by June 23.

That is not just the view of the government. I would point out to my hon. friend that on June 11 in the *Winnipeg Free Press* the NDP House leader stated:

> The rules for dealing with constitutional amendments are quite clear, (NDP House leader Steve) Ashton said, adding none of the votes in the process require unanimous consent—
>
> A simple majority vote is required to move the legislature into committee, he said.

Since that time there has been paralysis in the Manitoba legislature, not because of anything that has been done by my hon. friend or a member of this House. But I ask her to reread the statements made by the House leader of the NDP who said on the 11th that a majority was all that was required, the implication being that one person could not and should not be allowed to hold up such an important, vital, national matter.

My hon. friend asks a question about the matter coming for consideration before the House this afternoon. On October 6, 1983 the then Prime Minister of the day introduced a resolution in this House which concluded with the House inviting the government and Legislative Assembly of Manitoba to take action as expeditiously as possible in order to fulfil their constitutional obligations and protect effectively the rights of the French speaking minority of the province.

On February 24, 1984 the same government introduced another resolution which concluded with the House urging the Government of Manitoba to persist in its efforts to fulfil the constitutional obligations of the province and protect effectively the rights of its French speaking minority, and so on.

This is not an intrusion into the rights of a legislature of another jurisdiction. This is simply, with ample precedent to guide us, the Parliament of Canada saying to the nation and saying respectfully to the legislators in Manitoba that "there is a most serious constitutional matter before the nation. You have it within your power to resolve this matter within the time frames of the 23rd, and please, in the interests of Canadian unity, use your best efforts to make sure that it is done".

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, if the Prime Minister would like to quote from 1983, I too would like to quote from 1983 from a book entitled *Where I Stand* by the Prime Minister, in which he said that he was concerned about the constitutional process and he felt that the debate should be open to the public at all times. He stated:

> There would be no sessions behind closed doors.

At that time the Prime Minister also stated:

> The test of great leadership is to harmonize divergent views into an eloquent and thoughtful declaration of national purpose.

Some hon. members: Hear, hear.

Ms. McLaughlin: Mr. Speaker, I can understand the government wanting to applaud because I think any of us could applaud that fine statement. But I want to ask the Prime Minister: in order to live up to those fine words, what is rthe Prime Minister's plan now? We are now just a couple of days away from the deadline. Canadians have a right to know what is the plan of the leader of the country for the constitution of the country.

Mr. Gauthier: You have answered that.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my friend, the member from Vanier, says that I answered that and he is quite right, but I will be happy to try again.

I should tell my hon. friend that I thank her for that quote. It was one of the finer ones.

I want to tell my hon. friend that the resolutions from Mr. Trudeau and his colleagues, supported by the member for Winnipeg South Centre, then Winnipeg—Fort Garry, led the debate on both of these important resolutions.

• (1440)

I supported both of these resolutions because I thought it was important that the Parliament of Canada send a signal, however respectful, to the legislature of Manitoba or to any other legislature that in the national interest the time had come to act to protect minority rights, and in this case, to help bring about a more united Canada.

I think it is entirely appropriate that this be done by the Parliament of Canada. That is what we are here for, to speak for Canada, and now is the time for all Canadians to speak for Canada.

I tell my hon. friend that one of the things she might do, and I say this respectfully, is to call the member of the Manitoba legislature of her own political persuasion, Mr. Doer, who is doing a tremendous job, and call the others who may have doubts and ask them in the national interest to support Meech Lake so that we can move to questions of aboriginal justice.

* * *

PORT OF MONTREAL

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is also for the Prime Minister and it concerns the administration of the Montreal Port Authority.

The Prime Minister will know of reports whereby the insurance firm of Charbonneau Dulude acting as consultants for the port authority recommended the awarding of a contract to Pratte–Morrissette, a company having as chairman one of the partners of the consulting firm recommending the award of the contract to start with.

Has the Prime Minister verified these allegations? Is he satisfied that the Parliament of Canada Act and the spirit of the conflict of interest rules have been strictly adhered to?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I read the same article in *The Globe and Mail* today, and quite frankly, I saw nothing in it that would cause me to believe that there had been any conflict of interest or that the insurance contracts in question went to anybody other than the lowest bidder back in 1984 when, as my hon. friend knows, there was a Liberal administration in the land up until September 4, 1984. My hon. friend knows those contracts were let before September 4, 1984. I see no reason to go back into my hon. friend's administration to investigate.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I want to ask the Minister of Transport or the Deputy Prime Minister the following supplementary question in the same regard.

[*Translation*]

This is the third time in less than a week that the Port of Montreal Corporation has been the subject of controversy for the way it awards contracts, for its purchasing policy and, earlier last week, for wasting public funds.

I would like to ask the government opposite if they are prepared to ask the Auditor General of Canada to investigate the contracting and administration policy of the Port of Montreal Corporation.

[*English*]

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, my hon. friend should appreciate that we realize that there were three articles coming forward. We thought if there had been anything to them they would have come forward last week. Obviously they have come forward in a progression. The question has been asked one day and not followed up the next day.

My hon. friend will know that Ports Canada and the Port of Montreal are fully audited by professional auditing firms and that they in the course of their audit would report to the audit committee of the port in question. They found no irregularities.

We see no reason to cause a witch-hunt to take place, and under the circumstances we are fully satisfied.

GOODS AND SERVICES TAX

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs.

In its report tabled Monday the Tory dominated House of Commons Standing Committee on Consumer and Corporate Affairs and Government Operations denounced the Government Information Bureau on the GST as having an impossible, time consuming and costly task.

Will the minister show respect toward the consumers of Canada and simply call off this ridiculous and excessively expensive PR job that members of his own party disagree with and that now clearly lacks credibility?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I am a little surprised by the hon. member's comment. I have here the report that was tabled by the standing committee and I would just like to quote the summary, Mr. Speaker, where it says that the committee believes that competition and consumer information are the best assurances of protection from business people who might abuse the GST. That is exactly what the government has done.

A little further, it says: "The government should subsidize an independent body with full power to educate consumers on the effects of the GST on prices with the elimination of existing federal sales taxes. This body would be composed of representatives from business and consumer groups; of limited size, it would be active for a short period and should be profitable."

Mr. Speaker, that is exactly what we have done.

Some hon. members: Hear, hear.

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, my supplementary question is for the same minister.

By accepting his position, Mr. Nickolas Murray clearly put himself in conflict of interest. Given his lack of judgment—

Some hon. members: Oh, oh!

Mr. Bellemare: —and therefore lack of credibility, should the government not at least now withdraw his appointment as chairman of the government's GST information office?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I find it quite inappropriate for a member of this House to accuse here in this Chamber the chairman who just resigned from the Consumers Association of Canada.

Mr. Boudria: Why did he resign?

Mr. Gauthier: Why did he resign? Tell us why.

Mr. Blais: He worked on behalf of consumers, Mr. Speaker—

Mr. Boudria: He was dismissed!

Mr. Blais: —for fourteen years. The hon. member should especially look at the work Mr. Murray did for fourteen years. The government appointed him chairman of the information office because it believed he was able to protect consumers' interests over the next year and a half as he did in the past fourteen years, Mr. Speaker.

* * *

[*English*]

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the members' attention the presence in the gallery of the Hon. Al Adair, Minister of Transportation and Utilities for the Province of Alberta.

Some hon. members: Hear, hear!

* * *

ABORIGINAL RIGHTS

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, my question is directed to the hon. Prime Minister. His government's February budget launched another in a series of vicious, ideological attacks on aboriginal peoples and brutally slashed the government's program for native peoples in this country.

How can the Prime Minister now blame aboriginal leaders for delaying approval of the Constitutional Accord? Does he not see that their position is a direct consequence of his actions in the February budget?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, first of all, I think my hon. friend would want to correct a serious misstatement. I never once blamed the aboriginal peoples for anything. I have believed from the very beginning that, if anything, the aboriginal peoples were, are and continue to be victims of historic injustice which this nation must seek to correct.

As a result of which, my hon. friend will recognize that this year the Department of Indian Affairs and Northern Development will have a budget of in excess of $3.5 billion, up nearly $200 million from last year, and total funding for aboriginal peoples from all departments will be over $4 billion, which is the largest amount ever expended in history by the Government of Canada, and we plan to do more each year on behalf of the aboriginal peoples.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, the Prime Minister says that the native people in this country have been victimized for years and years. How does he expect cutting their media budget this year will reverse that victimization? How does he expect cutting programs for their language retention and for their cultural organizations will reverse that victimization? How does he expect that cutting the funds for their representative organizations, which also assist natives in making representations to constitutional debates, is going to reverse that victimization?

He did blame Phil Fontaine of the Manitoba Chiefs yesterday.

When the roll of the dice was taking place, did the Prime Minister expect that the native people of this country would be paying the price?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, on the contrary. My hon. friend continues to do a disservice to the facts by suggesting that I blamed Chief Phil Fontaine. I did no such thing and the record will sustain what I have just said. I also said that the Manitoba Métis Federation, representing approximately 80,000 native Manitobans, on June 18 actively supported and called on the Manitoba Legislature to stop the procedural blockage of the resolution. I quote Mr. Dumas who stated: "We have considered the latest undertaking by the Prime Minister and believe it is now in our interests more than at any time in the past, that we take advantage of the provisions now before us which are possible following the approval of the accord".

• (1450)

The Manitoba Métis Federation is calling on the Manitoba legislature to pass it now because there are untold benefits to come from the proposals.

Mr. Skelly (Comox—Alberni): What about aboriginal organizations in this country? What about the cuts?

Mr. McKnight: What about the SFIN? Check the SFIN.

Mr. Mulroney: Mr. Speaker, I have already indicated to my hon. friend that the Government of Canada now expends in excess of $4 billion a year, up $200 million from last year.

My friend talks about communications programs. Let me talk to him about the negotiations which led to the final agreements with the Dene-Métis on their comprehensive land claim, and others in the Northwest Territories and the Yukon. The Government of Canada has concluded all of these agreements—

Mr. Skelly (Comox—Alberni): What about money for representative organizations?

Mr. Mulroney: I ask my hon. friend to listen to this. The Arctic claims will put 575,000 square kilometres of land firmly and irrevocably under Indian and Inuit ownership and transfer $1.3 billion to the native peoples of Canada, making the natives the largest single land holders on the North American territory. That is what they wanted. That was refused for decades.

As *Le Devoir* states this morning, and my hon. friend should listen to this—

[*Translation*]

"By saying no to Brian Mulroney, the Manitoba chiefs have turned down the only hand that was seriously extended to them in six years. The Conservatives have an undeserved reputation as shallow, unscrupulous business people, but it was under their administration that the historic wrongs done to native people began to be righted. It is Brian Mulroney, 'the company lawyer' who gave back to northerners the land that Mr. Trudeau, 'the father of the Charter', reserved for the oil companies."

Some hon. members: Hear, hear.

* * *

[*English*]

ROUTE CANADA

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, my question is for the Minister of Transport, and it is about a problem that will not go away, and that is the sale of Route Canada.

The records indicate that the workers are owed over $9 million. Will the minister offer some assistance to all of those workers and their families who are deprived of their economic livelihood because of the failure of this company?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, it is not a matter of the question not going away. It is just that my hon. friend keeps repeating the question. There is nothing new in the question my hon. friend asks.

The bankruptcy trustee is in a position to look after the employees of the company. The government is not in a position to do that for every company. In fact, we have no reason to believe that the bankruptcy trustee is not looking after the interests of the company with respect to wage settlements, vacation pay and pension entitlements.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, at the invitation of the minister last week, I went to the bankruptcy trustee and the records indicate that Revenue Canada, as the Minister of National Revenue stated yesterday, is almost all paid up. Royal Trust has been paid well over $38 million. The Royal Bank has been paid in excess of $15 million and Triathlon Leasing has been paid millions. It seems that all of the lawyers and the trustees and the receivers are being paid their legal fees and there is close to $9 million owing the workers.

The question is very simple, Mr. Speaker. Will the government that is supposed to be showing care and compassion for the workers of this country show some care and compassion for the workers of Route Canada and reimburse them for their lost wages, their seniority and their pension benefits?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, the Government of Canada will respect its obligations under the law, as my hon. friend would expect. We do not change the law retroactively to look after one company or another in accordance with my hon. friend's wishes.

I understand that prior to the bankruptcy employees received all wages owing and vacation pay to labour code standards. They were owed pay in lieu of notice and severance pay pursuant to the labour code and also extra vacation pay.

Labour Canada has advised the bankruptcy trustee of labour code indebtedness and the employees are being represented by their unions in the bankruptcy proceedings.

In other words, we have lived up to our obligations as the Government of Canada, as we are expected to, and we are waiting until the bankruptcy is wound up to see what other obligations there are.

* * *

NATIONAL RESEARCH COUNCIL

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister for Science. This week, the National Research Council announced sweeping organizational changes without yet having made public its five-year plan for the council.

We know that the minister has had that plan in his possession for over a month now. Will he explain to the House why he is holding up the NRC five-year plan, and why has a major reorganization of the council been announced without a long term plan in place?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, the organizational changes at the National Research Council are meant to strengthen their ability to do research and to do long-term directed research, which is what I understand the member really wishes to have.

With respect to the five-year plan, I do have that plan in my possession. I have asked for some very minor changes. I hope the council will agree to those very shortly.

[*Translation*]

Mr. John Manley (Ottawa South): Mr. Speaker, I have a supplementary concerning the NRC's Industrial Research Assistance Program, which has an outstanding record and is probably a perfect example of government assistance to research in the private sector. However, when it brought down its budget, the government decided to turn subsidies to businesses into loans. Could the minister give the House the assurance that this

decision will not affect IRAP and that the NRC will remain in charge of this program?

[*English*]

Hon. William C. Winegard (Minister for Science): Mr. Speaker, IRAP will stay with the National Research Council.

Mr. Manley: As a grant?

* * *

NATIVE LAND CLAIMS

Mr. Ken Hughes (Macleod): Mr. Speaker, my question is directed to the Prime Minister. In light of the fact that the question of land claims in northern Canada and other parts of Canada were raised earlier in the Question Period today, I wonder if the Prime Minister could clarify the question of the status of some of the land claims that have been dealt with recently and the direction that they are moving currently.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we have reached with the natives an unprecedented number of agreements. There was an agreement in principle with the Council of Yukon Indians on their comprehensive land claim in March of 1989, and then a final agreement in March 1990. In April of 1990, there was an agreement in principle with the Inuit of the Northwest Territories.

The native land claims go to the heart of the fundamental and historic grievances of the native peoples in Canada. By way of illustration, the Arctic claims put 575,000 square kilometres of land firmly and irrevocably under Indian and Inuit ownership and transfer more than $1.3 billion to the communities. Together the land area passing into Indian and Inuit ownership is more than the combined areas of the four Atlantic provinces, and will make northern natives the largest land owners in North America.

In addition, these three agreements contain arrangements for a guaranteed native share in land and resource management outside of the areas of ownership.

I wish to make two final points. In the proposal that was made to the natives this week, a fundamental and historic grievance was dealt with when the government undertook to resolve the joint definition of treaty rights and the establishment of a royal commission on native affairs of the stature and the impact of the Royal Commission on Bilingualism and Biculturalism.

This could bring historic changes to the native peoples. It is to be built on a 50–50 proposal, 50 per cent native, 50 per cent named by the Government of Canada. The chairman is to be sought from among distinguished Canadians, my own preference being someone with a long–lasting knowledge of this issue, and although presently occupied, I hope that we would be able to persuade him to accept the chairmanship of this historic royal commission into native affairs, namely, the Hon. Ed Broadbent.

* * *

• (1500)

THE CONSTITUTION

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, the best thing, it seems to me, that the Prime Minister could do at this time to help the situation would be to begin to admit to himself and the nation that he has been part of the problem, rather than part of the solution.

I ask the Prime Minister whether he remembers the resolutions that he recalled in the House today of 1983 and 1984 in which this Parliament was asked to pass a resolution, and did, with respect to Manitoba, that these resolutions did not have the desired effect, that they were counterproductive. The Prime Minister does not mention that. He does not mention that what he is trying today did not work in the past.

When will the Prime Minister stop misrepresenting the history of these kinds of resolutions and when will he stop misrepresenting the situation in Manitoba. The leadership of Manitoba signed the document here in Ottawa a week or so ago subject to political hearings, subject to public hearings. It is right in the document and yet the Prime Minister gives the impression that that is not the case.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have not misrepresented a single thing in regard to the resolutions of 1983 or 1984. I indicated that they were brought in by Prime Minister Trudeau. I believe they were supported by all parties and that was the extent of the comment. I indicated that they were designed to encourage the Legislature of Manitoba to

take cognizance of a very important problem and to pass something pursuant to an undertaking.

I can remember my discussions with Premier Pawley at that time. I was the new Leader of the Opposition. I had discussions with Prime Minister Trudeau, with Mr. Broadbent and Premier Pawley. Premier Pawley felt very strongly that it would be appropriate and helpful for the Parliament of Canada to speak out on that issue at that time, which is why I was honoured to be able to rise, as the new Leader of the Opposition, and commit the entire support of the Progressive Conservative opposition to the proposal brought forward by Prime Minister Trudeau.

We seek to be helpful. We are not seeking to exacerbate any difficulties whatsoever. I think, however, it is appropriate that the Parliament of Canada have an opportunity to speak out, not with nastiness, not with malice, but to try to encourage fellow Canadians to understand that there is a most serious matter in play and that we have a unique opportunity between now and Saturday to bring Canada together in a firm and unequivocal manner that will make all Manitobans and all Canadians proud of our citizenship.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, the point is that the Prime Minister was only telling half the story with respect to 1983 and 1984.

If he really wants to be helpful—

An hon. member: What were you doing, Bill?

Mr. Blaikie: I do not need any lectures about standing up for Canada. I am not the one who sold the country out in the free trade agreement. I am not—

Some hon. members: Oh, oh!

Mr. Blaikie: Mr. Speaker, I want to ask the Prime Minister, instead of recounting history partially, instead of bragging, instead of being so full of himself, why does he not meet—

Some hon. members: Oh, oh!

Mr. Speaker: The hon. member for Papineau—St. Michel.

[*Translation*]

EXTERNAL AFFAIRS

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, I have a question for the Prime Minister. Today, a number of countries decided to boycott the inauguration of the new Romanian president, Mr. Ion Iliescu. Since it is now clear that the election in Romania was marred by many irregularities and that the new government may be as dictatorial as the previous one, what explanation does the Prime Minister have for Canada's decision to approve this brutal regime by attending today's ceremonies? And will the government continue its CANDU program, after two Canadian MPs who visited that country made it abundantly clear that there were incredible problems to be overcome before the program could become operational?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, as the hon. member for Papineau—Saint-Michel knows perfectly well, about a year or a year and a half ago, the Canadian government, through the Secretary of State for External Affairs, was one of the most vigourous critics of the former administration in Romania. And at the Conference on Security and Co-operation in Europe, Canada was one of the countries that spoke out most vigorously against the previous regime. We assisted the democratic process, but we are also disturbed about certain developments. The state of democracy in that country remains precarious, and we are doing everything we can to ensure that the positions taken by Parliament are respected by the administration in Bucharest.

The hon. member's comments are well taken, and I can assure him that we will be consulting actively with the opposition parties on this important question, and he may rest assured that we will always continue to abide by the basic principles that have always governed Canada's international stance in this particular area.

ROUTINE PROCEEDINGS

[*Translation*]

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE TO STANDING COMMITTEE

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to table, in both official languages, an Order in Council appointment made by the government.

Pursuant to the provisions of Standing Order 110(1), it is deemed referred to the appropriate standing committee indicated on the attached list.

* * *

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to four petitions.

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

* * *

[*English*]

PRIVILEGES AND ELECTIONS

FIFTEENTH REPORT OF STANDING COMMITTEE

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, it is my pleasure to present to the House of Commons the fifteenth report of the Standing Committee on Privileges and Elections.

This report calls upon the House of Commons to change the Standing Order which would designate the privileges and elections committee the monitoring committee concerning House of Commons broadcasting.

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

INTERNATIONAL DEVELOPMENT (FINANCIAL INSTITUTIONS) ASSISTANCE ACT

MEASURE TO AMEND

Mr. Bill Blaikie (Winnipeg Transcona) moved for leave to introduce Bill C-322, an act to amend the International Development (Financial Institutions) Assistance Act.

Mr. Speaker: Shall the hon. member have leave to introduce the bill?

Some hon. members: Agreed.

Mr. Blaikie: Mr. Speaker, the purpose of this bill is to ensure that Canadian representatives on multilateral development organizations such as the IMF and the World Bank cannot vote in favour of any project unless there has been an environmental impact assessment done of the project and unless that assessment has been made available to members of the public.

This bill was patterned after a similar bill in the U.S. House of Representatives, the Pelosi bill, and is meant as a means of ensuring some accountability and good judgment on the part of these Canadian representatives.

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

* * *

• (1510)

PETITIONS

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my privilege and honour to present a petition pursuant to Standing Order 36 on behalf of a number of people from Kamloops, British Columbia, who are very concerned about the government's intention to move ahead on the proposed goods and services tax. Although 80 per cent of Canadians oppose the tax, the petitioners point out there are various objections to the tax and ask that the tax be dropped, or that the Liberals in the Senate vote against the tax this afternoon, and defeat it that way.

VIA RAIL

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, in another petition I have, the people are concerned about

the government's cut-backs to VIA Rail and are asking for full passenger rail service to be implemented.

CANADA POST

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have another petition from people in Westwold, British Columbia. They point out that their town has been in existence more than 100 years, and that the government has closed another post office when the post office indicates that they received a profit last year of $149 million. They feel this is wrong and that these profits are being built on the backs of communities like Westwold, British Columbia, and consider it to be very undemocratic and, quite frankly, anti-western Canadian.

[*Translation*]

GOODS AND SERVICES TAX

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have here a petition from several hundred workers, most of them residents of Hearst, Ontario, a petition that, like so many others, is against the GST.

Your petitioners say that the goods and services tax proposed by the Minister of Finance is an unfair form of taxation because it does not consider the ability of taxpayers to pay.

I wish to table this petition, and I hope the government will listen.

[*English*]

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, it is my honour and privilege to rise once again pursuant to Standing Order 36 to present this petition.

The constituents are asking me to present this petition in opposition to the goods and services tax. They point out that they are very aware of the unfair taxation system in our country, and are asking the Parliament of Canada, both the House of Commons and the Senate to kill the bill, so that there can be a system of taxation introduced that respects all Canadians and does not favour the favourites of the government.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I am pleased to present five petitions, signed by some 235 persons, which have been approved by the Clerk of Petitions as being correct in form and content. Some 45 of the petitioners come from the constituency of Kootenay West—Revelstoke, approximately 150 from the provinces of Ontario and Quebec, and another 40 from Edmonton, Alberta.

They are petitioning Parliament to reject—and Parliament of course includes the Senate—the government's proposal for a goods and services tax. Instead, the petitioners are suggesting that we reform the taxation system so that there is an effective minimum tax on wealthy individuals and corporations. They ask that Parliament ensure there is no tax on goods and services such as hair cuts, fast food, piano lessons, skating lessons, and other non-luxury items. They ask that the government cease with the proposal which will tax diapers and coffins, taxing Canadians from the cradle to the grave.

CANADA POST

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I have one further petition signed by some 340 persons from the community of Robson, British Columbia, in my constituency of Kootenay West—Revelstoke. That is virtually every home within the community of Robson.

These petitioners have pointed out that the existing full service post office in Robson fills all the postal needs of the people in that community, whereas other types of services that have been proposed offer only reduced service from that which is now enjoyed, and the interests of the community can best be served by maintaining the existing or equivalent postal service.

They ask the Parliament of Canada to urge that the existing essential postal service in Robson be maintained, at least until such time as there is a bridge built to replace the Columbia River ferry that has been abandoned.

GOODS AND SERVICES TAX

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I have seven petitions to submit to the House today with approximately, as close as I could count, 1,500 additional names. I might add that this brings to a total of 337 the number of petitions that I have submitted on behalf of residents of Okanagan—Shuswap against the goods and services tax, with over 16,900 signatures or approximately 32 per cent of the registered voters in the constituency.

They are calling upon the government to reject the goods and services tax as an unfair and Draconian tax measure. They are asking the government to ensure that

there is a process of fair tax reform that will provide a healthy climate for future economic growth in Canada.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is my pleasure to stand, pursuant to Standing Order 36, and once more present a petition against the goods and services tax.

This particular petition is signed by quite a number of residents of Kapuskasing, Ontario, and I add their signatures to those of thousands of others that I presented before the House. People have not given up the possibility that this government will come to its senses, stop the goods and services tax and bring in a tax that is fairer for all Canadians.

Mr. Sid Parker (Kootenay East): Mr. Speaker, I, too, have a petition pursuant to Standing Order 36. The attached petition is certified as correct.

The petitioners think that the Minister of Finance's proposed goods and services tax is an unfair form of taxation because of the lack of regard for taxpayers' ability to pay. The government has not addressed the unfair taxation system currently in place, which permits wealthy individuals and corporations to pay little or no federal tax, while forcing lower and middle-income taxpayers to bear more of the national tax burden. The government is now trying to tax reading, haircuts, diapers, coffins and home heating fuels. Whereupon the undersigned, your petitioners, humbly pray and call upon Parliament to reject the current proposal for a goods and services tax.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, pursuant to Standing Order 36, it is my duty and honour to table petitions from Hill View, Newfoundland, and other parts of Canada.

The petitioners argue against the proposed GST. They strongly oppose this tax. They claim that it is an unprecedented tax grab from the pockets of Canadians and it will hit them with higher taxes, higher interest rates, higher unemployment and higher inflation. We already see that the unions in their negotiations are building in protection against the 7 per cent GST.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, it is my honour and duty to present a petition from people in many parts of Ontario who are concerned that the government's proposed goods and services tax is unfair, especially because it does not address the unfair taxation system currently in place, which permits wealthy individuals and corporations to pay little or no federal tax while forcing lower and middle-income taxpayers to bear more of the national tax burden.

Therefore, they humbly pray and call upon Parliament to reform the taxation system so that there is an effective minimum tax on wealthy individuals and corporations to ensure that when there is a broad public consensus on a sales tax measure to replace the manufacturers' sales tax, this reform not be an opportunity for the government to impose a massive tax grab. Therefore, they ask the government to cease with the proposal which will shift the tax burden to ordinary Canadians through this regressive consumption tax.

• (1520)

COMMUNICATIONS

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have a petition from a number of residents of Vancouver, British Columbia. Interestingly enough, it was signed before the present constitutional crisis in Manitoba.

Whereas the government, through the Department of the Secretary of State, has eliminated funding to the Native Communications Program thereby eliminating 11 aboriginal newspapers, two magazines and the National Aboriginal Communications Society; and whereas the department has also reduced funding to the Northern Native Broadcast Access Program by 16 per cent, thereby cutting back the possibility of aboriginal television and radio to reach people.

The petitioners ask for the reinstatement both of the Native Communications Program and the Northern Native Broadcast Access Program at full level funding, and pray that the Secretary of State conduct consultations with the groups funded under the program to devise plans for the future that will serve the needs of the department as well as the aboriginal people and their media.

I am pleased to table this petition. I hope the Prime Minister is listening to it.

VETERANS AFFAIRS

Mr. Maurice Foster (Algoma): Mr. Speaker, I have the honour to present petitions from several hundred petitioners from communities throughout the Algoma-Manitoulin area, including Gore Bay, Chelmsford,

Manitowaning, Richard's Landing and Blind River, in which the petitioners make representations to the government concerning the planned reduction in housekeeping services to veterans and substantially increasing the cost of long-term care. The petitioners note that veterans have already given service to their country and call on these budgetary measures to be rejected by the House of Commons.

UNEMPLOYMENT INSURANCE

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the persons who signed this petition would have been dismayed to witness the government's callous disregard of the Senate attempt to solve the unemployment insurance problem that they have petitioned Parliament about in the form of Bill S-17, which was defeated at first reading by the government members the other day.

The petitioners are concerned about the cuts in the unemployment insurance program in Canada and they petition Parliament to reject cuts in that program. They urge the government to propose more meaningful reforms, concentrating on labour force development strategies and a full employment policy with effective regional development policies.

I submit that these petitioners, all from the province of Newfoundland, have a legitimate grievance that they present to this Parliament and would ask the government to agree to the Senate amendments to Bill C-21 and get the bill passed promptly.

GOODS AND SERVICES TAX

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, I have the honour, pursuant to Standing Order 36, to present a number of petitions from my constituents who oppose the goods and services tax.

[*Translation*]

They are vigorously opposed to the new goods and services tax because it constitutes an unprecedented attack against the incomes of Canadians and will not only force them to pay higher taxes but also expose them to higher inflation, higher interest rates and higher unemployment.

[*English*]

VIA RAIL

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I have the honour and privilege to present a petition that has been certified correct as to form by the Clerk of Petitions.

This petition was signed by approximately 50 individuals from all parts of Canada. I think it is safe to assume, given the subject matter of the petition, that they were riding VIA Rail.

They call upon Parliament to maintain VIA Rail's national network and to upgrade VIA Rail with new equipment. They want a passenger train act giving VIA Rail a firm legislative mandate and a revised costing arrangement with the railway companies. They have joined with Transport 2000 and Rural Dignity of Canada in order to obtain justice and satisfaction to legitimate demands.

I suspect that those people who are riding the Much Music VIA Rail train will also be sending in these petitions.

UKRAINIAN CANADIANS

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, I have the honour to present two petitions pursuant to Standing Order 36.

The first one calls upon the government to acknowledge the injustices done to Ukrainian Canadians during the First World War and after.

EXTERNAL AFFAIRS

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, the second petition concerns Mr. Yih-Sheh Leo and his situation in Taiwan and calls upon the Government of Canada to take several measures.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 293, 299, 301, 303, 306 and 312.

Routine Proceedings

[*Text*]

EXPENDITURES ON R, D&D, ENERGY EFFICIENCY AND ALTERNATIVE ENERGY

Question No. 293—**Ms. Callbeck:**

For each year since 1984, has the government contributed in cash or through preferential tax treatment, to (a) research (b) exploration (c) development (d) each of any other aspects of energy and alternative forms of energy (e) energy efficiency and conservation and, if so, what amounts and, in each case, leading to what economic spinoffs, including job creation, and how do these expenditures compare to those made in (i) Europe (ii) Japan (iii) the United States?

Hon. Jack Epp (Minister of Energy, Mines and Resources): (a)–(e) See attached tables.

The major benefit of federal government expenditures on Research, Development and Demonstration (R, D&D), energy efficiency and alternative energy has been the conventional energy fuel expenditures saved. For example, about $9 billion per year in conventional energy expenditures have been estimated as being saved as a result of consumers' response to energy price increases and efficiency and alternative energy program activities since 1973. This corresponds to a saving of about 20–25 percent in the nation's annual fuel bill. The government's expenditures on R, D&D have contributed significantly towards this goal by developing more technically and commercially attractive products and technologies. In addition, these expenditures have contributed towards the country's energy diversity, in part by reducing the use of oil/oil products and by exploiting viable energy alternatives to oil/oil products. For example, the contribution of renewable energy (excluding large scale hydro) to Canada's primary energy supply has increased from about 4 percent in 1975 to about 7 percent in 1986. The equivalent oil value of this energy is almost $2 billion per year.

The major spinoff associated with efficiency and alernative energy expenditures has been in terms of the economic activity generated. In less than ten years, Canada has established an impressive array of diversified energy management and renewable energy companies. This industry is comprised of approximately 4,500 firms, employing 77,000 Canadians with annual sales of about $7.5 billion. While several of these firms are small, the employment and sales are well distributed across the country. In general, this industry is relatively labour intensive. A 1987 consultant study concluded that an expenditure of about $38,200 (1984 dollars) generated one person–year of employment in the energy management industry. For the period 1978 to 1984, approximately 142,200 person–years of employment were generated as a result of energy management investments of the seven specific areas studied.

Table 1

Energy Research, Development and Demonstration Expenditures[1]

(Millions of 1988 U.S. Dollars)

Region	1984	1985	1986	1987	1988
Canada[2]	550	447	432	348	328
European Community	447	603	574	446	na
United States	2587	2586	2308	2038	2043
Japan	2823	2968	3039	2635	2159

1. Data extracted from the most recent IEA (International Energy Agency) annual review publication entitled 'Energy Policies and Programs of IEA Countries – 1988 Review[1].

2. On a per capita expenditure basis, Canada ranks about fourth compared to all other IEA countries – generally behind only Japan, Switzerland and Italy.

Table 2

Direct Federal Government Expenditures on Efficiency, Alternative Energy and Exploration

(Millions of nominal dollars)

Area	1984	1985	1986	1987	1988
Efficiency and Alternative Energy[1]	372	200	38	32	51
Exploration[2]	1703	1534	1332	380	335

1. Expenditures shown are for fiscal year. Expenditures (in millions) incurred in 1985 (most recent available) by other countries were: Japan, $242; United States, $869; United Kingdom, $235; Sweden, $485; and West Germany, $942.

2. Includes Petroleum Incentives Administration (PIA) expenditures for calendar years 1984 through 1987. The majority of expenditures incurred under PIA were through the Petroleum Incentives Program (PIP) for eligible asset, development and exploration costs. Also included are expenditures incurred under the Canadian Exploration Development Program (CEDIP) for calendar years 1987 and 1988.

PREPARATION OF THE DOMESTIC SUBSTANCES LIST AS REQUIRED BY THE CANADIAN ENVIRONMENTAL PROTECTION ACT

Question No. 299—**Mrs. Gaffney:**

1. Has the government awarded a contract to the American Chemical Society of Columbus, Ohio entitled "Preparation of the Domestic Substances List as Required by the Canadian Environmental Protection Act" and, if so (a) for what amount (b) did any Canadian companies bid on this contract and, if so, which ones (c) was the American Chemical Society the lowest bidder and, if so, what was (i) their bid (ii) the bid of each of the other bidders (d) was there a call for tenders and, if so (i) in what location (ii) at what time was it announced?

2. To the knowledge of the government, does the American Chemical Society possess any specialized expertise or knowledge of "Canadian domestic substances" beyond that which would be found in Canadian companies and, if so, of what kind?

Hon. Robert R. de Cotret (Acting Minister of the Environment): 1. Yes.

a) Environment Canada has awarded, on a sole-source basis, a $1.8 M contract (Preparation of the Domestic Substances List (DSL) as required by the Canadian Environmental Protection Act) to the Chemical Abstracts Services (CAS) of the American Chemical Society to assist with a very specialized requirement.

b) No

c) N/A

d) No

2. The use of the Chemical Abstracts Services (CAS) is necessitated by the recommendation of the Consultative Committee that the Domestic Substances List (DSL) be formatted on the basis of Chemical Abstracts Registry Numbers and Chemical Abstracts nomenclature. Industry was particularly insistent on this point. Chemical manufacturers and importers now operate in a global market and, consequently, it is important that any Canadian regulatory scheme identify substances in a manner consistent with that of our major trading partners, particularly the United States and Europe. Chemical Abstracts Services has been asked to evaluate the name of each substance accepted for the Domestic Substances List in order to validate nomenclature and registry number acceptability. As the originators and owners of the Chemical Abstracts Services Registry Number system, only Chemical Abstracts Services can certify substance name/registry name equivalency and, when necessary, generate new numbers.

Chemicals Abstracts Services is not tasked with the provision of any information relative to the import, manufacture, use, distribution or availability of substances with Canada.

Background Information

Environment Canada is in the process of building the Domestic Substances List (DSL) required for the Canadian Environmental Protection Act (CEPA). Until this list is finalized, the new substance notification provisions of the Act can not be implemented.

In compiling the DSL, the Department has adhered as closely as possible to the recommendations of the Environmental Contaminants Act Amendments Consultative Commitee, a multistakeholder consultation group consisting of representatives of the federal government, the provinces, labour, industry and non-governmental environmental interest groups. Accordingly, all substances considered for the DSL are based on nominations submitted by Canadian industry. Environment Canada evaluates these submissions to determine their consistency with statutory and administrative criteria for inclusion on the list. Consequently, Canadian industry and the Department jointly determine the ultimate contents of the DSL.

In order that the Domestic Substances List (DSL) required by the Canadian Environmental Protection Act (CEPA) be prepared as expeditiously as possible, Environment Canada has contracted Chemical Abstracts Service (CAS) of Columbus, Ohio to assist in its compilation.

Environment Canada is committed to formatting the DSL in terms of CAS Registry Numbers and substance names structured according to CA nomenclature rules. As CAS is the originator of the CAS numbering system, it would be impossible to proceed without their involvement.

CAS has also advised Environment Canada on approaches to the collecting and compiling of DSL data and is assisting with the development of publication procedures.

Five contracts ($3.8 M total) have been awarded to CAS on a sole-source basis.

CAS has a unique experience in the area of chemical substances inventory development as a result of its participation, as prime contractor, in the two main inventory exercises that have been carried in the world so far, namely in the U.S.A. (U.S. Environmental Protection Agency, Washington) and in Europe (Commission of European Communities, Brussels).

Environment Canada has been advised by both these agencies that the involvement of CAS in the Canadian inventory project must be viewed as a necessary and essential condition for the success of the exercise and the credibility of its output.

One country, Australia, has attempted to prepare a similar list without the benefit of outside expertise. The effort has been in progress for four years and has been less than successful. To our knowledge, the level of expertise and highly qualified assistance required to build the DSL is not available from any other source, neither in Canada nor elsewhere.

The comprehensive assessment process specified in CEPA for new substances, imported into or manufactured in Canada, cannot be implemented until this list is completed.

CAS is owned by the American Chemical Society and operates on a non-profit basis.

INDIAN POLICING POLICY REVIEW

Question No. 301—**Mr. Nault**

1. Can the government provide the specific details of any consultation process to be undertaken with respect to the Indian Policing Policy Review Report and, if so, what are they?

2. Can the government provide the total cost of the Report, including (a) salaries and travel of public servants involved from all departments (b) translation, design and printing (c) distribution and, if so, what is it?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): 1) In February 1990, the Task Force Report on Indian Policing Policy was sent by the then Minister of State for Indian Affairs and Northern Development, the Honourable Kim Campbell to the chiefs and councillors of Indian bands across Canada indicating that there would be another round of consultations with the organizations contacted and other interested parties. The letter also invited comments. Subsequently, a letter was sent by the Assistant Deputy Minister of Indian Services to the people involved in the development of the report: tribal, provincial and other Indian organizations; police commissions; chiefs of Indian police forces; RCMP commanding officers located at detachments across Canada; and solicitors general and other provincial ministries involved in Indian or policing matters. This letter indicated that consultations on the implications of the principles and conclusions of the report would begin this spring.

The first of the consultations were held in Halifax, with the chiefs from the four Atlantic Provinces (May 9) and in Toronto (May 10) with the representatives of the Province of Ontario and the Ontario First Nation organizations.

The consultation process is being co-ordinated through the Indian Affairs regional offices in the provinces and territories. The timetable is still being developed. The process will involve meetings across Canada with the Indian, provincial and federal representatives involved in the development of the report as well as other interested parties. To date DIAND has received three written responses to the report.

2) The estimated cost of the report is as follows:

$23,100.00 -Travel for cross-country consultations variously involving a representative of the Ministry of the Solicitor General, the RCMP, the Department of Justice and 2-3 DIAND representatives.*

$51,900.00 -Contract to prepare draft findings.

$43,825.15 -Translation, design and printing of report.

$2,371.88 -Distribution.

*To serve on a Task Force forms part of the duties of a public servant, therefore there are no additional salary costs associated with this task.

FUNDS, GRANTS OR CONTRIBUTIONS TO "MANITOBANS FOR MEECH LAKE"

Question No. 303—**Miss Grey (Beaver River):**

Has the government provided, directly or indirectly through any Crown Corporation, funding or any grants or contributions to an organization called "Manitobans for Meech Lake", headed by Mr. Patrick Riley of Winnipeg, Manitoba?

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): To the best knowledge of the Government: No.

CANADIAN EMBASSY IN WASHINGTON

Question No. 306—**Mrs. Gaffney:**

1. In the Canadian embassy in Washington, D.C., has renovating and redecorating been done since the appointment of Mr. Derek H. Burney as ambassador and, if so (a) what work has been done (b) what is the cost of each of the renovations and redecorations?

2. Is there any art in the Canadian embassy in Washington, D.C. donated by Imperial Oil and, if so (a) what is the estimated value of the art (b) in what locations is it displayed in the Embassy (c) who is allowed to view it?

Right Hon. Charles Joseph Clark (Secretary of State for External Affairs): Mr. Burney was appointed Ambassador in January 1989. The new Embassy building was not open at that time. The first staff moved into the building in February 1989 and the official opening was held in May. A great deal of work remained to be done to complete the building even after occupancy began. This work was in conformity with the specifications of the project. In the period January 1989 to the present, the total costs have amounted to $1,350,940.

The Canadian Embassy in Washington has been the beneficiary of loans and donations of Canadian art from Imperial Oil and 15 other Canadian corporations or individuals. In addition, Canadian corporations are actively sponsoring exhibitions of Canadian art and artifacts in the Embassy Gallery (and the Canada Room) and performances by Canadian artists in the Embassy theatre.

The art is distributed throughout the Embassy, together with works commissioned/purchased by the Government. The Imperial Oil collection is featured in the dining room on the sixth floor where it can be seen by guests at breakfast, lunch, dinner and receptions. As it is on loan to the government, the value is not known by the government.

PENSIONS

Question No. 312—**Mr. Harvard:**

The 1985 Budgetary pamphlet entitled "Securing Economic Renewal, IMPROVED PENSIONS FOR CANADIANS", on page 7, regarding survivor benefits, said "that benefit will be no less than 60 percent of the full pension that was being paid;—": does the current benefit level conform to that statement and, if not (a) what is it (b) if it is less than 60 percent of the full pension, are there particular reasons that it has not been adjusted to the 60 percent rate, and, if so, what are they?

Hon. Michael Holcombe Wilson (Minister of Finance): The Pension Benefits Standards Act, 1985, which came into effect on January 1, 1987 established new minimum standards for federally-regulated pension plans. It included a requirement that pension plans provide a survivor benefit. Hence, since January 1, 1987, the pension benefit paid to a plan member or former member who has a spouse at the time the pension benefit commences, must be in the form of a joint and survivor pension benefit. Plans are allowed to reduce benefits on the death of either spouse to an amount not less than 60 per cent of the amount payable when both were alive. Further, the plan sponsor is permitted to reduce the initial pension benefit payable provided that the actuarial present value of the benefit in joint and survivor form is no less than the actuarial present value of the unreduced initial pension benefit payable in the normal form provided by the plan. At the same time, plans may be more generous, i.e., have no reductions on first death, have no actuarial adjustment for the joint and survivor provision, etc.

A plan member or former member may elect to receive pension benefits as though there were no spouse. This option requires, however, that in cases where such an election would reduce the pension benefit on the death of the plan member or former member to an amount less than 60 per cent of the amount which would have been payable if both spouses were still alive, that the non-member spouse sign an agreement which effectively waives his/her entitlement to a joint and survivor pension benefit. This written agreement must be deposited with the pension plan administrator.

In cases where a separation or divorce has taken place, a pension plan may provide for the payment of a joint and survivor pension benefit as two separate pensions. When this occurs, the actuarial present value of the two pensions must not be less than the actuarial present value of the joint and survivor pension benefit.

In cases where a plan member or former member dies before becoming eligible for early retirement, the surviving spouse is entitled to that portion of the pension benefit credit to which the plan member or former member would have been entitled to on the day of death, (calculated as though termination of employment and not death had occured) and attributable to that member or former member's membership in the plan after December 31, 1986. A pension plan may provide for an immediate pension benefit equal to or greater than what

is provided by the pension benefit credit just described. Where a member or former member of a pension plan died before payments begin but after becoming eligible for retirement, the person is deemed to have retired for purposes of the survivor benefit and to have been entitled to a joint survivor pension benefit.

In cases where the surviving spouse is entitled to a payment under a group life insurance plan on the death of a spouse, the pension benefit payable may be reduced by an amount equal to that part of the group life insurance payment that can be considered to have been paid by employer premiums. There are two conditions placed on this reduction: the actuarial present value of the reduction may not be greater than the amount of the payment to which the surviving spouse is entitled under the group life insurance plan; and if the pension plan is a contributory one, the reduction may not lower the benefit payable to the surviving spouse to an amount which is less than the member's required contributions plus interest.

When the new act came into effect on January 1, 1987, plan sponsors were given a period of grace to actually re-draft the texts of their plans, providing they gave an undertaking to make the benefit changes effective to the date of the new act. Hence, the new provisions of the act are now in place.

[*English*]

Mr. Speaker: The questions as enumerated by the parliamentary secretary have been answered.

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

Mr. Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call Motion for the Production of Papers No. 16.

GOVERNMENT TRAVEL

Motion No. 16—Mr. Milliken

That an Order of the House do issue for copies of all receipts for DND Administrative Flight Services used by Ministers of the Crown during the fiscal year ended March 31, 1988, together with all correspondence concerning such flights, the dates, times, costs and duration of each such flight, the origin and destination thereof, the names of all persons on each flight and the reason for the use of the government aircraft.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, as the President of the Treasury Board stated in the House on October 24, 1989, the present practice of reporting ministerial travel expenses was established by a cabinet decision in 1963 and has been followed by every successive government.

Under new guidelines announced by the President of the Treasury Board in the House of Commons on October 24, 1989, the Comptroller General of Canada will make available on a regular basis: (a) travel expenses of each minister, (b) the number of times that each minister used the government aircraft, (c) the date, the itinerary and the names of all passengers on each trip in a government aircraft, (d) the reason for the use of the government aircraft, (e) the cost of the government aircraft.

The system is in place as of April 1, 1990. When completed, the first quarterly report will be made available through the Comptroller General's office.

Regarding the use of government aircraft during the period from November 1988 to August 1989, 220 trips were made totalling 1,413.2 hours of flight.

The first report was tabled under this on, I believe, June 18, 1990. I therefore ask the hon. member to withdraw his motion or to transfer it for debate.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the material requested in this Notice of Motion for the Production of Papers was the same material asked for by the Auditor General in the preparation of his report to Parliament.

I do not feel the request is an unreasonable one. Since the government is refusing to disclose this very important information, I have no alternative but to ask that the matter be transferred for debate. I say that the stonewalling should stop.

Mr. Speaker: Pursuant to Standing Order 97(1), transferred for debate.

* * *

BUSINESS OF THE HOUSE

Mr. Cooper: Mr. Speaker, I rise on a point of order. Before we finish Routine Proceedings, there have been discussions among the three parties as well as the independents of the House. I believe you will find unanimous consent for the following motion to take effect tonight after the House adjourns at the conclusion of its debates.

The motion is this:

That the sitting be suspended until the Call of the Chair;

That, when the sitting is resumed pursuant to this Order, the House shall revert, if requested by the Government, to Routine Proceedings and, otherwise, shall consider Government Orders;

That, if at any time during the suspension of the sitting the Government so requests, the Clerk may publish a Special Notice Paper and, notwithstanding any Standing Order, no later than twelve hours after any notice shall have been given, the Government shall be deemed to have leave to proceed with it; and

That, if at 11.59 p.m. on Monday, June 25, 1990, the sitting has not been resumed pursuant to this Order, the House shall be deemed to have been adjourned until 11 a.m. on Tuesday, June 26, 1990.

Mr. Angus: Mr. Speaker, I just want to indicate that we have been involved in the consultations. I am advised by the staff of the NDP caucus that we are to say yes to this motion because they would like us out of their hair for a while.

Mr. Gauthier: Mr. Speaker, I think I was somewhat instrumental in getting that order to the House. I would like to thank the government and the members of the New Democratic Party for their graciousness in allowing for the Liberal caucus to attend a very important convention in Calgary, choosing the next Prime Minister of this country. For that I thank them very much.

Mr. Nowlan: Mr. Speaker, the parliamentary secretary referred to discussions among party leaders and others. I think he mentioned independents. I am not sure just exactly, and that is why I say "others". Also, I am very glad the government has brought forward this motion to heed to the convention that we have had in this House since the Second World War to pay respects to national conventions, be they of the Liberal Party, the NDP, the Conservative Party.

• (1530)

I was also getting irritated when I read some of the statements of my House leader about why we were going to sit the rest of the week when we could not do a crazy thing anyway about some of the problems that affect the nation.

I am very glad we are using common sense in this case. I certainly think the motion should carry with all the qualifications imposed by the parliamentary secretary.

Miss Deborah Grey (Beaver River): Mr. Speaker, I am in agreement with that. I would like some clarification, although I appreciate the logistics of the 12-hour clause.

I am wondering what may be made available for those of us who live farther than 12 hours away to get back to Ottawa in an emergency situation, if that arises.

Mr. Cooper: Mr. Speaker, being one of those members who lives farther from this august institution than does the hon. member, I know the problems of which she speaks.

We will do everything in our power to assist members in the event that the House is called back for any reason. I can also assure members that we will do all in our power to make certain that there is adequate notice.

Under the conditions of the convention and other items, we do feel that it is important that we have this time slot available, just to provide the House with the opportunity to deal with important issues of the day.

Mr. Speaker: The House has heard the suggestions which have been called both modest and full of common sense.

Does the hon. parliamentary secretary have unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Mr. Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

POINT OF ORDER

PROCEDURE IN DEBATE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, before we begin Orders of the Day, there have been consultations among the parties and it has been agreed that it would be appropriate, if a party wishes, to split its 20-minute speeches and 10-minute question and comment periods among members.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I can confirm that there have been those discussions. We have no problem with any party splitting its time.

However, I want to indicate at this time that the government, certainly in the initial stages, will be using the full time allotted to each speaker.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I want to give my support to this proposal.

Of course, I wish I had all my caucus members here and could say the same thing, that we would like to share time, but we will take up the required 20 minutes plus 10 minutes for questions after the first round.

GOVERNMENT ORDERS

[*English*]

CONSTITUTION AMENDMENT, 1987

RATIFICATION BY MANITOBA AND NEWFOUNDLAND LEGISLATURES

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved:

That:

Whereas the Prime Minister of Canada and ten Premiers reached an agreement in principle at Meech Lake on April 30, 1987;

And whereas eleven First Ministers of Canada signed the 1987 Constitutional Accord on June 3, 1987;

And whereas the House of Commons has twice adopted the Constitution Amendment, 1987;

And whereas by June 3, 1990, seven legislative assemblies representing 91 per cent of the population of Canada had also authorized the proclamation of the Constitutional Amendment, 1987;

And whereas in the light of the national debate over three years and public hearings by the Special Joint Committee of the Senate and House of Commons, and hearings in Prince Edward Island, Ontario, New Brunswick and Manitoba, and hearings by the Special Committee of the House of Commons on New Brunswick's proposed Companion Resolution, concerns of Canadians have been identified;

And whereas First Ministers met on June 3, 1990 to address the concerns of Canadians and determine the basis for completing the ratification of the Constitution Amendment, 1987;

And whereas First Ministers reached the 1990 Constitutional Agreement on June 9, 1990 which committed the Premiers of New Brunswick, Manitoba and Newfoundland to submit the Constitution Amendment, 1987 for appropriate legislative or public consideration and to use every possible effort to achieve a decision prior to June 23, 1990;

And whereas the Legislative Assembly of New Brunswick unanimously authorized the Constitution Amendment, 1987 on June 15, 1990;

And whereas eight Legislative Assemblies representing 94 per cent of the population of Canada have now authorized the proclamation of the Constitution Amendment, 1987;

And whereas the Legislative Assemblies of Manitoba and Newfoundland have not yet authorized the Constitution Amendment, 1987;

And whereas it is important for the elected members of the Legislative Assemblies of Manitoba and Newfoundland to exercise their role under the terms of Part V of the Constitution Act, 1982 and to vote on the Constitution Amendment, 1987;

the House urges the Manitoba and Newfoundland Legislative Assemblies to exert efforts to bring about full ratification of the Constitution Amendment, 1987 by June 23, 1990, so that Canadians can complete an important act of nation-building and thereby open the process for Canada's future constitutional development, including the important issues of Senate reform, of aboriginal rights and linguistic rights, of territorial participation in the federation, and of providing a process for a continuing review of the operation of the Constitution of Canada.

She said: Mr. Speaker, I rise to introduce a resolution urging the Manitoba and Newfoundland legislative assemblies to exert all possible efforts to bring about the full ratification of the Meech Lake Accord by June 23, 1990.

By doing so, as the resolution states, Canadians can complete an important act of nation building and thereby open the process for Canada's future constitutional development, including the important issues of Senate reform, of aboriginal rights and linguistic rights, of territorial participation in the federation, and of providing a process for a continuing review of the operation of the Constitution of Canada.

As Minister of Justice it has been my pleasure and privilege to speak to Canadians many times about the Meech Lake Accord but, as I have said before in this House, I first came to speak about the Meech Lake Accord as a member of the Legislative Assembly of the Province of British Columbia. In June 1987, when the final version of the accord was initialled, I was a member of my province's legislature. At that time I welcomed the Meech Lake Accord, and in the ensuing three years I have continued to believe in and to support the accord. I continue to believe that it is important for my province, for western Canada, and for Canada as a whole.

Some hon. members: Hear, hear.

Ms. Campbell (Vancouver Centre): Mr. Speaker, the accord has been a subject about which there has been a great deal of public mystification. As often as possible I have tried to demystify it. I believed in 1987, as I do now, that the Meech Lake Accord is good for all of Canada. As a British Columbian, I believe it is good for western Canada.

[*Translation*]

The Meech Lake Accord brings Quebec back into the Canadian family under very reasonable conditions. It puts an end to the bitterness and ostracism experienced by Quebec since the patriation of the Constitution in 1982, and makes Quebec a full-fledged Canadian province.

The Meech Lake Accord paves the way to a stronger Canada in which the federal government will work with stronger provinces, not against them, and in which all provinces will be treated equally.

The Meech Lake Accord recognizes the distinct identity of Quebec society within Canada. It gives the provinces a voice in federal institutions such as the Supreme Court. It confirms the power of the Canadian government to establish new shared-cost programs in areas of exclusive provincial jurisdiction and the right of the provinces to withdraw from such programs and receive reasonable compensation, provided they offer their own programs on a basis compatible with national programs.

[*English*]

The Meech Lake Accord recognizes the need to move on to the next phase of our constitutional reform, to close out the agenda of the 1980s so that we can get on with the agenda of the 1990s.

I believe passionately and deeply in the importance of the accord as a device for enabling us to continue the kind of nation building that has created the most extraordinary country in the world today.

The accord will allow us to deal with the kind of problems and issues that a dynamic society like Canada constantly faces with each new generation.

I also believe that failure of the accord would be deeply injurious to the future of our country. That is not to say that the accord is perfect and could not be improved.

Indeed, at the recent first ministers' meeting, Meech Lake was improved as a result of proposals put forward by Manitoba, Newfoundland, and New Brunswick and the negotiations of all First Ministers.

Newfoundlanders and Manitobans have every reason to be proud of the contributions that they have made to this process.

As a British Columbian, I am keenly aware of the vital importance of Senate reform to western Canada. It is clearly of great importance to many Canadians in Atlantic Canada as well. The Meech Lake Accord guarantees Senate reform will be on the agenda at annual conferences on the Constitution.

Pursuant to the 1990 constitutional agreement, Senate reform based on agreed objectives will now be the key constitutional priority. The process will be accelerated and an intergovernmental commission will hold hearings based on objectives approved by all First Ministers, leading to a First Ministers' Conference on Senate reform by the end of this year.

If Senate reform is not achieved by June 1, 1995, the representation of British Columbia, Alberta, Saskatchewan, and Newfoundland in the Senate will automatically rise from six to eight.

As Premier Filmon noted, this provides a commitment to Senate reform every bit as strong as the commitment that was originally given to Quebec for the current round of constitutional negotiations.

[*Translation*]

Mr. Speaker, another important issue discussed at the First Ministers' meeting was incorporating in the Constitution a general clause stating the fundamental characteristics of Canada.

The First Ministers made a thorough review of this question and took note of repeated and unsuccessful attempts over the past twenty years to draft a clause that would satisfy all concerned.

Finally, they agreed to refer drafts submitted by the federal government and Manitoba, Saskatchewan, Ontario and British Columbia to an all-party Special Committee for public hearings.

• (1540)

[*English*]

Premier Filmon called this "a major step forward" and noted that we now have "an open process that allows Canadians to actively participate in the definition of their national identity".

At the urging of Manitoba and Newfoundland, First Ministers also re-examined the distinct society clause and, in particular, its relation to charter rights and its impact on the distribution of powers.

The view of the federal government and the vast majority of legal experts has always been that inclusion of the distinct society clause in the accord does not endanger charter rights or alter the distribution of powers, as some have claimed.

Reassurance was provided by six eminent jurists that charter rights will not be infringed or denied by the linguistic duality distinct society clause, and that the clause will not create new legislative authority for Parliament or any provincial legislature.

The 1990 agreement also improves the possibilities for resolution of the concerns of the aboriginal peoples. As minister responsible for aboriginal constitutional matters, I restate this government's commitment to completing unfinished business in this area. As we stated in the last Speech from the Throne, aboriginal matters will be among the government's top constitutional priorities following ratification of the accord.

[*Translation*]

If all governments sit down at the same table and break the constitutional impasse, the accord will make it possible to achieve progress on the constitutional amendments required to meet the native people's concerns.

Furthermore, as a result of the agreement reached in 1990, it will be possible to establish a separate constitutional process for native peoples; a constitutional conference of first ministers will be held every three years, the first one in the year following proclamation of the Accord.

Obviously, the solution to questions affecting native people is closely tied to passage of the Meech Lake Accord.

[*English*]

Its failure is the real threat to making progress on aboriginal matters and on other important constitutional matters, as our present constitutional impasse would continue and the environment for constitutional discussions would likely be polluted for many years.

The consequences of the failure of the Meech Lake Accord should not be overstated, but neither should they be ignored.

I am deeply concerned that many people across Canada underestimate the effect of the rejection of the accord. Three times in the last decade—in the referendum, at Meech Lake, and most recently at the first ministers' meeting, Quebecers have said "yes" to Canada.

[*Translation*]

In 1980, Quebecers voted strongly for Canada. Imagine their disappointment when an agreement was negotiated in 1982 without their signature, without the province that is the homeland of one of the two founding peoples of this country.

Quebec's constitutional proposals are the most modest ever put forward in modern times.

Two provinces have yet to ratify the Meech Lake Accord and time is almost up. We are at a turning point in our national life and the stakes are high, very high.

We are at a critical period in our history. Without the accord, our existence as a united country and our will to continue to live together will be in question.

We do not want to leave this problem as an inheritance to the next generation of Canadians; we do not have the right to do that.

[*English*]

Let us not jeopardize the gains made in the Meech Lake Accord and the 1990 constitutional agreement. More important, let us not jeopardize the future viability of our nation.

It has struck me in the course of the public debate about the Meech Lake Accord how young we are as a nation when it comes to constitutional amendment. It is only since the repatriation of the Constitution in 1981 that Canadians have had the opportunity to enter into this process in a serious way and that the final decision about amendments to our Constitution has lain in the hands of our own governments.

The amending formula that was part of the repatriated Constitution in 1982 requires that constitutional amendments be put into effect through a ratification process in the legislatures of this country. The process leading up to the Meech Lake Accord is perhaps the first serious, nation-wide use of the process that came to us through the 1981 constitutional repatriation.

We have discovered in this process that there are difficulties with it. In the course of the negotiation of the Meech Lake Accord and the process that arose after it leading to the negotiation of the companion resolution just recently, there have been critics who have said that the process is not sufficiently open, who have criticized the meetings of First Ministers in attempting to come to a solution to our constitutional problems.

We face before us a challenge of trying to reconcile, on the one hand, the desire of Canadians to participate broadly in the constitutional process and, on the other hand, the requirements of the Constitution that at some point consensus be reached and ratified through the legislative processes in the Parliaments of the nation and the provinces.

This requires that at some point during the process responsible, accountable, political leaders must take the responsibility to articulate what they have heard from Canadians in resolutions and present those resolutions before the legislatures.

Clearly, for constitutional amendments to take effect, those resolutions must be similarly worded in all of the legislatures of the country. Therefore, there has to be consensus reached among First Ministers as to precisely what they will present to their legislatures.

We have learned a great deal from the process leading to the Meech Lake Accord and the companion resolution. I believe that the challenge of trying to reconcile these two broad concerns, on the one hand to be able to use effectively the amending process set out in the 1981 Constitution to achieve constitutional gains through the ratification of amendments by our legislatures and, on the other hand, to involve a broad range of Canadians, will be a challenge that will continue to be with us for some time ahead.

But what I find most difficult to understand about the process since the ratification of Meech Lake is the concern of some Canadians to somehow deal at once with every issue of constitutional reform that faces us as a country.

We are new to this process. In many ways we are children in the area of constitutional development. This has not been something that we have had solely in our hands for a long period of time in our country, unlike many of our neighbours and associates around the world. So we have to learn that there are processes of setting an agenda, of establishing priorities, of dealing with issues one at a time and gradually, over the years, building a corpus of a made-in-Canada Constitution.

My concern is that many Canadians have lost sight of precisely what it was that the Meech Lake Accord was intended to accomplish. The Meech Lake Accord is in many ways a small chapter in Canadian constitutional development. The Meech Lake Accord was designed to address a very specific problem, and that was the exclusion of Quebec from the constitutional process in 1981.

My own province was a very active participant in the negotiations leading to the repatriation of the Constitution. In fact, my province and other western provinces were very strongly concerned about the implications of a repatriated Constitution on the ability of those provincial governments to continue to operate.

There was much concern in the early 1980s about the effect of an entrenched Charter of Rights, for example, particularly the effect of that Charter of Rights to impose upon the prerogatives that under our system of

parliamentary supremacy had been so important to the Parliaments of Canada's provinces.

So, in the impasse that existed around the repatriation of the Constitution, there was a deadlock at that time as well. My province, the province of British Columbia, contributed very significantly to breaking that deadlock when it brought to Ottawa an expert in constitutional matters who devised the compromise which was at that time the nothwithstanding clause.

For my province, as well as others, the notwithstanding clause was the key to reassuring them that the patriation of the Constitution of Canada and the entrenchment of the Charter would not infringe upon their legislative prerogatives.

Mr. Speaker, we may have a different view about the notwithstanding clause now, but in the early 1980s it was hailed by many as a great and classic Canadian compromise, notwithstanding the fact that it permitted provincial legislatures and the Government of Canada to clearly override charter rights.

I believe that at the time, because it permitted repatriation of the Constitution and permitted the beginning of a process that has matured us in many ways, that has created enormous legal challenges for us, that has created great challenges to all governments in trying to work and operate consistent with the principles of the charter, that it was a positive contribution. But I would be the first to recognize that it may be a contribution that Canadians want to rethink.

• (1550)

What is important is that at that time there was a spirit of give and take and a willingness to make concessions on the part of the federal government and the governments of most of the provinces in order to ensure that there was support for the repatriation of the Constitution.

What we have been asked to address in the Meech Lake Accord is infinitely more modest than the challenges that faced us in the repatriation process. We are asked to recognize the aspirations of Quebec to ensure that it can defend and protect its own particular cultural entity.

So the process that led to the Meech Lake Accord was initiated at the instigation of the other nine provincial premiers who wanted to deal with that unfinished business. It is of great concern to me that there are those now who criticize the Meech Lake Accord because, in fact, it was designed only to deal with a limited agenda. The Premiers at that time recognized that the limited agenda addressed by the Meech Lake Accord was of fundamental significance because once dealt with it opened up the possibility of dealing with serious, fundamental, broad-ranging issues in Canadian society, that it was the key to unlocking a door that would open up a bright, constructive and fruitful future in Canadian constitutional development.

I think it is important at this time to remind Canadians that the Meech Lake Accord is simply the step in a long path that will continue to occupy us as long as we are a dynamic, changing, growing and developing society.

So, Mr. Speaker, we should not jeopardize the gains made in the Meech Lake Accord and the 1990 constitutional agreement. More important, let us not jeopardize the future viability of our nation.

[*Translation*]

As Premier Wells said in his closing remarks after the meeting of First Ministers, we must think of Canada first, consider the national interest first and our individual regions second.

That is why we are here today to take a stand for Canada, not as westerners or easterners, not as British Columbians or Newfoundlanders, but as Canadians.

[*English*]

Now is a time for Canadians to come together. It is a time for bridge-building and nation-building by all Canadians. It is time we came together in this country, not for the sake of Meech Lake but for the sake of Canada.

Mr. Speaker, I urge the legislatures of Newfoundland and Manitoba to put Canada first and ratify the Meech Lake Accord.

Some hon. members: Hear, hear!

Hon. Bob Kaplan (York Centre): Mr. Speaker, let me begin by taking the minister up on her closing remark. I agree it is time to come together and to see the Meech Lake Accord proceed to get through this constitutional impasse. I rise to support this resolution which urges the

two provinces which have not yet ratified the Meech Lake Accord to do so.

The minister recalled her own situation when the Meech Lake Accord was first introduced three years ago when she was a member of a legislature. I, myself, at that time was a member of this House. I served on the Meech Lake committee with my colleague the member for Papineau—St. Henri in the summer of 1987 when we reviewed the Meech Lake Accord. I sat again with the committee of the House of Commons, now called the Charest Committee, which reviewed the McKenna resolution submitted by the province of New Brunswick and which made recommendations unanimously supported by the House. So, like the minister, I have had some association with the process of this matter over the last three years.

I wish I could agree with the minister that the problems which she acknowledges so fully, the crisis to which she has alluded several times during her speech, are the result of us being new to the process of constitutional amendment, of us not having had the responsibility of amending our Constitution under present rules except since 1982.

But from where I sat I could see a very different problem. When I see this resolution, which may be interpreted by some as positioning two provinces for holding out, being brought before the House now, although I support the resolution, I feel bound to say in my remarks that I think the problem lies somewhere other than with two provinces and somewhere other than where the minister has suggested, with inexperience.

I suggest that what has gone wrong—and so much has gone wrong that I think even members of the government are hastening to characterize this as a critical situation with serious implications for financial markets, with serious implications for the future of our country—has been the approach that the Government of Canada, under the leadership of the Prime Minister, has taken since the Meech Lake Accord was passed to try to make it part of the Constitution of this country.

In light of the strong feelings that I and so many Canadians have on that subject, on the subject of how this file has been handled for the last three years, it is appropriate for me to put on the record my own experiences and some of my own observations about this very sorry story.

We all knew from the time of patriation in 1982 that it would be essential that the province of Quebec, as a government in Canada, give its approval of the patriation and of the establishment of the Charter of Rights and Freedoms, not for the legalities of it or for the constitutionality of it, but because we knew we had a lot of constitutional work yet to do and we knew that the participation of the province of Quebec was an essential element in that.

It was with joy, for my own part, that I received, as we all did, the agenda put forward by the Government of Quebec after the Bourassa government took office. It put forward five points for what could be called, in the context of the debate, renewed federalism. I had been here for a while and I recognized that this list, these five points, were a reasonable agenda. Unlike past sets of agendas put forward, this was a reasonable agenda that could work in a federal system, and I supported it as a basis for negotiation. When the Meech Lake Accord resulted, I looked forward to the work that the committee would do to try to assure that the Meech Lake Accord would lead, as the patriation had, to a kind of consensus in the country and, even more, to an act that would unify the whole country. However, the strategy that the government, under the leadership of the Prime Minister, adopted was the opposite.

The minister tried to answer the critics about the idea that constitutional amendment can be done by a small group of men sitting behind closed doors. I do not have too much difficulty with that idea. I agree with her to a point. It is impossible for the amending procedures to be met unless there is some element of negotiation and compromise to produce a resolution that has a hope of acceptance in all the legislatures of the country and in the Parliament of Canada. So there has to be an element of what you could call executive federalism.

It took place back in 1981, that famous "kitchen cabinet" meeting at which representatives of three governments sat together and worked out compromises which resulted in the patriation and the Charter of Rights. You need something like that. I am not critical that Meech Lake was produced at a meeting like that. But to say that the Constitution limits the process to that is a misrepresentation. It is obvious that a strong element of public participation, support and contribution needs to be part, in any democratic society, of the amending of the constitution of a country. Ever since the Charter of Rights and Freedoms became part of the constitution of this country, for the first time the Canadian people

began to feel that they owned the Constitution of Canada. It did not just belong to governments to adjust, to wheel and deal, to pass powers back and forth. It belonged to the people of this country.

• (1600)

I recognize that some kinds of compromises cannot be made in public and need to be made in private. However, I do not believe that the whole deal should be one from which the public is excluded. That just will not wash.

Mr. Speaker, you might think—I see you looking a little suspiciously—that this is something I gained by the wisdom of hindsight, looking back at this process. I want to say that my Liberal colleague and I, when we sat on the Meech Lake committee, saw instantly, as I think most Canadians did, that there was room for improvement of the Meech Lake Accord.

I think I can quote the minister and what she said a few moments ago: "The week long meetings of First Ministers resulted in substantial improvements in the Meech Lake Accord."

Well, you know something, Mr. Speaker? The Liberal caucus recommended in August, 1987, a list which contains all of the improvements that she says occurred to First Ministers a few weeks ago when they met to see if they could improve the Meech Lake Accord.

We called for public participation. We recognized something so important that I think it is worth putting on the record. Although you could say that Quebec's problems, Quebec's demand for renewed federalism, Quebec's agenda, should be given priority it is a mistake to have a constitutional round that is described as the Quebec round.

I will tell you why. In a country like this with so many regions, every round has to be the Canada round. You cannot tell people we are just looking at Quebec's priorities now and as soon as they are finished we are going to look at yours.

Most Canadians, and I say this with respect to my fellow Canadians, tune in late. They may not be aware that in August, 1986, the premier of their province agreed that we would deal with Quebec's problems first and then deal with Manitoba's, Alberta's, New Brunswick's, or Newfoundland and Labrador's, or some other province. They tune in late and they see that the only thing on the agenda is the Quebec issue.

We in the Liberal caucus knew that and recommended in our minority report, which the government would not even allow us to include in the majority report, a broader agenda, not to take anything out of Quebec's list. We wanted Quebec's list to be there and you can see that from the record. We also wanted every region of this country to have its own reasons for supporting the Meech Lake Accord.

We urged the government to broaden it, to have public participation. People can read our report. It is a short report that we wrote back in 1987 which shows that if the government had not taken the tactic that it did, and if the minister is right in saying that the thing was much improved a week ago, I think we would have achieved those improvements two and a half years ago. We would have had broader public participation and a package in which every part of the country could see something of their priorities. It would have been truly a Canada round.

I am not sure how far she meant to go in her remarks, but I was pleased to hear the minister saying that we should think again about the notwithstanding clause, whether that has any place now that the constitution has been patriated.

In the Liberal minority report in 1987 we recommended seeking to remove the notwithstanding clause. That would have been a good item on the agenda for that meeting, not for the next one.

I know you cannot completely reform the Constitution all in one step. I know that. It cannot be done. You cannot deal with a thousand different items in every kind of detail. The goal would have been, as we recommended, to give every Canadian and region of this country a reason for wanting to see the Meech Lake Accord succeed. You know, that is what happened in 1981. After the executive federalism feature, real public

hearings were held, very different from the public hearings that this government allowed on the Meech Lake Accord where only egregious errors could be admitted.

In 1981 an honest committee sat. Opposition members, the public, and others made suggestions for amendments and they were taken. They were taken in order to give the people who submitted those ideas a real sense of participation in their Constitution.

I want to come now to the Charest Committee. The Charest Committee which had a majority of government members referred back to the meetings that took place in 1987. I am quoting two sentences from page 7 of the report: "The First Ministers who signed the accord back in 1987 took the position that it should be passed, unchanged, unless there was some egregious error. The body of evidence presented to your committee"—that is the Charest Committee—"is that most Canadians perceived at least one such oversight and that was the failure to include the Yukon and the Northwest Territories in the selection process".

Well, we saw many more egregious errors and so did the rest of the Canadian people, but for a committee with a government majority to put out a report recognizing even one egregious error is, I think, some support for the thesis I am advancing here that the problem has been the leadership provided by this government since the Meech Lake Accord was achieved.

I want to move forward to the work of the Charest Committee and close my remarks as quickly as I can. If there was one thing we concluded from the public hearings when we went all over the country in such a great rush, and where we sat late on nights when the public was willing to appear at eight or nine o'clock in the evening, it was that there was nothing wrong with their country. They told us they were proud of our country, that they wanted our country to stick together, that they were not fed up with having to accommodate regions with different ideas, different values or a different language. They told us the opposite, that they could not understand how we could have been led into so much trouble for a country where the desire for national unity was so strong.

They told us what is, in a sense, the explanation for why I am standing to support this resolution today. They told us that they wanted their political leaders to solve these problems. They did not fully understand whether June 23 was a real date, or whether it was an arbitrary date, perhaps imposed by Quebec. In our report we were able to explain the significance of June 23 and why it is so important that the constitutional impasse be resolved, if it can be, by that date. They want the political leadership of this country to keep this country going, not to lead us into further division.

I recall so well the arguments that this government made to try to stick-handle or manipulate the support for the Meech Lake Accord that the constitutional process requires. I remember when the government accused the opponents of Meech Lake of being anti-Quebec. I remember when it accused them of being anti-French. I remember, and I am glad the minister did not do it today, the government using a heavy reliance on the disaster scenario, that if we do not support this accord and if we do not see it go through, there is going to be a terrible disaster, one argument after the other put forward to try, in a way, to force support for the Accord to take us through the constitutional impasse.

The reason that these extreme means have had to be used is because of a refusal by the government to follow a more democratic process, to open this process to public participation and to open it to improvement. The agreement was reached on a Saturday night, which in many ways can be called the Saturday night special because people felt, and some premiers have said, they had a gun held to their heads. Subsequently, by the Prime Minister's own admission, we learn this was a calculation of his and a belief he had. I did read today's *Globe and Mail*, and I saw very clearly that one counts backwards. The idea was to put maximum pressure on participants. I am characterizing this as putting maximum pressure on the participants so that the agreement would go through.

• (1610)

I rise to support this resolution. I hope that the constitutional impasse will be traversed and that Canada will get through it. But also, I cannot believe that the Canadian people will ever forget how we were led here. I believe that the government will be held to account for it.

Mr. Angus: Mr. Speaker, I rise on a point of order. As you know, Mr. Speaker, the Standing Orders provide for the first speaker from the government and the first speaker from the Official Opposition to have unlimited

time. The Leader of the New Democratic Party does not have that opportunity.

There has been some discussion, and I am wondering if the House would be prepared at this time to give unanimous consent to allowing the member for Yukon to have her speech with unlimited time. I can assure you there will be no intention of abusing that, should permission be given.

Mr. Epp: Mr. Speaker, on behalf of the government not only do we welcome that proposal, but we look forward to the comments of the Leader of the New Democratic Party.

The Acting Speaker (Mr. Paproski): Is it agreed?

Some hon. members: Agreed.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I rise today to speak to the motion before us. Before I get into my remarks, I would like to mention what the motion is. This is not a debate on the Meech Lake Accord. The Meech Lake Accord was passed by this House in 1987. It is not a debate on the package that was signed on June 9, 1990 by the First Ministers.

The motion clearly states and asks this House to urge the Manitoba and Newfoundland Legislative Assemblies to exert efforts to bring about the full ratification of the Constitutional Amendment of 1987.

First of all, I think it is very important to bring to the attention of those watching and to the people in this House that we are not debating the merits of the Meech Lake Accord. That has been done in this House. Therefore, I want to say that I feel very strongly that the bringing forward of this resolution at this particular time is simply another manoeuvre by this government to manoeuvre a process, rather than to show leadership on this issue.

Some hon. members: Hear, hear!

Ms. McLaughlin: Therefore, Mr. Speaker, I rise to express my opposition to this motion. I am not expressing opposition to the content of the Meech Lake Accord, the companion resolutions and what is in the June 9 agreement. That is not the object of this motion. But I do object to this motion which is brought at this time simply as a manoeuvre, rather than this government showing some leadership.

[*Translation*]

Mr. Speaker, the government is trying to put the blame on someone else. That is clear. It is a cynical approach and it won't work.

Canadians have watched the constitutional process evolve. For three years, Canadians have been on the outside looking in. They wanted to participate but the government refused to let them.

[*English*]

Canadians have expressed legitimate concerns. They have proposed imaginative solutions but have been told by the government that they are causing problems and getting in the way. Canadians have been shut out of the constitutional process, and they know who shut them out. They know who has brought Canada to the brink. The government can try to shift the blame, but the people of Canada know that it is the Prime Minister who is responsible for this crisis. He must accept that responsibility.

Instead of wasting the House's time with yet more manoeuvres, perhaps he should be looking for solutions and providing leadership, working to unite and not divide this country.

The Minister of Justice spoke about building bridges. Well, I suggest to the Minister of Justice that the Prime Minister is not building bridges, he is blowing them up.

[*Translation*]

Mr. Speaker, the New Democratic Party voted for the Meech Lake Accord in 1987. It did so, fully aware the accord was not perfect. My party voted yes, although it was unable to get the amendments it had proposed through the House, and today it still thinks these amendments would have improved the Accord. Mr. Speaker, the New Democratic Party voted for Meech Lake because it supports Quebec's five conditions, including the one on a distinct society.

We have not changed our position during the past three years, Mr. Speaker. At its convention in 1989, the NDP confirmed its support for Quebec's conditions. At the same time we realized it was necessary to deal with other issues in the Meech Lake Accord, so that Canadians would be able to support the accord. We made some sound proposals.

[*English*]

Mr. Speaker, in 1987 we made specific recommendations, not a long list, three simple recommendations for amendments. Had they been adopted at the time, I believe we would not be in the situation we are in today.

These amendments address three basic issues; the ability of the north to become a province in consultation with the federal government when the people of the north felt that this was an appropriate time. Second, to acknowledge the multiracial, multicultural heritage of our country, to address the issues of aboriginal people, as well as to ensure that minority rights and sexual equality were maintained.

Throughout, our criticism of the accord has been a criticism of process. Three years ago, 11 men signed an agreement which would have incredible ramifications for the future of Canada. We believed that it should be the Quebec round. We wanted to see Quebec fully in the Constitution of Canada because we believe in a united Canada, of which Quebec is a part.

Some hon. members: Hear, hear!

Ms. McLaughlin: But, those 11 men who signed that constitutional amendment in 1987 did so without understanding just exactly what it was that would cause the people of Canada to raise questions in subsequent years. It is crucial to emphasize that it was 11 people who signed that accord, 11 people of privilege in a nation that is 50 per cent women, with a multicultural population, and with aboriginal peoples who were here long before any of us.

The 11 people around that table could not fully comprehend how the Meech Lake Accord would affect these Canadians. Input should have been invited, but it was not. Instead, the Prime Minister and the other First Ministers came out of that meeting and said: "We have formed a seamless web. We will only discuss egregious errors". The first egregious error was that nobody knew what egregious meant. It seems to me that at least politicians should speak in a language that people can understand.

Excluded from the process were native peoples, women, the north and Canada's multicultural and multiracial population.

• (1620)

In 1987 there were public hearings. There were hearings for one month, August, in Ottawa. If there was ever a process designed to ensure that very few people would be able to come, that was it. Not only was a wide diversity of groups from across Canada excluded from that limited process, but following that, in each subsequent budget in 1988, 1989 and 1990, this government has made those excluded groups the victims of its attacks in the budget.

Women's groups saw their funds slashed by the government. The budget for the communications programs of aboriginal peoples was slashed. The Assembly of First Nations, a principal organization representing the aboriginal people of this country, had their core funding completely eliminated as did 29 other aboriginal organizations. What kind of a message is that to aboriginal people when this government is saying that it wants to include them in the process and we decimate their organizations so that they do not have the ability to be in that process?

This government has systematically silenced the voices of women and the voices of aboriginal people and, at the same time, it is saying: "Trust us, we will look after you". Canadians do not trust this government, and that is quite clear. It is my belief that if there had been an open constitutional process from the beginning, one in which all Canadians were included, we would not be in the situation we are in today.

I believe there would be much more understanding between Quebec and the rest of Canada. We are a large and diverse country, and we often do not know each other well. That is true for all provinces and territories of this country. The Constitution of Canada must be written by the people of Canada.

[*Translation*]

After the proposals by the NDP and those by Mr. McKenna, the Conservative government decided to appoint a constitutional committee. The Charest Committee, although it had very little time, did a remarkable job. It heard witnesses and answered their questions. The Charest report contains a number of important proposals.

It was really encouraging for our caucus, Mr. Speaker. However, we soon realized that the Prime Minister had no intention of taking the report's recommendations seriously.

[*English*]

When the Charest report was being written, the New Democratic Party tried very hard to ensure that it could be a unanimous report, and it tried to negotiate in that report a way to address the concerns that the witnesses had expressed to that committee. We tried to be as conciliatory as we could because we felt that it was important for the country at that time for all three parties to be unanimous in saying: "yes" to Quebec at the same time as addressing the other outstanding issues.

The NDP felt that it could be done, that it was not an impossible task to do. We did not have a list of many things, but there were a few essential issues.

The Charest report should have been followed up by an immediate, open and public meeting of First Ministers. Time and again in this House I urged the Prime Minister to call for such a meeting. The Prime Minister continually responded that the time was not right and that there was not enough consensus among the First Ministers.

We now know that the Prime Minister had no intention of calling a meeting until a crisis situation was created. He had no intention of holding open public meetings where the people of Canada could see what was going on. I think we make a big mistake here if we say that the flaws in the process were just the flaws of the last two weeks. It is the flaw from 1987. It is the flaw of not beginning to deal with the issues, to listen to the voices that were out there throughout Canada: in Quebec, in the provinces, in the maritimes, the Atlantic, the west and the north. It is the flaw of ignoring all those voices and continuing to say: "This is a seamless web".

During those three years, there was time to have adequate public hearings so that we would not have the situation now in Manitoba where apparently there is not sufficient time to complete the process, a process under their regulations.

When the Prime Minister finally called the First Ministers together at the beginning of this month, we saw the same mistakes repeated over again; closed doors, long sessions and isolation for the First Ministers.

The environment and the process created is not a rational process for deciding the constitution of a democratic nation, and subsequent events have certainly shown that. This motion today serves no purpose. We have no authority to tell Manitoba and Newfoundlanders what to do. We have made the statements in this House about how we feel about the Meech Lake Accord and what our position is as a House of Commons. Are we now proposing, through this motion, to tell the people and the elected leaders of Manitoba and the people of Newfoundland and the leader of Newfoundland, what they should do? I can tell you, coming from an area of Canada that is not central Canada, if you wanted to inflame the regions in this country and say your democratic processes, your First Minister who signed that agreement cannot be trusted and tell them what to do, this will assure it.

We could support a motion brought forward by this government that enhances the positive process of constitutional development. We cannot support a motion that ensures there will be a negative result in those very two provinces which are mentioned in this motion.

[*Translation*]

Once again, Mr. Speaker, an agreement has been forced on Canadians. Although this agreement was an improvement over the initial accord, we could not expect Canadians to support it without reservations. Many Canadians who were excluded are sceptical about the results. They would have liked a chance to examine these changes.

Native people are sceptical more than anyone else, Mr. Speaker. They know better than anyone what it means to be excluded from the decision-making process. They understand the consequences of that exclusion. They have had that experience.

[*English*]

The aboriginal people of Canada sought a role in the process of constitution making for many years. The federal government was not interested and aboriginal concerns were set aside. The Prime Minister has warned time and time again that the government of Manitoba was warned time and time again that the Government of Manitoba required adequate time to hold public hearings. Just as he did not listen to the people of the north

and just as he did not listen to the aboriginal people and to the women of Canada, he did not listen to Manitoba.

If Manitoba is running out of time, we take no joy in that. But if Manitoba is running out of time, it is the fault of the Prime Minister and no one else. The actions of Elijah Harper representing aboriginal people are actions that he can take as a democratically-elected member of the Manitoba legislature.

Mr. Harper is a member of a group who for too long has been ignored. We cannot as a nation in any way point the finger at aboriginal people for what is happening. It is not just the Constitution or the Meech Lake Accord. It is the accumulation of decades, a century of neglect, stealing the land, and acting like a conqueror, although there was no war and aboriginal people were not conquered, that has created this situation. Finally, it is the lack of respect with subsequent governments, and on this I will say it is not just the responsibility of the Prime Minister, it is the responsibility of all those Prime Ministers who went before him as well. This is how they have treated the aboriginal people and this is the result.

The constitutional process followed by this government has been shameful. The people of Canada can see through this process. Now the government is wanting to present a motion which will have no effect and does not enhance a positive process but simply points the finger at Manitoba and Newfoundland to share the blame. I suggest to the government that it might look in the mirror if it is looking for someone to blame.

The Prime Minister, in his wisdom last week, talked and bragged about his negotiating skills.

An hon. member: Shame.

• (1630)

Ms. McLaughlin: When he talked about rolling the dice, it was like talking about the Constitution as a game of Trivial Pursuit, not the pursuit of a just Constitution.

Now is the time to try to move forward. It is time to show leadership and to find solutions. I believe as a country we are capable of that, but I do not believe and Canadians increasingly do not believe, that the Prime Minister has shown that he can lead this country.

[*Translation*]

That is why, Mr. Speaker, I am discouraged by this resolution. It is destructive. It is vindictive.

The government is imposing a constitution on Newfoundland and Manitoba. For a constitution to be valid, it must not be imposed; the people must support it.

Together we must find a way for all Canadians to support our Constitution.

[*English*]

We must find a way together to address in a meaningful, concrete way the concerns of aboriginal people, the importance of Quebec being fully in the Constitution and recognizing the distinctness of Quebec. We have to go beyond empty promises. We have to find a way to ensure that the five principles that Quebec put forward are maintained, and we have to find a way together to reunite this country.

With all its flaws and all its injustices, our country is nevertheless a marvellous achievement, an achievement of diverse cultures coming together, of peoples creating great bonds against very wide geographical distances. We have to work together with a common purpose. We must maintain the country that is Canada.

Some hon. members: Hear, hear.

Ms. McLaughlin: If we are to save this country, if we are to move on and build another society, we need to find a resolution to the crisis. This motion put before us today is not a resolution. The decision has been taken in this House. It is simply a cynical way of trying to out-manoeuvre. We do not need more manoeuvres. We need some real leadership.

I call once more upon the Prime Minister to make immediate and positive efforts to find that solution. It is in his hands. I assure him, if he does, that he will have the whole-hearted support of my party.

We have to look at a new process, a meaningful constitutional process. I want to make a suggestion because, yes, it is easy to criticize. I was not a part of that process in 1987, 1988, 1989, or 1990. We have to look for a new process because this one is not working. I would like to make a recommendation because at our last convention the New Democratic Party called for the

establishment of a standing committee on the Constitution which would look at such things as public education, the funding of conferences to bring together a cross-section of people to discuss the Constitution, the requirement to hold hearings, and the encouragement of public participation in forming the Constitution of this country.

Constitution building is not an *ad hoc* crisis oriented process. I think this is a positive suggestion. I would like to say that over 43 years ago F. R. Scott and David Lewis in their book *Make This Year Canada* suggested the notion of a constituent assembly in order to construct a just and fair Constitution.

I would suggest to the House that this is a notion worth considering. Executive federalism is not working. We see it now; we have seen it over the last three years.

I remind the House that this is a system that France used in 1958. It was interesting when I met with Nelson Mandela this week that he raised that this was a proposal he had for his country, that there be an elected constituent assembly to form the constitution of his country, a constitution formed by the diverse groups in his country that would reflect that.

It is an issue and a suggestion that I think requires some study. That is again why I propose that this House consider such a standing committee and this proposal because it is clear that we need a new process. Yes, the existing process is fatally flawed, but I feel as leader of the New Democratic Party that I have a responsibility. I have a responsibility to show some leadership, even if the leader of this country is not prepared to do so.

Now we must turn to looking at a new process that will involve all Canadians. Whether or not Meech Lake and the companion amendments, we are going to be continuing constitutional talks. I want to suggest that there is great validity in looking at how we are going to do that in the future.

In summation, I cannot support this motion because this motion is presented cynically, not to advance any particular cause, not to advance constitutional discussions, and I would assume not to debate the merits or the demerits of Meech Lake. That decision has been taken in this House. For that reason I cannot support this motion.

Some hon. members: Hear, hear.

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, we have before us today a motion which is a motion of encouragement, a motion whereby members of the House of Commons urge the members of the legislatures of my province, Manitoba, and the province of Newfoundland to exert their efforts to bring about full ratification of the constitutional amendment, 1987 by June 23, 1990. However the motion does not stop there; the motion goes on.

The reason for it is so that Canadians can complete an important act of nation building and thereby open the process of Canada's future constitutional development, including the important issues of Senate reform, of aboriginal rights and linguistic rights, of territorial participation in the federation, and of providing a process for a continuing review of the operation of the Constitution of Canada. It is the body of that motion which I want to address this afternoon.

There are those who would say that this motion is inappropriate. While I speak today I remind my colleagues that both in the House of Assembly of Newfoundland and in the Legislative Assembly of Manitoba the leaders and elected members of those two provinces in their respective Houses are debating the same issue.

I have just heard the speech of my premier, Mr. Filmon. In my mind, as he made his address to the legislature, he put before members of that House the achievements that were made respecting Meech Lake, the need to bind the wounds of our country, and the need to pass Meech Lake. The issues discussed in Ottawa some two weeks ago resulted in the companion resolution. He just made the recommendation that members of the Manitoba legislature should adopt the Meech Lake resolution.

As I stand here I know also that the Leader of the Opposition, the Leader of the Liberal Party of Manitoba, is addressing the legislature on the basis that we are not only members from specific or particular provinces and territories, but that we are Canadians first.

I thank both of them for the manner in which they are conducting the debate. I know that members in this House would want to conduct the debate on exactly that same level. It is also important to note that we are elected members of Parliament. In this Chamber we have the right and indeed the responsibility to speak for our constituents, to speak for the entire country, and to bring to the issues of the day a spirit, a vision, or an experience which has been moulded by the fact that we

sit in a national House and that we are from day to day on the great issues of the day confronted or faced in debate, in conversation and in association with the aspirations of the people of Canada from the various regions.

• (1640)

It is always easier to take a specific view and hold to that view. It has been my experience over the some 18 years I have been here that it is always more difficult but extremely necessary to mould one's views on the basis of what one has heard from one's colleagues and what one has experienced throughout the breadth of our wonderful country.

It is not the Parliament of Canada telling Manitoba legislators or members of the House of Assembly of Newfoundland what to do. Rather, Parliament speaks for all Canadians. I believe that we cannot simply seek public office in order to hold office, but the requirements of office demand us to speak on the great issues of the day.

In 1981 I had the opportunity as the then spokesperson for the Official Opposition to lead our committee in the long debate on the patriation of the Constitution, both during the special House of Commons and Senate hearings as well as in this House.

There were three issues which faced us at that time. One was patriation of the Constitution. Should the Constitution be in Canada and should we as Canadians and as a mature country have the opportunity to discuss our Constitution, to debate it, and to change it?

I was a strong supporter of patriation. In those days as well, I had some misgivings and indeed criticisms of the process. We also said that if we had a Constitution in Canada we had to have a method, a formula, whereby we could amend the Constitution.

Colleagues will recall that there was a proposal at that time which was generally referred to as the Victoria proposal. It found its way also into the 1980–81 proposals. Through the process the amending formula was changed. I had the privilege in committee to move the 7/50 formula which today is the central part of the debate as we look at unanimity and what effect it would have as we try to change the Constitution.

The third issue was the matter of a Charter of Rights and Freedoms and how we balanced a charter and the protection it gives or, more important, the symbolic protection it gave to those Canadians who did not have the heritage of the British parliamentary system? How did we blend a Charter of Rights and Freedoms with the supremacy of Parliament?

At that time I had disagreements with some of my Conservative colleagues in the provinces. I say that and take this historic journey but for a moment is for this reason: After we were through the process and after we had been through the Supreme Court where, as members will recall, there was a reference made as to how much support a government needed in order to change the Constitution and bring it from England, a decision had to be made.

The decision that had to be made was that after the process is complete, despite the criticisms whatever they may be, there was only one decision that every member of the House had to decide upon and that was: Were these constitutional amendments right for Canada?

I remember the debates within the caucus. Members know that we cannot discuss those debates here but I remind members that a decision was made at that time by the opposition party that we would support patriation, we would support the amending formula and we would support a Charter of Rights of Freedom. The issue at the time was, what in our hearts and our minds did we believe was right for Canada.

There were members of the House at that time and they are still here as members today, who opposed it at that time. One of the reasons they opposed it was the unfinished business. Primarily, there were two examples of unfinished business in 1981. This is not put forward as criticism because I am a sincere believer that, through the British parliamentary system, constitutions evolve and develop. One never has, at any point in time, the perfect document.

There were two issues that concerned us. One was the fact that the province of Quebec was not a signatory to the constitution. There are those in this House and especially members opposite who, at that time, convinced me that the signature had to take place because the government of the day, in the province of Quebec, would never sign the constitution. You have to remem-

ber that that came one year after there had been a referendum, and a solemn commitment on the part of all of us, that we would ask what was Quebec's expectation and how could we mould them into the constitution. That was the Meech Lake Accord.

Second, was the matter of aboriginal rights and how to bring the aboriginal people into the Constitution. I remind members that during one Saturday morning sitting of the special committee there was a proposal from one of our aboriginal members at the time. Today, that proposal is section 35 of the Constitution. It recognized, for the first time, the aboriginal people and the equality of those people in the Constitution, apart from section 91(24), which refers to Indians and land reserved for Indians. I remember asking the leadership at the time if this is what they want? Did they want us, as elected members, to support this proposal? The answer was yes. They also said that it does not go far enough and there will be another day when they will want to have their issues more fully addressed and placed in the Constitution.

In fact, in the Supreme Court decision relative to native rights, one could argue that section 35 is given more Native rights within the constitutional framework than possibly what was even contemplated by those of us who wrote it, back on that Saturday morning.

There were these two unfinished pieces of business, which takes me to Meech Lake. What I find interesting about Meech Lake is that virtually everyone who has addressed Meech Lake agrees with the principles of Meech Lake. They agree with the five principles. That does not seem to be the major issue. When I speak to my friends in Manitoba and in other provinces, that generally is the position they take.

Second, there is the argument relating to process and the arguments relating to the fact that this is the opportunity to meet that requirement to fulfil unfinished business. Since 1984, I have been a member of a government caucus. With the exception of a nine month period in 1979, I was always in opposition. Also, since 1984 I have been a member of a caucus that has a large number of members of Parliament for the province of Quebec. That was a unique and new experience for most of us who have been around here for some years as members of the Conservative Party. What I have discovered is that they have a love for Canada, a love for country, a love for their province equal to that of mine. They might express it in Canada's other official language more often than I do. But, the fact of the matter is that the Meech Lake Accord for them, and for me, and therefore for other Canadians, was simply a recognition not only of the reality of Canada but the need to bind old wounds.

• (1650)

While I know that politics involves a confrontational system, I believe that political life and public debate too often emphasizes the negative. It emphasizes the conflict and that is what makes the news. That is not a criticism. That is also the manner in which the media has to operate.

I believe the test of the validity of someone in public life is not whether they are controversial but when he or she must a decision for the good of the country. That is when we are tested most, and this is one of those moments. that is this moment. That is this moment for us in Manitoba. That is the moment for us in Newfoundland and that is the moment for us in Canada.

What has come out of the Meech Lake process is not an argument about its fundamentals but an argument about process. Let me address that first.

The Prime Minister and the Premiers of the ten provinces, as well as the leaders of the Territories, have clearly stated that this should be the end to the type of process and, quite frankly, debilitating manner in which we have had to change our Constitution. I remind you that this is still the first decade in which we, as Canadians, have had to wrestle with the process of changing our Constitution. Before that, it took place in England. I take great comfort in the communique on the companion resolution which states that this process will not happen again. I take great comfort in it, and for that very reason commend the Meech Lake Accord, not only to this House, but to my fellow Manitoba citizens and legislators in Manitoba.

My second point concerns the aboriginal people. I had the honour to be the Minister of Indian Affairs and Northern Development for nine months. Those of us who have at all been exposed to the aboriginal plight in

Canada know that if we want to speak in international fora on human rights, on dignity, on equal opportunity, we have to address the aboriginal question.

There has been much work done. I remind members that in 1987 we came very close to settling the aboriginal question. I believe sincerely in my heart that if the province of Quebec had been at the table we would have had the required numbers to get the constitutional amendments for aboriginal people that the Prime Minister and other First Ministers were seeking in 1987.

I said in my earlier comments that I am a great believer in the development of constitutions. Let me use a personal example, if I might. In 1979 we wanted to bring about changes to the Northwest Territories Act and the Yukon Act. Our government did not have a long term in the House. As Minister of Indian Affairs and Northern Development, I wrote a letter to the Commissioner of the Yukon and the Commissioner of the Northwest Territories. In that letter, as Minister of Indian Affairs, I said that I expected him to choose his executive council from his elected members, and I expected the commissioner to address the executive council on the basis that they are the members who are responsible for the governance of the Territories. That is what we refer to as responsible government.

The Liberal governments in the 1980s did not change the letter either. Why not? First, I sincerely believe they believed in that process. Second, once one has given responsibility to people, one sees the development, the evolution and the growth of these people. All one has to do today is to take a look at the manner in which these two territories were represented by their spokespersons, their premiers or their leaders at the First Ministers' Conference. The companion resolution makes a commitment not only to their participation but the further development of the Northwest Territories and Yukon, specifically the aboriginal people.

In the last number of months there have been agreements signed north of 60° with the Déné people, with the Inuit Tapirisat, with the Council of Yukon Indians. Progress has been made. I believe there had to be a long period of time in which difficult discussions and negotiations took place, but I do not want to lose the opportunities, the progress, the growth that is now being realized not only by those people but for us as Canadians.

The Prime Minister put forward proposals before the Manitoba native leadership to move the aboriginal agenda forward. They include a federal-aboriginal process to set the agenda for the First Ministers' Conference on aboriginal matters and the acceleration of the holding of the first conference; a commitment by the Government of Canada to full constitutional recognition of the aboriginal peoples as a fundamental characteristic of Canada, the so-called "Canada" clause; the participation of representatives of the aboriginal peoples of Canada at any future First Minister's Conference held to discuss the "recognitions" clause; an invitation to participate in all First Ministers' Conferences where matters being discussed directly affect the aboriginal peoples; the joint definition of treaty rights—so important and so long asked for by Indian leadership—and the establishment of a royal commission on native affairs.

I say to our native friends that it is a proposal and an offer given freely and willingly by the Prime Minister not simply to break the Meech Lake impasse, but rather because I have seen how the Prime Minister has attempted, both in 1987 and in the post period since 1987, to bring forward a conclusion with honour and dignity for the aboriginal people of Canada.

There is a third point I want to make. It relates to Senate reform. Based on agreed objectives, this will now be the key constitutional priority. I remind members that, in 1986, the Premiers in Edmonton said that we had to get Quebec within the Constitution. I believe sincerely the former Liberal speaker when he said: "We always have to have Canada aroused." That is correct. But along with the Premiers in 1986, all of us sincerely believed that we had to end the constitutional exclusion of Quebec.

Second, for us in western Canada particularly, we believed that we would have Senate reform. To us, Senate reform is important because it is a recognition by the other parts of Canada that there has to be a change from those earliest days when we entered Confederation.

It is not my purpose today to talk about the grievances relating to the ownership of natural resources. All of us who have grown up in western Canada could regale the House I am sure for hours on end about some of the

perceived and real wrongs respecting that history. That is not the purpose today.

The purpose today is quite simply this. We have two legislatures who are struggling at this moment with passage of the Meech Lake Accord. I wish them well. I believe sincerely that at the end of the day prior to June 23 as the legislatures face the awesome responsibilities, as we in this House have had, they will make a decision not only to pass the Meech Lake Accord but to do it with honour.

• (1700)

Second, this will open the door for Senate reform. It opens the door for consideration of the manner in which the Territories could become provinces, to join in a greater way the constitutional family of Canada.

It brings about the possibility of examining the Canada clause and more fully expanding in definitional form what is the nature of Canada and what is the multicultural heritage of our country. Obviously, from that background I look forward to its inclusion at the appropriate time.

In conclusion, there is finally only one question before us. It is this. Canadians look to our American friends to the south and sometimes shy away from the manner in which they project their nationalism. I think from time to time, Sir, it is good for us to speak about Canada, not about the provinces or the regions from which we come, but the fact that we all share a heritage, a citizenship which is the envy of the world.

I am not here today to tell you about the dire economic consequences which I personally feel could come if Meech Lake is not passed. I know one thing. As in a family so in a country, when there is division you are weaker. Even when you patch up the differences the knowledge of difference remains.

This Parliament and the legislatures have a responsibility to remind Canadians that our Canadian citizenship is based on tolerance, on democratic values and an international obligation. The international obligation is simply this. It is to convey to the rest of the world that we are people who have learned to grow together, who celebrate our differences but who always remember that we are not living in a cheque-book confederacy, that at the end of day I mark up what I receive for my area as against what the next fellow receives for his or hers. Rather, we contribute to the country and in so doing we get benefits which are the envy of the world.

Sir, I commend not only Meech Lake to the legislatures of the two provinces as they wrestle with this issue, but also that they see this as an opportunity to address some of the grievances that have been exposed and also to see themselves as the nation builders which I know they want to be.

Some hon. members: Hear, hear!

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have a question for the hon. minister. I appreciate the depth of his remarks and have long admired him in the House, even though I do not agree with him on Meech Lake.

He supports a resolution that calls upon the provincial governments of Manitoba and Newfoundland to pass Meech Lake basically because their premiers have agreed to it. Then he went on to say that we have to end this type of process, that is, the process that led up to Meech Lake. He has acknowledged the difficulties of that process. That process has been called executive federalism. That is to say the Premiers and the Prime Minister get together and basically make the decisions to the exclusion of Parliament, some critics say, and to the exclusion of people in the provincial legislatures.

I want to ask the minister this. Is it not inherent in Meech Lake that this process is going to be perpetuated? For example, every year there will be a premiers' conference at which will be discussed the Constitution.

It seems to me what will happen at those premiers' conferences is that we will see more and more the erosion of federal power. I predict that the next one will be on telecommunications, followed by the environment and other areas. The provinces will come to say: "We want these powers. We want a change in the Constitution". All the federal government will do is say yes or no, but it will still create a pressure to take away federal power.

Today the Leader of the New Democratic Party suggested a different process. She quoted Nelson Mandela. She talked about recommendations made by Frank Scott and David Lewis in the past. They talked about constituent assemblies involving people. She gave a modern update, that is, in the form of a standing committee of the House that would continue with education of people

so that they could understand these constitutional processes and so that they could participate.

The minister has had a lot of experience, as he mentioned, in Constitution-making in this House. Does he not think that this process will never really be changed until we get into the Meech Lake pattern of executive federalism in which the Premiers and the Prime Minister do most of the constitutional governing of this country at the expense of the House of Commons which, today, is almost irrelevant in terms of the constitutional debate?

Mr. Epp: Mr. Speaker, I know the phrase "executive federalism" has found new usage in Canada, especially since the week long closed door debate.

I think it is important in a federal state that First Ministers come together regularly to discuss the issues of the day. As the hon. member will know, we have had regular conferences, for example, on the economy. I think it is very important that that take place.

I also believe that we should have the First Ministers discuss constitutional issues. I do not think that that is the issue.

I think the question is this. Do we expand that process to one which will allow discussions by Canadians before the fact as opposed to after the fact?

If we look at the Meech Lake discussions in August of 1987 here in Ottawa and, for example, at the Charest Committee report, many people would argue that they were more processes of ratification rather than developmental processes of the Constitution, even though people were very sincere in the approach and the work that they did.

I believe that all First Ministers, both provincial as well as the Prime Minister, have now gone through a process whereby they recognize, as they did in their communiqué, that they must change the process. I cannot project that it will be a constituent assembly. But I do know that on issues concerning aboriginal rights, for instance, the Prime Minister gave directly to the aboriginal people in his communiqué of Monday last their legitimate participation at the table.

Whether or not this could be expanded beyond that point, I think would need discussion. I am not opposed to it, but I think it would need some agreement.

We do not want to falter again on the process. I ask my hon. friend to look at the American system and to consider the Continental Congress in Philadelphia in 1790. He knows how long a period of time was involved there. It was not an open process, yet it involved elected members. But out of it came a constitution and a willingness not only to respect it but also to try to change it. The Americans have a method to change it, just as we are now developing a process for change in our country, especially in the last decade.

I say to the hon. member that I would not foreclose any of the options. I do not think we should be opposed to Meech Lake and the bringing of Quebec into the Constitution or, for that matter, bringing aboriginal discussion into the Constitution and hopefully finalizing it, or Senate reform simply because the process we have been through has not been totally to our satisfaction.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. On debate, the hon. member for Papineau—Saint-Michel.

[*Translation*]

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, when I began my remarks, I was informed that the Prime Minister might come to the House in a few minutes. I will be pleased to interrupt my speech as soon as he arrives, with the hope that you will let me speak again later in this debate to conclude my remarks after he and the opposition leader have made their speeches.

I want—

[*English*]

The Acting Speaker (Mr. Paproski): I am sorry to interrupt the hon. member. I believe there is unanimous consent to allow that.

Some hon. members: Agreed.

Mr. Kindy: No.

Some hon. members: Shame!

Mr. Kindy: On a point of order, Mr. Speaker, I said no, there is not unanimous consent.

• (1710)

[*Translation*]

Mr. Ouellet: Mr. Speaker, at the outset, I would like to say that I will support this motion because I think that it is important and useful at this time when not only elected federal officials but also representatives of the various provincial governments are involved in this great constitutional process. I think that this resolution is in no way unfair to the legislature of Manitoba or Newfoundland. And unlike my colleagues in the New Democratic

Party, I think that the Parliament of Canada can very well express its wishes and hope that two provincial legislatures support a constitutional process approved not only by the Prime Minister of Canada but by the ten provincial premiers as well.

That being said, I nevertheless remind you that the present constitutional impasse goes back several months, I would even say a few years. As soon as a new government was elected in New Brunswick, it was clear that it would be difficult to obtain from this legislature the same consent given previously by the former premier of the province. I can only regret that it took so long to decide to seek an appropriate compromise in response, first of all, to the questions of Premier McKenna, and subsequently to the objections raised by the Manitoba legislature following an election that produced minority government with Premier Filmon, and finally, to the objections raised by a newly elected government in Newfoundland. In any event, I want to say, first of all, that I voted for the Meech Lake Accord, probably because I felt that Quebec's five demands were and still are reasonable, moderate and a good basis for arrangements that would benefit all Canadians.

It formed the basis for negotiating a constitutional agreement which at the time received the unanimous support of the First Ministers. If the proposals made by the Government of Quebec were reasonable and still are, as I believe they are, then why did the present text of the Meech Lake Accord cause such aggressive debate, such dissension, suspicion and distrust? Why did this draft accord a rouse greater anxiety about the future of our country than any other event or initiative had done in the past years? Having watched the Meech Lake debate very closely, I am convinced that the problem was not the five demands of Quebec but the process by which these five demands were met. The Prime Minister, who I am sure was acting in entirely good faith, thought that, by giving the other provinces the same terms he gave Quebec, he would be able to settle this constitutional problem. Unfortunately for the Prime Minister, although many Canadians are prepared to accept a strong Quebec, there are many people in this country who do not necessarily want a weak Canada. Personally, as a Quebecer and a Canadian, I feel it is very important to obtain the full consent of the Government of Quebec to the provisions of the *Constitution Act, 1982*, which was and still is the objective of all parties.

Unfortunately for many Canadians, the Prime Minister of Canada abdicated his role as defender of the interests of the Government of Canada to obtain a constitutional accord, apparently at any price. However, I was delighted with the action taken by Premier McKenna of New Brunswick, who on March 21 proposed a way to try and resolve the constitutional impasse.

This suggestion, which I think came very late in the day, was a praiseworthy initiative that should have come, not from a provincial premier but from the Prime Minister of Canada himself, many months ago.

The Government of Canada, in response to the companion resolution proposed by the Government of New Brunswick, appointed a parliamentary committee, commonly referred to as the Charest Committee, which held public hearings across the country, heard hundreds of witnesses, received thousands of written submissions and made a series of suggestions not to undo Meech Lake but to renew the support previously given by the Parliament of Canada through the three party leaders in the House. There was support for Meech Lake, but the report also recommended some additions and improvements, somewhat along the lines of the suggestions made by Premier McKenna, to resolve this constitutional impasse and thus ratify the Meech Lake Accord.

I am glad to say that throughout this political process, the Liberal Party of Canada set aside political considerations and fully co–operated with the government. From the outset, the Leader of the Liberal Party, the Right Hon. John Turner, supported the government's action on Meech Lake. Subsequently, the vast majority of Liberal members in this House voted in favour of the accord when the debate on Meech Lake was held. And quite recently, when the Charest Committee was appointed, all four Liberal members signed the Charest Committee's proposals and joined forces with the government and the New Democratic Party to seek a solution to the constitutional impasse.

There were those marathon meetings that lasted nearly a week between the Prime Minister of Canada and the provincial premiers to try to find a compromise that would enable the various legislatures that had not yet ratified the Meech Lake Accord to do so.

I must say that some of the suggestions made by the members of the Charest Committee were accepted and I think that is an important factor which made it possible for the Prime Minister of Canada to obtain the co-operation of all First Ministers who were present at those week long negotiations. An agreement was finally reached because some proposals that had been unanimously accepted by all members of the parliamentary committee chaired by our colleague, Jean Charest, were acted on.

But I must say that I had a feeling right after this agreement was reached following that long week of negotiations among the first ministers— I say that because I saw in the newspaper the day after the agreement that some representatives were very disappointed with what had happened. I quote from an article in *The Globe and Mail* that said:

• (1720)

[*English*]

"Agreement is faulted by women and natives". The article states:

> But Judy Rebick, president of the National Action Committee on the Status of Women, said she was "disgusted" by the process. "Women, aboriginal people and multicultural groups were excluded. The decisions are still being made by middle-class white men in Ottawa".

The article goes on to state:

> The Assembly of First Nations, which represents native groups, was not available for comment. But Ethel Blondin, Liberal MP for the Western Arctic and a leading native spokeswoman, said she feels betrayed by Mr. Mulroney.

[*Translation*]

It is obvious that what is now happening in the Manitoba Legislature is a reaction quite similar to the spontaneous reaction of our colleague, Ms. Blondin, who found it wrong that at the end of this long discussion that lasted nearly a week, the Prime Minister invited the representatives of the Northwest Territories and the Yukon in to talk and publicly consent, in front of the nation, to this process that had just been accepted by the First Ministers of Canada. But those who were most conspicuous by their absence from that happy Saturday evening were of course the representatives of the native peoples. I wonder why the Prime Minister of Canada did not have the good idea to bring these people into the final moments of this long discussion that lasted nearly a week, so that they too might accept this compromise in Canada's interest.

I must say that the recommendations of the Charest Report, in particular recommendations 9, 10 and 18, were not followed up either by the Prime Minister of Canada or probably by the provincial premiers. If more serious, sustained attention had been given to these recommendations of the Charest Report, I do not think we would have the objections now being raised in the Manitoba Legislature. In any event, I can only regret what is happening.

I sincerely hope that the legislatures of Manitoba and Newfoundland will approve this compromise agreed to by the Prime Minister of Canada and the provincial premiers. What is at stake is our concern that each and everyone of us can live in harmony in our country. The original objectives of the 1987 constitutional exercise must be realized. I think that if the Prime Minister makes it a point of honour to say that the 1982 round was incomplete, he too must admit that the 1987-1990 round is also incomplete.

The resolution before us clearly indicates that if, on one hand, we hope for the ratification of the 1987 Constitution Amendment before June 23, 1990, on the other hand there is also an important step which will have to be taken in the future constitutional development process with a view to dealing with, as the resolution puts it, the important issues of Senate reform, of aboriginal rights and linguistic rights, of territorial participation in the federation, and of providing a process for a continuing review of the operation of the Constitution of Canada.

Mr. Speaker, it is a very heavy program which leads me to conclude that the effort of this government and of the Prime Minister to improve and finish the 1982 constitutional undertaking is neither perfect nor complete and that there is still a lot of work to do. I hope we will be able to do it, that we will be able to take that step and to deal with the following stages with enthusiasm and honour because we find the incidents of the last few weeks very unfortunate. I hope that on the evening of June 23 all Canadians will be able to celebrate the

completion of this constitutional stage which, in my estimation, is very important.

[*English*]

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I listened to as much of the hon. member's speech as I possibly could and found it very interesting.

One of the comments the hon. member made toward the end of his remarks was about some of the difficulties we are facing in the land right now with this whole process of constitutional reform. That is to say we seem to have a lot of people with their own agendas, which is understandable. I do not mean to speak of that in a derogatory manner. But people have individual concerns that they want raised as constitutional issues. The difficulty we seem to be facing today is that there is a sense in the country that unless we are successful in doing all of this in this process that somehow in some way we end up limiting the constitutional possibilities in the future.

I am just wondering if the hon. member could comment on that concern in the sense that we can build the nation using this as the first of many steps of constitutional reform that we need to see.

[*Translation*]

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, I will respond very briefly to the question because I believe my time has almost expired and I know the members of the House want to listen to the Prime Minister.

I think the hon. member is quite right. There is not much point in considering future discussions on Senate reform, aboriginal rights, multicultural linguistic minority rights and territorial participation in the federation if this constitutional exercise is not concluded this coming June 23.

I share the views of my colleague. At this stage of our constitutional discussions it is essential that we complete this round first. It is obviously not perfect, but it is essential if we want to deal with other issues in coming months and years.

• (1730)

[*English*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have just come from a meeting with the agricultural leaders of Canada in preparation for the Houston Summit. I was advised of the very gracious gesture by the member for Papineau—Saint-Michel in accommodating my speaking here today. I wanted to thank him personally for that.

It is with some poignancy that I recall it was some 30 years ago that the member for Papineau—Saint-Michel and I as fellow students at Laval University in Quebec City were discussing at great length some of the same constitutional problems that are before this House today.

I remember the member as an active participant in those debates. Some of the questions raised then, as I think back, have bedevilled Canada ever since. I think some of the solutions that he and other members have put forward have been incorporated into a broader perspective that we all hope will bring greater unity and harmony to Canada.

[*Translation*]

I personally thank the hon. member for Papineau—Saint-Michel, former minister in the Liberal government, for his kindness in offering his place so that I could take part in this debate today.

[*English*]

This week, as few times before, Canadians feel the weight of our history. After a long and sometimes difficult journey, we are now only three days away from June 23. Today, the past of which we are all so proud is balanced against the future that we all so ardently desire.

In April 1987, in the Gatineau hills, we began a voyage that has led so far to the ratification of the Meech Lake Accord by eight provinces representing 94 per cent of the Canadian population and by the Parliament of Canada. The path has led us to the legislatures of Newfoundland and Labrador and Manitoba, on whose steps an anxious nation now waits.

When First Ministers met on June 3, the concerns raised in the three years since the accord was first signed were all part and parcel of the problems that were on the table for resolution. For seven difficult days these issues were debated, analysed, and discussed at great length. Proposals were exchanged and ultimately an agreement

was arrived at. This agreement is reflected in the final communiqué dated June 9, 1990, with the appropriate caveats as expressed by the premier of Newfoundland and Labrador and the premier of Manitoba.

The Premiers of New Brunswick, Manitoba, and Newfoundland and Labrador undertook to submit the Constitution Amendment, 1987, the Meech Lake Accord, for appropriate legislative or public consideration and "to use every possible effort to achieve decision prior to June 23, 1990".

Since then the Legislative Assembly of New Brunswick has unanimously adopted the Meech Lake Accord, together with two companion resolutions.

Today, with this motion, Mr. Speaker, we as members of the Parliament of Canada simply and respectfully urge the Legislative Assemblies of Manitoba and Newfoundland to bring about the full ratification of the Meech Lake Accord.

There is no attempt by the Parliament of Canada to intrude upon anyone else's jurisdiction, but the national Parliament, using precedent from past decades and past years, has both the opportunity and the obligation from time to time to speak out and respectfully urge other legislatures to take cognizance of important matters, and this is one that is important to the future of the country.

We all appreciate the heavy responsibility which now rests on our fellow legislators in those provinces who must complete the ratification process. We have the greatest respect for the rules of their legislatures and for the procedures to which they have chosen to subject their decisions. But there is a compelling national interest that the Meech Lake Accord be brought to a vote before June 23.

As all parliamentarians know from experience, political will can always overcome procedural obstacles.

I am advised by Premier Wells that the free vote which he plans for the Newfoundland and Labrador House of Assembly will take place either late Thursday evening or early Friday morning. I salute him on selecting this method which included consultation by the members of the House of Assembly with their electors for voting on the accord and on the companion resolution. True to his signature, he has asked the members of his legislature to express their opinions and to vote on this crucial question before the deadline.

Premier Wells has extended an invitation to myself and to the other First Ministers who signed the communiqué to address the Newfoundland House of Assembly on the subject of the Meech Lake Accord.

Earlier today I had the opportunity to watch part of a quite remarkable address by the premier of Ontario to the legislature of Newfoundland and Labrador, a very compelling and eloquent statement on national unity, strongly urging the ratification of the Meech Lake Accord in the interests of Canada's well-being. Premier McKenna, I understand, was there this afternoon.

I want to tell you, Mr. Speaker, that I have accepted the kind invitation of Premier Wells, and I will be speaking in the legislature of Newfoundland and Labrador tomorrow.

Some hon. members: Hear, hear.

Mr. Mulroney: The situation in Manitoba is obviously less clear-cut. The Manitoba legislature and the three party leaders in particular face a difficult choice. Nothing is more difficult to manage politically than a minority government situation. To have done so while dealing with a constitutional provision of enormous importance is for Premier Filmon a great challenge. I know that all Canadians wish him well in this very challenging endeavour.

Some hon. members: Hear, hear.

Mr. Mulroney: Both Mrs. Carstairs and Mr. Doer in fact played significant and helpful roles during the Ottawa conference, and they will no doubt deploy every effort to ensure passage of the Meech Lake Accord.

If they accept, as I do, that the adoption of the Meech Lake Accord is essential for our future unity, they will of course weigh carefully the meaning of the words "every possible effort" and do everything in their power to allow the elected members of their legislature to express their views on our constitutional future before June 23. They will want, I am sure, as many of us will, to reflect again on why it is so vitally important that the Meech Lake Accord be ratified.

What must be remembered is that in the referendum campaign of 1980 Quebecers were promised a renewed federalism. They voted for a new Canada, proud of its past and confident in its future, to which everyone would contribute their own particular values and their convic-

tions and their dreams in order to build a better Canada for themselves and for their children.

Yet, in 1982, Quebec, which had only two years earlier chosen to keep its destiny linked to that of Canada's, was not a signatory to our Constitution. Canadians know in their hearts that one cannot build a strong, durable country on such questionable foundations. Clearly, a new effort on another day was required by all of those who love Canada to make this nation whole again.

What happened at Meech Lake was precisely that: ten premiers representing four different political parties from Newfoundland and Labrador to British Columbia, and the three leaders in this House of Commons, overwhelmingly said that a new day had arrived to make Canada whole again.

Some hon. members: Hear, hear.

• (1740)

Mr. Mulroney: Provincial first ministers recognized this in Edmonton in August, 1986 when they issued the unanimous declaration designed to bring about Quebec's full and active participation in the Canadian federation.

[*Translation*]

The unanimous decision by the provincial premiers in Edmonton to promote Quebec's return to the constitutional fold was an intelligent and generous response to the legitimate demands formulated by the Bourassa government.

[*English*]

In 1985, with a federalist Liberal government in office in Quebec, five principles for the resolution of our problem were laid out and the way began to be cleared to continue to build our common destiny. The success of Meech Lake in 1987 was, above all, a gain for Canada, for all of Canada, for the strength and unity of Canada. That is why I think that this House twice adopted the Constitution Amendment, 1987.

Meech Lake affirms the principle of the equality of the provinces. It clarifies and confirms the spending power of the federal Parliament in respect of programs in areas of exclusive provincial jurisdiction. It strengthens through entrenchment the Supreme Court of Canada as the highest court in the land. It provides the provinces with a say in the selection of senators, although in all cases the final decision on appointments to the Supreme Court of Canada and appointments to the Senate rests with the Government of Canada.

[*Translation*]

Like many of my colleagues in this House and like many Canadians, I realize that this agreement, essential though it is to our country's future, will never be able to respond to all the aspirations nor appease all the fears of certain groups or individuals.

Mr. Speaker, that is not its purpose. As a Parliament cannot be defined by the stones used to build it, no constitutional text can ever contain the entire soul of a nation. It is my profound conviction that we can judge the effectiveness of a Constitution by its ability to inspire respect for institutions and affection and compassion for humankind.

Like thousands of Canadians, I felt the breath, the spirit of Meech Lake on that Saturday night, on June 9, 1990, when the Premiers of all Canadian provinces and the leaders of the Northwest Territories and Yukon appeared in turn before the television cameras to express, in terms most eloquent, their pride in having been able to contribute to the unity of this country, a country we all love: Canada.

Through the voices of the Premiers the same message came through, loud and clear: Canada is a magnificent country, and we have a responsibility to future generations to preserve it and make it grow. And that is exactly what we are doing with the Meech Lake Accord.!

[*English*]

With our constitutional process unblocked by Quebec's return to the table, we will be able to turn our attention to an agenda such as Senate reform and aboriginal constitutional matters.

Premier Penikett of Yukon said on June 9:

> After three years of debate and discussion it is clear to us that constitutional evolution is not a series of discrete steps but a fluid process. We will meet again as we have in the past and I hope work together to create a Constitution which all Canadians, aboriginal and non-aboriginal, French and English, east and west, south and north recognize as the sum of this country.

If, despite the agreement reached at the Ottawa Conference Centre, the remaining ratifications were not obtained, no one here or anywhere else can say for sure what our future might be. I for one, cannot tell this House if or when another opportunity to make the changes so important to so many Canadians—Senate reform, further gender equality rights and aboriginal rights—would present itself again.

Quebec, in confidence and maturity, has proposed to return to the Canadian constitutional family. If we do not seize this chance now, if we do not seize this glorious chance now, who can say if and when it would arise again.

The uncertainty caused by the failure to resolve our constitutional problems could harm our chances to regenerate the outstanding economic and employment growth that we have known in the recent past, and I believe are poised to achieve again over the next few years.

I am deeply encouraged that the legislators of Manitoba and Newfoundland and Labrador are now debating this historic accord. I express the fervent hope of members from all parties of this House that they will pass it within the time frames.

I also call upon the other legislatures to ratify the companion resolution agreed to in Ottawa which provides progress toward the goal of Senate reform; the protection of gender equality rights; a fairer deal for the territories and for linguistic minorities; and important gains on aboriginal constitutional issues.

The aboriginal peoples have the assurance of a separate constitutional process dedicated to aboriginal constitutional matters that would involve their participation in First Ministers' Conferences every three years.

We placed before a meeting of the representative group of the Assembly of Manitoba Chiefs on Sunday a proposal that would provide for, first, a federal–aboriginal process to set the agenda for the First Ministers' Conference on aboriginal matters and the acceleration of the holding of the first conference.

Second, a commitment by the Government of Canada to full constitutional recognition of the aboriginal peoples as a fundamental characteristic of Canada.

Third, the participation of representatives of the aboriginal peoples of Canada at any future First Ministers' Conference held to discuss the recognition's clause.

Fourth, an invitation to participate in all First Ministers' Conferences where matters being discussed directly affect the aboriginal peoples.

Fifth, a most important historic matter for the aboriginal peoples, the joint definition of treaty rights.

Sixth, the establishment of a royal commission on native affairs of the scope and the impact of the historic Bilingualism and Biculturalism Commission that made such a beneficial change 25 years ago, and this new royal commission on native affairs can do at least as much to advance the cause of aboriginal justice now and into the future in Canada.

This six-point proposal is, I think, generous and comprehensive in response to the legitimate demands of aboriginal peoples. It highlights as well the consequences to all of us in not succeeding in restoring the full constitutional family to the table.

I have said in this House, and others have remarked upon it as well, that I remember well under the 1982 Constitution being called upon as Prime Minister of Canada to chair a First Ministers' Conference seeking an amendment to provide for justice for the aboriginal peoples of Canada. I believed then and I believe today that that amendment so vital to the well-being of the aboriginal peoples of Canada would have been achieved had Quebec been at the constitutional table at the time, because the government of Quebec had clearly signalled that it would support that kind of an aboriginal initiative for justice.

The absence of Quebec already at that time had taken a terrible toll on something that we all hold dear, and that is the promotion of instruments of greater justice, greater fairness and greater equality for the aboriginal peoples.

In spite of the very comprehensive nature of the proposal that we have put forward on behalf of all parliamentarians to secure greater justice for the aboriginal peoples, clearly a condition precedent to this taking place is the return of Quebec to the constitutional table because Quebec is an ally of the aboriginal peoples and it is in Canada's interest and in the interest of the aboriginal peoples that Quebec come safely home to the

constitutional table and thereafter the first matter that will achieve greater justice and greater dignity will be the aboriginal peoples themselves.

Some hon. members: Hear, hear!

• (1750)

Mr. Mulroney: So, Mr. Speaker, we can either reap the benefits of constitutional evolution or pause with regret to contemplate what might have been.

I respectfully urge the political leaders of Manitoba to honour the commitment given solemnly on June 9, 1990, to use every possible effort to achieve a decision on the Meech Lake Accord prior to June 23, 1990.

Ten days hence, on July 1, I believe that we will all be able to celebrate together a new beginning of our future as a more united and more confident Canada, the kind of Canada that will engender greater social justice, greater equality of opportunity, greater prosperity for our children, greater dignity for all of its citizens, and a Canadian citizenship that will be a source of pride for all the world.

Some hon. members: Hear, hear!

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I regret that I have to begin by saying that it is very clear, in spite of the Prime Minister's words and the applause of his supporters, that it is his mishandling of Canada's present constitutional situation that has created a serious and difficult circumstance for our country.

It did not have to be this way. Three years ago, we of the Official Opposition, offered a number of amendments, proposals regarding the constitutional accord of 1987, which, if they had been accepted, would have removed the concerns about that accord which had been expressed by many Canadians.

These amendments that we proposed were consistent with Quebec's five proposals, proposals which have been acceptable, generally, to parties in this House.

This Prime Minister and his government stubbornly rejected these proposals. They rejected, out of hand, these Liberal amendments. If they had been accepted, it is high likely the constitutional impasse that has worried Canadians for the past several months would not have occurred. This is one reason why I have to say it is because of this Prime Minister and his government's mishandling of the constitutional situation that we have the current atmosphere of crisis and impasse.

We believe the Prime Minister showed a lack of essential leadership by waiting to try to resolve the constitutional impasse until after Premier McKenna had made his proposal for a companion resolution. It was clear from the time that proposal by Premier McKenna was made, and even before, that only the dynamic created by the Prime Minister and all the Premiers sitting and talking around the same table could lead to the development of a consensus for a solution to the constitutional impasse.

We know all too well how the Prime Minister absolutely refused to convene a meeting of First Ministers even though we of the Official Opposition Had been calling for just such a meeting for months for the reason I have just given.

Mr. Speaker, the Prime Minister always answered our requests for such a meeting with basically the same argument. He said it would be premature to call a meeting of First Ministers and that Senator Murray was still out there somewhere, searching for common ground.

We now know and Canadians now know that was not the reason for the Prime Minister's delay or his refusal in convening a meeting of First Ministers. No, Mr. Speaker, that was not the reason at all.

On Monday, June 11, the day after the signing of the communiqué for the 1990 companion accord, after a week of discussions at the Conference Centre between himself and the provincial premiers, the Prime Minister gave an interview to *The Globe and Mail* of Toronto, and in that interview he said he had held a strategy meeting with his advisors and in talking about that meeting stated:

> And so I decided after consultations with my colleagues, mostly with Senator (Lowell) Murray and Paul Tellier, Norman Spector, people like this, that—I remember when I told them, I called them right here, I asked them to come and see me, and I told them when this thing was going to take place. I told them a month ago when we were going to start meeting. It's like an election campaign, you've got to work backwards. You've got to pick your dates and you work backward from it. And that—and I said that's the day that I'm going to roll all the dice. It's the only way to handle it.
>
> Q: And this was a month ago?
>
> A: About a month ago.
>
> Q: Roll of the dice, this was a conscious, obvious decision.

A: You had to roll all the—the only way that this could be done was to roll all the dice.

Mr. Speaker, what a shocking admission. Is this the way to run a country, much less reach a decision on its constitution? Obviously, in the view of Canadians this is not the way to run a country or a constitution; it is not even the way to run a crap game.

The timing of the First Ministers' meeting had nothing to do with finding common ground among the First Ministers. But by the Prime Minister's own admission, it had everything to do with creating the crisis atmosphere which sometimes works in labour–management negotiations.

But as I have said before in this House, constitutional negotiations are not labour negotiations. They are matters of much greater consequence and much greater sensitivity. They should not, they must not be left to the last minute as the Prime Minister did, as a conscious and deliberate act. Also, the Prime Minister has no right to stake the future of this country on the roll of the dice. You do not roll the dice with the future of Canada as the stake.

The Prime Minister well knew that there was a time limit, a June 23 date. He well knew, or should have known, that Manitoba's legislature had a debating and a public hearing process it had to go through under its rules in order to deal with and make a decision on constitutional matters.

The Prime Minister well knew, or should have known, that in any legislative body, in any legislative process, there is a risk of procedural problems and procedural hang–ups. In the case of Manitoba, there was a requirement for public input and all of these things. The working out of the procedural problems, the requirement for public input could and would use up precious time, time that was all too short and limited.

Yet, by deliberately waiting until the last minute, the Prime Minister invited these problems, the very problems he was talking about in this House just a few minutes ago. He invited them himself. I could say that he created them through his delay and his devious manipulation of the constitutional discussions.

In the way he did it, he did not ensure there was adequate room, beyond all question, for the legislature of Manitoba to work its way through any possible constitutional problem or to have the hearing process that the degree of public interest in that province would warrant and which its own legislature rules required. The Prime Minister and the Prime Minister alone, must bear the responsibility for the mess that has been made by him and his government of the constitutional situation. It is his mess and it is his responsibility. He cannot shift any blame or responsibility for that situation to anyone else. He should look at himself in the mirror and recognize that he is responsible for the difficult situation the country is in during this current constitutional impasse.

• (1800)

By his own admission he created this difficult situation and this mess in a deliberate way. He did so, as he told *The Globe and Mail*, in a way for which he has no apologies at all for the process he organized, one carried out in secret, one without participation of the public, one done in a crisis atmosphere and at the very last minute. For this, as he told *The Globe and Mail* he has absolutely no apologies.

He certainly owes an apology to Canadians for the mess he has made of Canada's constitutional situation. He owes Canadians more of an effort than he has been making up until now to try to clean up that mess.

I welcome, and we welcome, his announcement that he will speak to the Assembly of Newfoundland. But another of the major areas of concern is that of the aboriginal peoples of Canada. The Prime Minister sent Senator Murray to talk to the aboriginal leaders in Manitoba but they were not satisfied with what Senator Murray had to say. Yet the Prime Minister has for days refused to take the extra step we recommended, to go himself to meet and talk with the aboriginal leaders in Manitoba.

Today in his speech the Prime Minister spoke about the generous package which was offered at the last minute to the aboriginal leaders. But the Prime Minister has not explained why that generous package was not put forward to the provincial premiers and the aboriginal leaders during the week of discussions in the Conference Centre here in Ottawa. If that had been done, we might be in a very different situation today when it comes to whether or not the impasse will be broken and the accord will be adopted and proclaimed by June 23.

If he is going to meet and speak to the House of Assembly of Newfoundland, the least he could do is also

go and meet with the aboriginal leaders of Canada and talk to them about their concerns and what he and his government intend to do to respond to them in a meaningful way. This is an aspect of leadership, and if he expects to be looked upon as the leader of this country, he must take more meaningful action than he has done to resolve this difficult situation. Yet, we see he has left himself with almost no time to spare to work it out.

[*Translation*]

As I said on June 11 when I spoke in this House in response to the Prime Minister's statement in which he reported on the discussions that took place between him and the provincial premiers:

> We understand the importance of the 1987 constitutional amendment, the purpose of which was to make Quebec a full member of the constitutional family. With Quebec back in, we can fully discuss all the constitutional changes being called for by groups and regions throughout our country.

[*English*]

We recognize there is much more still to be done in order to have a Constitution that responds to the needs and concerns of our aboriginal people, women, minority language groups, multicultural groups, the Territories and those who want a reformed Senate. As I said in the House last Monday, if we stay together as a country, then everything and anything is possible by way of constructive constitutional change, by way of working out how we can live together in a better, more secure and more constructive fashion. If we do not stay together as a country, then nothing is possible and everything that we have concerns about in regard to how we live together will be meaningless and irrelevant. Therefore, we must strive to maintain the unity of this country in spite of what I believe the Prime Minister and his government have done to weaken this unity and the strains they have put upon it.

The Prime Minister came into office pledging that he would bring about a new and greater national reconciliation. Yet, especially in the past three years under his Prime Ministership, we have had a great and troubling increase in the divisions and tensions between regions and groups and in expressions of disunity among some of the people in this country. It is now clear that the Prime Minister must take the blame and the responsibility for these divisions, tensions and disunity. It is now clear he created the conditions for it by the way he mishandled our constitutional situation through delay, manoeuvre and manipulation.

All of us must work to ensure the preservation and the strengthening of Canada, in spite of its present Prime Minister and government. We must work to ensure it stays united until and long after the people of Canada can and will exercise their judgment in an election and make the changes it is already clear that they want to create and to ensure a better and a more united Canada with a welcome place in it for all its people and all its regions.

On June 11, I said in this House we believe that the final communiqué setting out the accord of 1990, signed by the provincial premiers and the Prime Minister, during their week-long conference, can provide the basis for the successful resolution of that constitutional impasse. I went on to say that I hope the New Brunswick, Manitoba and Newfoundland legislatures will accept this agreement, this accord of 1990, and thereby will approve the 1987 constitutional amendment before June 23. New Brunswick has now done so. The Newfoundland House of Assembly will vote tomorrow or Friday, but the matter remains before the Legislature of Manitoba.

I want to say that, as far as I am concerned, in being asked to make a decision on the motion before us, we are being asked to deal with a motion which requests that the legislatures of Newfoundland and Manitoba take prompt decisions on the constitutional accord of 1987. This motion does not ask this House to pronounce itself again on the constitutional accord of 1987. This is something it has already done. Also, this motion, this resolution, does not ask this House to lecture or to instruct the members of the legislatures of Newfoundland and Manitoba on how to go about their business, how to carry out their responsibilities. It gives no instructions or advice on procedures they should follow.

I do not think that the members of the legislatures of Newfoundland and Manitoba need to be lectured by the Prime Minister or his ministers in this House. As I said on June 11, I am confident that the members of the legislature of Manitoba and the House of Assembly of Newfoundland are very much aware of their responsibilities for the future of Canada and I am sure they take these responsibilities very seriously.

In this connection, I want to remind the House of the words of Clyde Wells, the Premier of Newfoundland, to the House of Assembly of that province on the morning of June 11. He said: "I am confident that the members of this honourable House and, indeed, all Newfoundlanders and Labradorans will express their views on the basis of their own sincere convictions and with the future of Canada foremost in their minds and their hearts".

• (1810)

I say now as I said June 11 that calling upon us, the people of Newfoundland and in fact all the people of this country to keep the future of Canada foremost in our minds and in our hearts are wise and welcome words from the Premier of Newfoundland. They should serve as an example and a signal for all of us.

I believe it would be in the best interests of this country and its future, if the present impasse could be resolved by June 23. It would be better if the uncertainty created by the Prime Minister's mishandling of the constitutional situation could be, if not removed, at least lessened and not extended beyond June 23 if at all possible.

For these reasons, I support the motion before us, not because it is necessary in any constitutional or legal way to resolve the current impasse but because we Liberals want to send a strong message that Canada is worth preserving, that Canada must be preserved. We should all give priority to making sure it is preserved in the interests of all its people, all its regions, for our children and the future generations.

Hon. Jean J. Charest (Sherbrooke): Mr. Speaker, I cannot help but leave my notes as I start this speech, which I had not planned to do. I am forced to do it by the comments made by the Leader of the Opposition in the House who I think has made a bit of an incredible statement in the present circumstances.

I find it a bit awkward that he would ask the Prime Minister of Canada to take the blame for any problems we would have had with the present constitutional debate while the future Leader of the Liberal Party of Canada takes to hiding from the present constitutional debate. In fact, the context is unique in itself as the Leader in the House of Commons for the Liberal Party today says that he supports the resolution put before the House, but the future Liberal Leader who is now in Calgary cannot tell Canadians where he stands on the most important issue before us today.

Some hon. members: Hear, hear.

Mr. Charest: It is quite an incredible situation for all of us. Canadians will be the judge.

[*Translation*]

Mr. Speaker, Canada has been in a state of constitutional crisis for the past several weeks and even months. It is not the first time in our history that our young country is going through such a crisis. In fact, 25 years ago, the Royal Commission on Bilingualism and Biculturalism, the Laurendeau–Dunton Commission, made public an interim report saying that Canada was facing the worst crisis in its history. Well, 25 years later, we are once again facing one of the worst crises in our history.

Between 1965 and 1990, the Canadian people have debated constitutional issues a number of times. In 1967, our centennial year, Ontario Premier John Robarts called a conference to discuss the future of the Canadian federation. In February 1968, Prime Minister Pearson called a constitutional conference to discuss findings contained in the report of the Royal Commission on Bilingualism and Biculturalism. They talked about the formula for amending the Constitution, the Supreme Court of Canada and the possibility of involving provinces in the appointment of Supreme Court judges, which we find in the Meech Lake Accord that we want to see ratified in 1990. They also discussed linguistic rights and regional disparities, issues that are just as important today.

At the famous constitutional conference held in Victoria in 1971, they went back to the issues discussed in 1968 and reached a consensus on the condition that the First Ministers consult their respective legislatures within 12 days and return with their opinion.

We know today what happened after that constitutional conference, when Mr. Bourassa made an important decision and said on behalf of the Quebec people that he was not satisfied with what they were offering him.

We always think of the failure of 1971 when studying the Meech Lake Accord. In 1976, Mr. Trudeau proposed another constitutional initiative, based this time on the patriation of our Constitution. In fact, Mr. Trudeau was always true to himself: after 1976, every constitutional

initiative that he proposed had the patriation of our Constitution as its main objective.

At that time, he proposed three options for the patriation, but the provinces—and Mr. Lougheed from Alberta was their spokesperson—gave him the following answer: "There will be no patriation of our Constitution until we have the opportunity to discuss the roles, the jurisdictions and the powers of our provinces. We have to discuss the substance before we can discuss the form." The premier of Alberta said at that time—and it is interesting to note that today because, after all, we are talking about things that were said and written in 1976—that the provinces wanted more power, Mr. Speaker, in the area of immigration. Imagine, in the area of immigration!

What does the Meech Lake Accord do if not precisely respect the wish of the vast majority of provinces in 1976? At that time, Premier Lougheed told the Prime Minister of Canada that he wanted to discuss language rights and other powers. He also said, among other things, that he wished that a requirement to hold annual first ministers conferences on the economy be written into the Constitution.

That request, Mr. Speaker, was presented in 1976, not in 1987, not during the Meech Lake negotiations three years ago. That was the wish Premier Lougheed of Alberta expressed in 1976 on behalf of his colleagues, the other premiers.

In 1976, Mr. Speaker, the Parti Québécois was elected. That election completely redefined the constitutional picture in Canada. In 1977, Mr. Trudeau reiterated his intent to patriate the Constitution, and he also put together a royal commission of inquiry, known as the Pépin–Robarts Commission. In 1965, we had the first interim report, by the Laurendeau–Dunton Commission and in 1977, the idea was revived by the Pépin–Robarts Commission.

In 1978, a White Paper was tabled. That White Paper, Mr. Speaker, prepared in 1978, stipulated that the Canadian Senate was to be replaced, or reformed by July 1st, 1979! The federal government intended to reform the Senate within a year. What was planned? A House of Federation House where half the senators would be appointed by the provinces, and half, by the federal government.

I refer to that, Mr. Speaker, for all those who are shocked today because the Meech Lake Accord gives the provinces a say in choosing senators. Can you believe that in some areas of Canada, people are shocked because the provinces will now be able to submit names—even if, as the Prime Minister pointed out, the final decision is still going to be made by the federal governement— whereas in 1978, Mr. Trudeau was planning to let the provinces appoint half the members of the new Senate.

• (1820)

Nothing new there, Mr. Speaker. All this to tell you that there is not much that is new in the Meech Lake Accord. And this is only up to 1978. As well, in 1978, as in 1968—there seems to be a 10-year cycle here—the Supreme Court of Canada was an issue again. In 1978, Mr. Trudeau also proposed that the provinces play a role in the appointment of judges to the Supreme Court of Canada. This is not very surprising in a federation where the highest court of the land makes the final decisions and is the arbitrator between the provincial and federal jurisdictions. It is not surprising that we can expect the two levels of government to have their say in the appointment of those arbitrators. Don't you think that is only good common sense? In any case, I do. Mr. Trudeau thought so in 1978, Mr. Pearson thought so in 1968 and I believe Mr. Mulroney's opinion on the matter is the same in 1990 as it was in 1987–1988.

In 1980, Mr. Speaker, there was the referendum in Quebec. I do not wish to drag on on this subject. Suffice it to say that a commitment was taken, a commitment to a renewed federalism, a clear commitment, in any case, clear enough so that the vast majority of Quebecers could understand it as such. And several important politicians in this country went to campaign in Quebec, including our colleague from the House of Commons, the right hon. Secretary of State for External Affairs, who is here today. He was among those who went to Quebec, with the Prime Minister of Canada, to make this commitment to Quebecers. But, unfortunately, for all sorts of reasons, it was not possible to respect fully the commitment made in 1980.

I do not want to go into detail; suffice it to say that two things happened in 1981–1982. First of all for the first time in its history, the Quebec National Assembly had its powers curtailed without its consent. That was the reality of the year 1981. We can look at it from every angle and

try to blame it on whoever we want, but it is a fact and no one can deny it. Second, that curtailment of powers was decided against the will of the province of Quebec and of the Quebec National Assembly which had passed a bipartite resolution agreed to by both the Parti Québécois and the Quebec Liberal Party condemning these action of the federal government. It is in the history books and it is what we will remember about 1981–82 in the years to come.

In 1984, a new Federal government came to power, and in 1985 a new provincial government was elected in Quebec. Mr. Bourassa came into office and had his mind set on an important décision which was to be expressed in a speech delivered by his Minister of Intergovernmental Affairs, Mr. Rémillard, in the spring of 1985 in which he stated the will of the governement of Quebec to get the province back again into the constitutional family. Indeed, Mr. Bourassa felt at the time that such an invitation was being extended to his province. And at that time, the Governement of Quebec did state the five demands to be laid on the table, that is the recognition of Quebec as a distinct society, some additionnal powers as regards immigration, which was part of the 1975 discussions, entrenchment in the Constitution of the three seats on the Supreme Court that Quebec holds today, another proposal that was discussed in 1968 and in 1978, certain conditions to the spending power of the federal government and also a veto power for the province of Quebec.

In August 1986, the provincial premiers, without the federal government, decided to go along with this and set as their top constitutional priority the return of Quebec to the Canadian fold, based on Quebec's five conditions. This was not much of a surprise. Later on, Mr. Speaker, there was in 1987 the Meech Lake Accord negotiation, the Langevin Accord negotiation on June 3, 1987, and sometime later, more specifically on June 23, 1987, the ratification of the Meech Lake Accord by the Quebec National Assembly, which brings us to June 23, 1990, because it must be said that the three-year time limit was not chosen by Brian Mulroney or anybody else, but by the rules set in the 1982 Constitution which provided that when a legislature adopts constitutional amendments, they must be dealt with within the next three years. There was, therefore, no discretion there.

Since then, the accord was ratified by the House of Commons not once but twice because, apparently, once was not enough, it had to be done twice. Moreover, Mr. Speaker, this accord has been widely debated in Canada ever since.

Since 1987, there were a number of parliamentary commissions. Were there three? No. Were there four? Do you think there were four, Mr. Speaker? You are not sure? Let me tell you how many. You can double this figure. There were altogether eight commissions! In British Columbia, the Meech Lake Accord was debated and adopted. In Alberta, it was debated and adopted. In Saskatchewan, it was debated and adopted. In Ontario, there was a parliamentary commission; the accord was debated and adopted. In New Brunswick, a parliamentary committee held a very very long debate. The Meech Lake Accord was adopted there this week; it was also debated in the legislature. In Nova Scotia, it was debated and adopted. In Prince Edward Island, there was a parliamentary commission and the accord was adopted. In Quebec, there was a parliamentary commission and the accord was adopted. In Newfoundland, Mr. Speaker, I think there was a parliamentary commission, but I am not sure; the accord was unanimously adopted and later on almost rejected. It was rejected recently and now, it is debated for the third time.

This is the point we have reached in the debate on the Meech Lake Accord. In Manitoba, Mr. Speaker, there was a parliamentary debate, a committee, a task force, the so-called Manitoba Task Force on Meech Lake—I have the document here. What they heard, which is worth repeating, is what appeared on page 2 of the English version which read:

[*English*]

The hearings conducted in Manitoba were the most extensive held in Canada. Over 300 Manitobans made presentations before the task force. Over 40 individuals and organizations for Manitoba who did not appear before the task force submitted written briefs. All of the presentations of briefs are listed.

The Meech Lake Accord, the companion resolution, everything around this constitutional debate has been debated extensively for the last three years. In fact, by going through the chronology of events I have just gone through since 1968, most of the issues debated today in

the Meech Lake Accord have been debated in this country for close to the last 30 years.

There is no issue. I put it to you, Mr. Speaker, that there is no issue in this accord that is new to Canadians. There is no issue that has not been extensively debated, including the committee that I chaired that heard more than 160 witnesses. We received close to 900 briefs, travelled to Yellowknife, Whitehorse, Vancouver, spent three and a half days in Winnipeg, Manitoba, spent several days in the national capital region here, and spent two and a half days in St. John's, Newfoundland.

This debate and these accords have been extensively debated as well as all the issues that are found within them.

I think it is important today to remind ourselves of these debates, what they contain, and what we have said. The question put today before the House of Commons is extremely important. The House of Commons is in fact calling upon the legislatures of both Newfoundland and Labrador and the legislature of Manitoba to put this question and this issue before their legislatures for a vote.

That is what is most fundamental in our country and consistent with the commitment made by the premier of Manitoba, Mr. Filmon, on June 9, when he signed the agreement with the other premiers of this country and the Prime Minister of Canada. That is what is being asked by the House of Commons today of these two legislatures so that we can finally get over this debate.

One of the questions that has come up more recently is that we should extend the delay. I can tell you, Mr. Speaker, that that question has also been studied extensively and in fact the committee that I chaired studied that question very closely.

The first recommendation that we made in our own report published on May 17 says very clearly, and it is not by accident that it is the very first recommendation made, that your committee is of the opinion that June 23, 1990, is a political reality.

There is a reason for that, Mr. Speaker. This debate has gone on long enough. There have been eight parliamentary committees. The issues debated within these accords have been debated close to 30 years. The moment of truth has come. Legislatures must face up to that moment and put this accord to a vote.

That being said, Mr. Speaker, I think there are some lessons we can learn from the present debate.

[*Translation*]

There are conclusions to be drawn from this debate, Mr. Speaker.

• (1830)

In any case, I drew my own conclusions, which bind no one. After chairing a committee that produced recommendations which were received with much emotion, mind you, I can tell you that I had a chance to think. One thing I observed is that the amending formula we used this time had its first test, because it is only eight years old, at the expense of the Meech Lake Accord. It is unfortunate, but that is a fact. The Meech Lake Accord paid the price of being the first test of an amending formula that we did not fully know or understand. That is the price. It means that next time, constitutional agreements will be negotiated differently, not in the same way.

The second thing I observed is that Canadians everywhere want to take an active part in developing and amending their Constitution. That is very clear from the experience we just went through. It came out clearly from the hearings we held.

The third thing I observed, and it is worth mentioning, although it may seem obvious to you, but some Canadians who have not yet realized it must be told that Canada is a land of regions, a vast country where people live differently from place to place. We do not always share the same experiences. We do not always perceive things, events and even documents in the same way. This means that Canada as a country is cut out for federalism.

Mr. Speaker, here is the fourth point: Although Quebec will not be reconciled constitutionally, in spite of my hopes, it will be reconciled in other ways. It will be reconciled in Canadian political circles. And this was made apparent in the experience the government of Quebec went through recently with the government of Canada which stood by Quebec on this constitutional issue till the end. Quebec also had unfailing ally in the person of the Premier of British Columbia, Mr. Vander Zalm, for whom it might have been relatively easy in political terms to oppose the Meech Lake Accord, in view of the upcoming elections in his province. There was also the Premier of Alberta, Mr. Getty, who was under pressure from his own party to oppose the accord following a convention held a few months ago. In spite of

the pressures, he stood up for Canada and he stood up for Quebec too. That has to be pointed out.

Premier Devine of Saskatchewan, who will also run in a provincial election in the next few months, stood up for Quebec and for Canada. He went all the way, Mr. Speaker, on June 9 this year, as he had on June 3, 1987, in the Langevin Building. In Ontario, Quebec had Premier Peterson's unfailing support. I may not be Liberal, but such facts must nonetheless be recognized. There was also Mr. Rae, from the New Democratic Party, and Mr. Harris, a Conservative, for whom it might have been easy to object to the whole thing— But no, Mr. Speaker, they stood up for Quebec all the way, as did Premier Buchanan from Nova Scotia. Premier Ghiz, from Prince Edward Island, who is very articulate—I know that for a fact, having heard his testimony before our committee—took a passionate stand for Quebec. These things must be said. It is unfortunate that Quebecers can not be reminded of that enough. After all, they were not always there to witness those moments of passion and demonstration of commitment to Canada and Quebec.

Mr. Speaker, I also came to the conclusion that our country is one of the few countries in the world, though I do not know them all, where the feeling of belonging to one's country is not the same from one area to the other. Let me explain that, Mr. Speaker. We must admit that a Quebecer will feel like a Canadian only inasmuch as he or she can be recognized as a Quebecer first and that is true for francophones and, in some cases, for anglophones.

The natives of our country offer another example of different feelings of belonging between individuals and between groups, Mr. Speaker. I think that we have come to realize in the last few days that a native will only feel he is a Canadian if he or she is recognized in our Constitution.

I see, Mr. Speaker, that my time is up. I really wanted to say that because we, as Canadians, are different from the Americans who, it appears, have a single allegiance to their country, their flag and their national anthem. We are only beginning to sense these great changes, these things which make us different.

Mr. Speaker—

[*English*]

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired.

Mr. Rod Murphy (Churchill): Mr. Speaker, as you and others may remember, I was part of the 1983 debate when this House unanimously passed a resolution encouraging the Manitoba legislature to pass legislation on constitutional changes which would entrench French language services within that province.

Those motions, presented at two different times, were passed unanimously by this House. That was done in a non-partisan manner and with acceptance from all quarters of the House of Commons. That was done because we believed that the minority rights of the French speaking population in Manitoba must be protected.

It was not an easy task for many of us from the province of Manitoba. It was very obvious at that time that the resolution put forward by the Pawley government was not accepted by the majority of people in the province of Manitoba.

This House decided to intervene and passed the resolutions I spoke about. We could not have done anything more destructive. Not only did it not change the minds of the provincial Conservative MLAs in the legislature of Manitoba, because they continued to ring the bells and they continued to prevent the passage of that legislation, but it made it very difficult for those of us who were standing up for French language services in the province of Manitoba to explain our position within our own province.

I spoke after the present Prime Minister and after the present member for Winnipeg South Centre, the then member for Winnipeg—Fort Garry. I thought we were doing the right thing at that time, but I can tell you that the two motions passed by the House of Commons at that time did not have the desired effect.

I can tell you, after spending a week in my riding, that if this motion were put to a vote tonight it would have exactly the same effect in the province of Manitoba this week. There are people in our province who would like to see Meech passed. There are others who have grave reservations about the Meech Lake Accord but are willing to accept it because they believe it might be the right thing to do to promote the unity and the strength of

our nation. But the one thing they will not accept is the interference of the Prime Minister of Canada.

I say that in a non-partisan way. I listened to the leaders of all three parties in the Manitoba legislature when they spoke on national television earlier today and they were saying exactly the same thing.

People in Manitoba, for whatever reasons, feel they have been manipulated when it comes to Meech Lake. The member of the Conservative Party who spoke just before me said that we have already had public hearings in Manitoba. That is true. However, it was known by the Prime Minister and this House that the three provincial leaders in Manitoba had promised that there would be further hearings after the first ministers' meeting which took place two weeks ago. That was known. That was not a surprise. That was known before those people came to the week-long meetings at the Conference Centre. It is part of the written agreement signed by the premier of Manitoba. It was stated when those same three people left Ottawa to promote Meech Lake and the companion accord in the province of Manitoba.

• (1840)

The technical slip-up by the Attorney General of Manitoba, which resulted in longer and longer delays occurring in that province, does not give any one party or all three parties the right to cancel public meetings in the province of Manitoba. No attempt to rewrite history in advance is going to be acceptable. No attempt to cast the blame ahead of time is going to be acceptable to the province of Manitoba.

When I spoke in 1983 on the French language services issue I spoke with emotion. I said that the people of my province were not bigots. Certainly, some people may have opinions which we would not find acceptable. That is the state within our nation. People have different views. People have unacceptable views from time to time.

The vast majority of those people want to have Quebec stay within our Confederation. The vast majority of those people would make accommodations if they saw that happening, but they cannot be manipulated time after time and expected, as a result of the motion here on June 20, to pass major constitutional amendments within the next three days. They cannot be expected to go against their word with regard to public hearings.

The Prime Minister, in his infamous countback from June 23, miscalculated. He made a technical mistake of his own. He made an error, and no bullying tactics by the House of Commons is going to do anything to help the public mood in the province of Manitoba.

As I said, in 1983 I spoke for French language rights in the province of Manitoba. That was not popular. I voted for Meech Lake in 1987. I spoke in favour of Meech Lake in 1988 during the election campaign. Those were not popular stands. I continue to believe that the Meech Lake Accord is the basis of a real accommodation for Quebec within our society. I believe it is an acceptable accommodation for Canadians, albeit at great emotional cost to many Canadians.

Some are concerned about the erosion of central powers by the federal government, a belief that the federal government has given up too much of its decision-making role to the provinces, especially in the area of social programs. There are others in our society who believe that there has been a loss of charter rights through the Meech Lake Accord. Those are valid opinions. I do not happen to share them, but they are valid opinions.

Those of multicultural and multi-ethic backgrounds in Canada feel excluded. They were ignored in Meech Lake, and they have been basically ignored in the three years since June 23, 1987.

However, as has been very evident over the last week and a half, it was the aboriginal Canadians who most severely and personally felt that they were being ignored. There is no one in this House who would ever deny that they are a distinct society. They are our first distinct society, and they should have been recognized. There should have been efforts to accommodate their concerns within Meech Lake within the last three years. A letter sent to Manitoba chiefs by the Prime Minister two days ago was not acceptable.

During the last three years those same aboriginal Canadians have felt threatened by this government. During Question Period today the government talked about its accomplishments in Yukon and the Northwest Territories. Government members talked about other of its accomplishments, but they did not talk about how

native people feel about this government. They did not talk about what is happening out there.

Let me give you an example. It is a personal example but it hits home very well. Last night I was speaking in Thompson, Manitoba, at a gathering of students in the Access and NTEP programs, two programs that will lose their funding this fall. This program has existed in a number of forms over the last ten years. It has promoted and helped to educate native people as teachers, nurses and social workers. Last year that joint federal–provincial program was dismantled by the federal government. There was one year of extended funding. Some students in that program do not know where their funding will come from as of August 1 of this year, one month from now. Because of the federal government's cutbacks, there will be no new students accepted in those programs as of this fall.

We have a shortage of native teachers, native nurses and native social workers. We need more natives in engineering and other technical areas. How do you expect those people to take the great leap of faith to sign Meech Lake on the basis of some future goodwill by this Prime Minister when those same people are being denied their educational potential this coming fall? The government has made many other such cutbacks which have hardened the resolve of native people in this country.

Elijah Harper is one of my MLAs and I am very proud of the stand he took last week. He and I have both spoken in the past about the need to accommodate Quebec. He and I have both spoken about the need to protect native rights. We have said that those are joint common causes that should be worked on together by our nation. Elijah Harper, by the way, was one of those people who spoke in favour of the entrenchment of French language services. He did that in a riding which is 90 per cent Saulteaux and Cree. He spoke out about the need to defend the French minority and let that message go home to the province of Quebec.

For the last three years many native Canadians have been willing to accept the Meech Lake Accord. They had hoped that in that time the Prime Minister and others would take the necessary steps to show good faith. That did not happen.

The manipulative way that the province of Manitoba has been treated, the way that the native people feel they have been treated over the past three years, has made it very difficult to pass the Meech Lake Accord in the province of Manitoba in the next three days. I do not believe it will happen.

It will be a sad day for our nation. I am very concerned about what will happen on June 24, 25, and afterwards, because we do need to show goodwill. We do need to show faith. We do need to show a desire to bring this country together. But, unfortunately, Mr. Speaker, the last three years were wasted.

Many people spoke out. Many people kept their own personal concerns to themselves. But there was not enough goodwill, not enough work, not enough honesty by the Government of Canada and it will have to accept the blame for the failure.

• (1850)

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, let me begin, if I may, with the words uttered by my friend from Churchill as he concluded. He is, as he knows, a member whom I respect in the House. He said that the work of the last three years has been wasted. I think that is precisely the question that we are debating here tonight, whether or not the work of the last three years has been wasted. I think that there is a genuine feeling throughout this House that it would not just be a shame, it could almost be a tragedy if that work were wasted.

There has been talk here, rather to my surprise, of bullying and of blame. As someone who has been involved in these discussions and these negotiations, and who is not myself blameless, I can certainly say that if blame were our purpose I could give you a list as thick as the Toronto telephone directory of people to whom blame can be ascribed.

But surely that is not our purpose because that takes us nowhere. What we want to do now in these last hours of this debate is find some way in which we can bring Canadians together to achieve, not an end, but to achieve a beginning, first, of constitutional renewal but then, and I think this is a much larger question, the beginning of a process of national renewal because none of us who has lived these last months can doubt that there are profound problems in this country that go

beyond disagreements that arose in a particular negotiation among First Ministers.

These are the last hours of this debate. It is a question that is of fundamental importance to the whole country. By the turn of events the last debate will occur not in this Parliament but in the legislatures of Manitoba and Newfoundland and Labrador. I certainly do not take my place in this Chamber to try to lecture the elected members of those two legislatures. I know better than that. I tend to share something of the view of my colleague from Churchill with regard to the counter-productivity of one legislature trying to lecture another legislature. It is not any more helpful in politics than it is in other aspects of life for people to undertake that sort of conduct.

But, Sir, I think it is, on this question that is so fundamental to the country, legitimate that we express our views in these final hours in the hope that our views might be useful to the individual members of the Legislative Assembly of Manitoba and the individual members of the House of Assembly of Newfoundland and Labrador who have this final decision to take.

Let me begin with four propositions which inform my approach to this crisis in our national life. First, I believe that we are the luckiest country, the luckiest people in this world. Some of that good fortune we have earned ourselves. Some of it was given by God or was earned by others before us who surely have a right to expect that we would treasure and respect what it was that we inherited.

Second, there is an anger and a distemper in Canada that is more widespread that I can ever remember before. Hatred, Sir, is not too strong a word for some of the emotions that I have seen and heard. Obviously, anger that strong reveals a frustration that is profound and that is personal and we must all ask ourselves seriously why people are so angry and what we need to do to rebuild the basic bonds of goodwill that any community needs to hold itself together. We cannot repair anger by blaming others for it, but if we do not repair that anger it will feed, it will grow and it will tear this country apart.

Third, Meech Lake has become far more than a document signed by First Ministers. It is a symbol. More accurately, it is several symbols. For Canadians who oppose it, it is a symbol of something they dislike—a process, a government, a perceived unfairness; for some, unfortunately, a people.

For the wider world it is a symbol of the stability of Canada, whether we are a country the world can count on or a risk. For many Quebecers the symbol is direct and it is personal. Acceptance or rejection of Meech Lake is seen as acceptance or rejection of Quebec; not Quebec as the author of five conditions, not Quebec as a participant in an amending process, but Quebec as a partner in this country.

I have heard opponents of Meech Lake tell me that if Meech Lake is rejected Quebecers would be angry for a while and then would forget. Well, Sir, I do not believe that. Of course, I can be wrong, as we all can. But I have spent three decades in national affairs trying to understand what makes our different communities work and work together. All of that experience tells me that this rejection of Quebec as a partner in Canada would damage this country permanently.

I have no right to decide for others, but I pray that Canadians whose decisions might affect Meech lake would consider my view and would consider the consequences if I happen to be right.

The fourth proposition concerns aboriginal rights which appears to be the issue which was causing people to urge Elijah Harper to stop constitutional reform. I have some history on the question of aboriginal rights.

In 1973, Flora MacDonald, Frank Howard and I moved a motion that caused the first acceptance by a parliamentary committee of the concept of the legitimacy of aboriginal title. I have been involved throughout my public life with native people. I simply cannot understand the logic which says Meech Lake must be killed in order to advance aboriginal rights. Killing Meech Lake has the opposite effect. It makes action on aboriginal rights more difficult to achieve.

Aboriginal interests are, by definition, constitutional interests. If there is a constitutional impasse, nothing will be done on aboriginal rights. That is not theory, that is history, that is recent history. That is what happened when we tried to deal with aboriginal rights in 1985 and did not have the votes because Quebec, which would have voted for change, was not a part of the Constitution.

The only way to make progress on aboriginal rights, on Senate reform or on the other priorities agreed to by the 11 First Ministers is to start with what we have. To reject Meech Lake is to reject progress on aboriginal rights. Anyone who takes that action should be fully aware of the consequences.

Sir, I can fully understand why the National Citizens Coalition would act against aboriginal interests, but I cannot understand why Indian leaders themselves would do that.

[*Translation*]

Mr. Speaker, the situation is critical. There is not much time left. But there is still time to succeed if we really want to. Meech can still be signed by Manitoba and by Newfoundland and Labrador. It is not over yet.

In the last three years, many have said that Meech was dead. Yet, it made it to this day. Maybe there are still some nice surprises left in Meech, one last time! I wish it were so with all my heart, for our greater benefit and for the benefit of our country, Canada.

• (1900)

[*English*]

Mr. Speaker, all of us watched, some of took part in that long discussion of seven days and seven nights. The most poignant moment on that ninth of June was when the pen passed to premiers whose earlier positions had put the Meech Lake Accord in doubt. Those premiers, Mr. McKenna, Mr. Filmon and Mr. Wells put their pen to paper at the end of the day, and in so doing demonstrated the best of Canadian qualities.

They had travelled far, they had strong views, principled positions and deep concerns. But in the overriding interests of keeping this country together—and I trust that is the overriding interest of all members of this House—they compromised, and all First Ministers compromised. They vowed to take Meech Lake back home, to put it to the representatives of their peoples and to let democracy take its course.

Other societies and other countries do it differently. They deny legitimacy to the concept of compromise. They do not accept that different parts of their societies can hold different things to be true. They prefer to resolve their differences through fiat or through fighting. That is not Canada. That is not the unique achievement which is admired around the world without reservation or without caveat. That has not been our experience, and it never can be if we wish Canada to continue.

Eleven days ago, eleven First Ministers made a solemn pledge to each other, to the Canadian people and to future generations. The three Canadian premiers who had travelled so far promised to use every means at their disposal to allow their people to decide on their Constitution. That was eleven days ago. Three days from today, Meech Lake will pass into history. It will either pass into history as a moment when Canada came to terms with itself and decided to move forward, recognizing that, of course, all was not perfect, but the perfection could not be approached until the country was whole once again. Or it will pass into history as a serious step backward for our country.

As was indicated in debate earlier today, and as I believe Premier Wells has now indicated, Newfoundland will vote, either tomorrow or on Friday in the House of Assembly. As the House knows, debate has now begun in the Legislature of Manitoba. That debate was delayed longer than anyone anticipated by procedural difficulties. The fact of that unanticipated and procedural delay has created a special situation that nobody anticipated. There was a commitment to make every effort to ensure that the agreement reached, after careful compromise and discussion in the best Canadian tradition, would be moved through the legislatures of the respective provinces. It is clear that the country is counting on that.

Just as procedural moves delayed debate in Manitoba, so surely procedural ways can be found to move debate forward so that the word of the three leaders of Manitoba can be honoured and so that the country can move forward to other priorities, whether those priorities are constitutional or whatever they are.

Just prior to the conclusion of the last conference on the Constitution in Ottawa, I spent two days in Europe in separate meetings with the foreign ministers of NATO and of the Helsinki process. Naturally, whatever point I tried to make in advancing the foreign policy of Canada, I was asked about Canada's problems at home. I was asked by incredulous ministers from Hungary, Germany, the United States, United Kingdom, and Yugoslavia.

They could not believe that a country as envied and respected as Canada would put itself at risk, and particularly, that we would put ourselves at risk over the question of how we deal with different cultures. Because that is the signature of Canada, that is the success that is admired around the world, the success the new governments in Czechoslovakia, a united Germany, and a new South Africa, will want to copy.

Nelson Mandela left Canada this morning. I had the privilege of bidding him *bon voyage*. He spoke to this House and to the people of Canada of his hopes for his people. He spoke of a country which would discover tolerance and compromise, which could learn to live in unity, which could consecrate itself anew as a nation among the leading democracies of the world. He spoke of the bitterness, the intolerance, the hatred and the prejudice which have governed South Africa. He spoke of Canada as a society to be admired, a concept which inspired him as he faced the enormous challenges which lie ahead.

Nelson Mandela was right. What we have achieved here has been achieved nowhere else on this earth. We are a society of many cultures, many regions, many races. It is a society that has always said yes to compromise and no to intolerance. It is a society which says that different cultures, different regions and different races can more than co-exist; they can thrive and prosper in community with diversity.

The history of this remarkable land has been a continuous act of affirmation. We can never forget that the existence of this country was not a given, that the building of Canada has been a task accomplished against the greatest odds; geographic, economic and demographic. Tending the community that is Canada requires great care. How ironic it would be, how wasteful if, at a time when the rest of the world was thrusting forward with vision, the people of this country were to turn away from our strength and our future.

The Parliament of Canada has spoken. The Parliaments of eight provinces of Canada have spoken. The premiers of all provinces are committed to letting their people speak. Let that process proceed. Let history judge the results. Let us all pray for Canada. Then, together we must define new shared goals for Canada which reflect the new realities of this new world in which we live.

Everywhere in this world, there are dramatic changes that shake old conceptions and raise new hopes. People everywhere are hoping to become what we are. That is the reality.

There are serious differences in this country. There are serious issues to resolve. We have to find ways to define this country that make sense to all of its people. We have not yet succeeded in doing that. That is what the bitterness of these recent months has demonstrated. In doing that, if we succeed we can preserve one of the most respected nations in the world. That is the issue now.

This is the challenge that faces us, the legislature of Manitoba and the House of Assembly of Newfoundland and Labrador who have the right of the final vote to decide the future of this accord, of this process, in many ways perhaps of this country. The next step is for them. I say this as only one member with some experience here; the work is not over for us. Then the challenge to all of us is to recognize that this country is not as united as it needs to be, that the goals we have set for ourselves are not as contemporary as they need to be, that the definition of this nation does not mean as much as it should to people in different parts of the country.

This is not something which should not cause us to lay blame or to distribute retribution. It should be a challenge to us all, to get on with the redefinition of this extraordinary country. But I fear deeply that, if we fail in the challenge that is before us now, we will not have the opportunity to move to that new agenda.

• (1910)

Miss Deborah Grey (Beaver River): Mr. Speaker, I want to say that I appreciate the viewpoints expressed by my colleague and I appreciate many of the things that he said.

I have a couple of questions about some of the phrases that he used in terms of anger and intolerance, that he sees across the country and I have certainly have seen that, as well, in our home province of Alberta.

The hon. member used the words bitterness and intolerance. He stated that Nelson Mandela and he talked about where we say in this country yes to compromise and no to intolerance and that we should be proud of community with diversity.

In his wide experience with people from these countries where they are experiencing pain and are undergoing reform situations, as Nelson Mandela in South Africa, as well as in eastern Europe, what do they see as an example of democracy in Canada? We are seeing that the government cannot handle community with diversity, when people feel that they should represent their constituents and they were excommunicated from the caucus within a matter of 12 or 14 hours. Also, what do they see when the Prime Minister says he rolled the dice as we have heard about so much.

When the First Ministers were brought to Ottawa they were physically beaten down with tiredness. After seven days and seven nights—we all saw it on TV—those of us who were not allowed to witness those meetings, saw those men were so physically exhausted that you could almost see them at the point of saying, I'll sign anything, I'll do anything, just let me go home to bed, please. What do these other countries feel and think when they see such things in our country?

Mr. Clark (Yellowhead): Mr. Speaker, I have one or two comments that I would like to make in response to that question.

The first is, I think the hon. member will admit that she exaggerates and she, perhaps unwittingly, makes comments that are insulting and demeaning to the Premiers of the country. They are elected leaders of their provinces. They are accustomed to pressure. If she stays here longer, she will grow more accustomed to pressure too. They are accustomed to pressure and they are accustomed to making decisions under that kind of pressure. They did that. Theirs is not a leisurely life. Nor is the procedure of making decisions at federal-provincial conferences in private, a new procedure. It is the procedure that has, in fact, prevailed for some very long time.

The second comment that I would make responds directly to the question that she asked. I cannot answer for Nelson Mandela but let me quote a leading Canadian, Paul Desmarais, who has had experience not only in this country, but around the world. I do not always quote him with approval, but he said, the other day, that he wished the citizens of Canada would show the same respect for this nation that foreigners do.

Yes, it is true that there are imperfections in this country. It is true that there are faults in the way this House of Commons works. It is true that our democracy works imperfectly. It is true that we need to have changes. It is also true that the system here is better than what it was. It is not what it should be but it is better than what it was. It is true that there is a serious problem in the country, a serious lack of a national will that can bring people together. In part, that is because people define their constituencies too narrowly. In part, that is because people who come from one part of Canada speak only for that part of Canada and not for the whole nation. In part, it is because we are too focused upon narrow interests and not enough upon the larger interests.

My part of Canada and hers would not be as strong as it wants to be without the context of the whole country. Special interests that too often define and narrow debate in this country, would not be preserved as much as they need to be, without a whole nation that is marked by tolerance and by growth. Those are some of the questions that are at issue. She and I will disagree about particular instruments that might be used. We do not disagree about the fact that there is a distemper in the country that must be addressed. I hope that she will try, as I will try, to rise above party affiliations, to rise above particular commitments that we might think we have, to look at the whole country. That is what I ask the members of the House of Assembly of Newfoundland and Labrador and Manitoba to do tonight.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): I would simply like to say to the right honourable minister that his experience and reputation with regard to national unity are already well established. The Secretary of State for External Affairs is the one who has listened to and understood for the longest time the wishes of official language minority groups. He established in 1979 the House Committee on Official Languages, and I would like to thank him for that and tell him how useful this committee has been to advance the cause of linguistic minorities. I would also like to tell him that his speech deeply moved me. With regard to the exercise we are or will be completing within a few days, it is for us Canadians the first time we are going through the exercise of amending our Constitution. This is the first

time since its patriation in 1982 that Canadians are called to amend substantially the Constitution of this country. Like him, I regret very much that in 1982 the process was flawed and that Quebec did not feel welcome.

Today, we have a provision inviting Quebec to join the Canadian family by signing this resolution or constitutional amendment. Since I am deeply concerned as he is that we might be living the last hours of a very important and misunderstood process, I would like to ask him here in this House how he sees the Canada of tomorrow. I know it is not easy, but is he seeing a united Canada on June 24 and 25? Is he seeing a Canada whose elements stick together, a Canada respectful of minority groups, a Canada without resentment nor hate towards anyone? If Meech lake fails, does he think that Canada will say on June 24 or 25: This is how it happened, there is nothing we can do about it! Or, is he, like me, preoccupied by the seriousness of the matter and does he try, as I know he does, to explain to all Canadians that this is a critical time for Canada?

Right Hon. Joe Clark (Secretary of State for External Affairs): Thank you, Mr. Speaker, I appreciate very much the tone and substance of my honorable friend's remarks. The answer depends on the results of the vote in Newfoundland, Labrador, and Manitoba. I hope it will be a success, I believe it will be a success. But it is not the end of all things. Among the things we have experienced and discovered these last few months, there is, in the first place, the fact that some of our achievements are not shared strongly enough throughout the country. I think, and I am not speaking as a minister but for myself, we must reexamine our own ideas on the country. We must do it in a really open way. It is time to speak again of national objectives for Canada, of objectives which can reunify all Canadians, but we have to do it in the context of the profound changes which await us in our country and internationally.

• (1920)

[*English*]

I remember, if I may be allowed a partisan recollection, a time in the life of the party in which I have worked my life when just after the debate on the flag when my party was deeply divided, when it risked becoming a captive of the past. Leaders in the party at that time had the sense to draw our membership together to focus on what was then called a national conference on Canadian goals, not to talk about what we had been, but to talk about what we could become.

The party of the hon. member underwent a similar experience in Kingston after the election of 1958. It may be in this time of such disrespect for our political parties there is a lesson that the country can learn from them. It may be that it is time for us now, together and without agendas written in advance, without too many assumptions, to try together in this country to define what the national goals of this country as we enter the next century should be.

As the hon. member will know, whatever doubts one might have in Canada about our good fortune, those doubts are not held elsewhere in the world. Our imperfections are known. If they are not known, my friend from Spadina will raise them in the House of Commons and others will, which is part of our democracy. Our faults are known. Our weaknesses are known. But there is no question that we have both the responsibility to establish leadership in the world and an extraordinary opportunity to demonstrate that people of differences and people of genius can build things together.

I think that is a goal that is worthy of the next century of Canadians. I believe that that is a goal that Canadians in this House of Commons of all parties would want to pursue. I do not see the Meech Lake debate as ending things. I do not see this, in fact, as a constitutional question. I think this is a question that has to do with the purpose and the nature of the country.

While these months have been terribly difficult for all of us, I think that they may well have driven us more quickly than we might otherwise have arrived to face that reality and to undertake that kind of searching of the soul of this country, that attempt to define what it is we want to become that is overdue.

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, the motion which is before us tonight urges the legislative assemblies of Manitoba and Newfoundland, and I quote from the motion, to:

> —exert efforts to bring about full ratification of the Constitution Amendment, 1987—

That is the Meech accord.

> —by June 23, 1990—

In this motion we are not discussing once more the value of the Meech accord. We will not be voting on an approval or disapproval of the Meech accord, nor will we be discussing or debating the value of the new accords reached on June 9 after a long week of discussion by the First Ministers of this country. No, we are not discussing those new accords either.

What we are discussing here today is a plea from this House to the legislative assemblies of Manitoba and Newfoundland that they pass as quickly as possible the Meech accord.

Why is such a motion necessary before this House? Does the government doubt the good intentions of the political leaders in Manitoba and Newfoundland? Why is this motion necessary?

Mr. Speaker, to fully understand this motion I think we have to look at it in conjunction with, first of all, Senator Murray's expedition to Manitoba on Monday when he preached to the aboriginal leaders of that province and to the legislators in their provincial assembly.

We also have to look at this motion in conjunction with the answers that the Prime Minister gave to questions in this House yesterday when he also put the blame for the situation which the country is in on the backs of the political leaders of Manitoba. As far as I can determine, the purpose of this motion is an attempt by the Prime Minister to re-establish his credibility because of the mess we are in, the fact that he caused a lot of that mess, and to shift the burden to other individuals.

If there is a constitutional crisis in this country today, and I believe there is one, it is principally due to the cynical and scheming actions of the Prime Minister.

According to the interview that he gave to *The Globe and Mail* on June 11, he admitted that he deliberately delayed the calling of a First Ministers' Conference in what appears to be an attempt to create a pressure cooker atmosphere. It worked to a certain extent. It certainly worked to the extent that he was able to get an agreement on the night of June 9, an agreement that all premiers signed, some of them conditionally. We now see that that agreement was fraught with great difficulties, in particular the procedures required in several of the provincial legislatures.

Here we have a Prime Minister who waited to the last possible moment to call the First Ministers together. Despite repeated calls from members of the opposition parties in this House and from the Premiers of several provinces, including Manitoba and Newfoundland, who said to the Prime Minister that they needed time to steer corrective or add-on resolutions through their legislatures. But no, the Prime Minister took a casual approach. He said that all was well, that the three legislatures in Newfoundland, New Brunswick and Manitoba would pass the accord as it was, that no change was necessary, that no First Ministers' Conference was necessary. It is now clear that he was wrong.

I hope that the accord will still be passed, but the crisis we are now in was not necessary. If the Prime Minister had called the First Ministers together last year when many of these issues were known, or at the latest in January, February or even March of this year, rather than on June 3, there would have been time to work out the difficulties that we see today, difficulties with respect to aboriginal peoples, with respect to women, and with respect to the Charter of Rights.

The Prime Minister, until Premier McKenna, made his proposals in March, was totally inflexible and arrogant. Worse still, we now find that he almost plotted and planned the delay in calling the First Ministers together, as he said, to roll the dice on the right day, all of which is set out in the article in *The Globe and Mail* of June 11.

There is also in the attitude shown by Senator Murray, the Prime Minister, and some other members of the government, an attitude that parliaments and legislators do not really count. What really counts is the executive side of the government. In other words, if the premier signs, that is it, it should be done, that there should not be time for adequate debate and discussion, that rules in parliamentary systems are not really necessary. If it is necessary, you suspend them. Well, we know that this government is probably the worst for that sort of thing in the history of Canada. According to my records, this government has imposed closure 34 times since 1984, which is more than any other government prior to 1984 going back to Confederation.

This government also day after day suspends the rules. If they feel they do not want to listen to petitions from hon. members, they just suspend the rules and move that we go right past them into other business. Senator Murray is up in that other place, but he was preaching to the people in Manitoba the other day. They have this attitude that procedures, rules, traditions, parliaments, and legislative assemblies are not really important.

Those rules and procedures are there to protect the liberties of members of the House of Commons, in particular members of opposition parties and independent members. There is a reason for those rules, and you do not suspend them without reason.

• (1930)

When we go back to the beginning, we see that after he was elected to office Premier Bourassa of Quebec made five proposals, five demands which he thought were necessary for Quebec to sign the Constitution of 1982, and all parties in this House agreed to those five proposals. I agreed. My political party agreed. We all agreed. Those proposals, of course, then were agreed to at the first Meech Lake conference by all the provincial premiers, and they signed a document to that effect.

It was only after the document was written up in legal language, when those five proposals agreed to were put into legal language, that some objections began to arise. Objections arose because while people agreed to the five proposals they saw impacts that the document made on other areas of Canadian life and on other Canadians that were not expected, and they did not want those sort of impacts. While they agreed to the five proposals, they did not want any other rights or traditions reduced.

There was also objection because many Canadians, and especially the aboriginal Canadians, felt that things were left out that should have been put in. Canadians who came here from other countries, other than Britain and France, thought that they should be recognized in some way or other. There were objections to the way in which the Meech Lake Accord was drafted and the way it impacted on other things and what was left out.

This is the sad part of this whole debate: individuals, parliamentarians, and legislators objected from time to time to the Meech Lake Accord, but it never meant that they were against Quebec, or against the legitimate aspirations of Quebec, or that they were against Quebec as a distinct society. No, they supported those things, but they wanted their own rights, their own qualities, and their own expressions protected in the Constitution as well.

During the debate in 1987 the Liberal Party put forward nine amendments to the accord. They were all defeated by the government. They were not even listened to seriously. They were defeated. They were tried once again in the Senate. They were defeated once more. For most of us in the Liberal Party—and this was the official position of this party—despite the flaws, despite the inadequacies in the Meech Lake Accord, we thought it was best to vote for it for the greater good of this country and for the unity of the country. I was one of those who voted for it. I felt that what I did was right then and I support my position, although I still feel that the accord has flaws.

Once the debate was over in this House and the accord was passed by eight of the ten provincial legislatures, the discussion went on. It went on in New Brunswick. It went on in Manitoba. It went on among Canadians throughout the country, many of whom were not satisfied with the accord, continued to campaign against it, and wanted amendments.

Despite the fact that questions were raised in this House, demands were made of the Prime Minister and of other ministers to do something about the impasse that was continuing in Manitoba, in New Brunswick, and later in Newfoundland because Newfoundland rescinded its agreement to the accord. There were continuous demands of the Prime Minister to go out there, to call the premiers together, to do something to break the impasse, to consider some amendments, to be flexible, and to make some changes that would meet the aspirations and the requirements of other communities in Canada. Nothing was done.

Time went by, month after month, until March of this year when Premier McKenna tabled a resolution in his own House to provide for a companion accord. He proposed that we accept the Meech Lake Accord fully as it was, but he put forward another accord which would add on other provisions to satisfy the criticisms that were being made by certain Canadians.

Following that, the Prime Minister set up the Charest committee which studied Mr. McKenna's proposals and other alternatives. The blockage started to come undone and everybody was happy. Those of us who wanted to see

the country united were quite happy and pleased with some movement forward, all of a sudden, to save the accord, to save the country, and to meet the aspirations of Canadians who were not happy with the accord.

What seemed to make many of us in this party happy was that the recommendations of the Charest committee of this House contained many of the proposals that we had in our amendments of 1987. Many of the things that we said were necessary in 1987 were recognized in April 1990 as being essential to get the Meech Lake Accord through.

We know the history. Finally the Prime Minister calls the First Ministers to supper on June 3. They sit in a pressure cooker atmosphere for one week, in private, with most Canadians not knowing what was being proposed and counterproposed. They came up with the two companion accords of June 9.

We in the Liberal Party feel vindicated to a certain extent, because once again many of the provisions in these companion accords were similar to the amendments we made in 1987.

Once again those of us who loved this country and wanted it to stay united were quite pleased with the results. We did not like the process. We did not like the way it was done, but we were happy to see all the provincial premiers and the Government of Canada agreeing on how to resolve the crisis.

As I said, now we are faced with the procedures in the Legislative Assembly of Manitoba. We see that we have only three days left to meet the deadline. The Prime Minister is putting pressure, and it seems putting the blame for that situation, on the leaders of Manitoba and the leaders of Newfoundland. I think that is wrong.

The fact of the matter is that one year, two years, two and a half years went by when something could be done to resolve the differences and to resolve the pleas of many Canadians with respect to the accord. Nothing was done. Unfortunately, it was left to the last minute. I think the Prime Minister and the government must take responsibility for that. If the Prime Minister had not been so inflexible, the process which led to the Charest committee and to the companion accords of June 9 could have been done at an earlier date.

Then again we have the situation with our aboriginal people. As I said, the other day Senator Murray rushed to Manitoba with a six-point program. As a former Minister of Indian Affairs and Northern Development, I examined that program. It looks very good to me, but to expect our aboriginal people to be presented with six proposals in the morning and to give an answer at the end of that day, or even the next day, is totally unacceptable.

Our aboriginal peoples have been betrayed over and over again by governments in Canada, both federal and provincial. Even when we have put our signatures to paper on treaties and other documents, we have done the very opposite of what we said we were going to do. One can easily understand how our aboriginal people could look on those six points put forward by Senator Murray on Monday as something of a Trojan horse.

Their experience has led them to believe that they cannot trust us. They are suspicious of every sort of proposal that we make to them. Even when it looks as good as a Trojan horse, they do not want to accept it right away. They want to look at it over and over again. They want to discuss it with their own people. They want to know what it will really do for them. Why at the last minute are those proposals, as good as they might be, being put forward to the aboriginal people of this country?

Even in the companion accords of June 9, all that was given to the aboriginal people was the right to have more First Ministers' Conferences with respect to their issues. On June 9, the aboriginal people only got promises of more constitutional conferences. On June 18, they got a six-point program but no time to consider it as a people should be able to do. We have to remember that most of the associations and tribal councils in this country do not have the resources behind them that the Government of Canada has. The do not have the lawyers, the accountants, and the specialists to examine and look at those things in the same way the Government has, so when they are up against the government of Canada they react with suspicion and with doubt.

• (1940)

Another area where the Prime Minister bears a lot of responsibility with respect to the situation we are in is the way he went about this country promoting a disaster scenario with respect to the Meech accord.

How many times have I heard the Prime Minister say to those who in good faith put forward or suggested amendments to the accord: "Why are you against the province of Quebec? If you defeat this accord as it is, you will drive Quebec out of Confederation" or words to that effect.

Either you do it this way or there will be a constitutional crisis; therefore you had better do it this way and no change is possible. By repeating that over and over again—and some of his ministers did the same thing—it led Quebecers to believe that the Meech accord was absolutely essential for them, that if they did not get it their province would be in ruin, and that it would be an insult to their province.

I have spoken to many Quebecers. They have not read the accord, but the accord has become a symbol for something much greater than the contents of the accord itself. It is like a flag. It represents the following for many Quebecers: if you are for the accord you are for Quebec; if you are against it you are against Quebec. There is no consideration for the fact that most of the provisions in the accord apply to all the provinces, not just to Quebec.

The Prime Minister by his rhetoric over the last three years in trying to get provinces and individuals to support the accord went so far that he created this disaster scenario. Now we are faced with a disaster because it is not being approved in the manner which he would like and which I would like.

He threatened those who opposed. Those who questioned and wanted amendments he accused of rejecting Quebec.

I want to make it very clear that many people who accepted the five proposals of Premier Bourassa, including the distinct society, were quite ready to agree to most of the Meech accord but simply wanted changes that would take into account their own special place in Canada.

As an anglophone Quebecer, if I can call myself that, I have never had any problem with the distinct society. I accept totally that Quebec is a distinct society. It is the only jurisdiction in all of North America with a majority of French speaking people. We have the civil law. In Canada we collect our own income tax. We do not use the RCMP, nor does Ontario, as a provincial police force. There are many other distinctive qualities. This goes back to 1774 in the Quebec Act when the British recognized Quebec in a very distinctive way as opposed to other colonies in their colonial empire.

There is a long tradition of recognizing distinctive features about Quebec. Some Canadians say: "Well, other provinces have distinctive traits as well." That is true, but some people are not anxious that their distinctiveness be recognized and others are not anxious that—

The Acting Speaker (Mr. Paproski): I regret that the hon. member's time has expired.

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, the motion before us is about nothing less than the fate of our country. No one should underestimate the seriousness and urgency of our situation.

One thing I heard consistently as I crossed this country was the clear, unequivocal statement by all Canadians of how important it is for us to stay together, to stay whole, to stay unified. How good we feel as Canadians, how proud we are, how respectful we are of the kind of nation we have become, the nation of freedom and opportunity.

Mr. Speaker, through this very difficult period that many of us have lived one thing was very clear. The situation had to be addressed and addressed with a great degree of urgency. The time for healing had really come upon us. We really had to start coming back together in a very important manner. This is not a time for procrastination, it is a time for decision. The Fathers of Confederation faced the same challenge 123 years ago when the very idea of Canada was tested.

[*Translation*]

Different leaders, different parties and different provinces, but they all understood that the great nation they were looking for simply could not be unless there was a will to compromise.

[*English*]

Our greatest successes have been achieved when we put Canada first. . .first in our hearts. No obligation is more compelling than the duty we have to this great nation of ours. Canada is a precious land of boundless energy and promise.

My family came to Canada and made Montreal their home. They raised me to value my heritage, to seize the promise of Canada and to cherish Quebec. I am an anglophone Quebecer. I have lived all my life in Quebec. I have seen all the changes that have occurred in that time, along with the emergence of a new Quebec. I have also lived through the moments of tension and crisis. I cannot forget the presence of troops on the streets just 20 years ago. These memories are etched in my memory forever. I cannot speak for all Quebecers, but if you ask me if Quebec should be called a "distinct society", how can I answer anything but yes. Quebec is a "distinct society". It is a fact and an integral part of that distinctiveness is, as the Meech Lake agreement makes absolutely clear, the anglophone Quebecer.

My riding of Pierrefonds—Dollard is a microcosm of Canada. My neighbourhood, half English-speaking and half French speaking, with people of origins from all over the world, ask me to send their message to the legislators and the people of Manitoba, Newfoundland and Labrador. They say: Put Canada first, protect and defend this glorious and magnificent country of ours.

[*Translation*]

Canadians everywhere convey the same message and keep saying: Together, we will go far!

Mr. Speaker, constitutional speeches may help promote unity, but it cannot be achieved unless people have confidence.

Quebecers sought our confidence when they said no to independence and yes to renewed federalism. With the Meech Lake Accord we wanted to express that confidence to honour Quebec and Quebecers, and to enable them to regain their dignity and their place in Confederation.

But this promise has yet to be fulfilled and time is running short.

[*English*]

Now, more than at any other moment in our history, we must keep our faith with each other. Only then, can we go forward to build a new, vital and dynamic Canada of the 21st century. The world is watching us. They witnessed our evolution as a nation, one that stands firmly on the side of justice, fairness and of freedom. Nelson Mandela appreciated this and so should we all. We cannot throw away all that we have built and all that we can be. We must not fail our own ideals. We must not compromise ourselves by pursuing anything less than the excellence which only a strong united Canada can achieve. Across the continents and around the world, the gentle breeze of liberty is blowing. Old walls, old barriers and prejudices are being dismantled, not by powerful dictators and their armies, but by ordinary people. This is the world of Lech Walesa, Vaclav Havel and Nelson Mandela. In this dawning of a new era, hope lives. Today, civilization cries out, not for a narrow, limited view, but for generosity, understanding and true vision.

• (1950)

We are at a crossroads. Down one road, the high road, lie unity, prosperity and greatness. Down the other, the narrow road, we and our children face division, intolerance and despair. That high road is beckoning us now. It is the only choice we can make.

We have so much to offer each other. Together we can continue to build a strong foundation of courage and hope for all Canadians. We can continue to free our society from the shackles of bigotry and racism and advance the noble cause of equality. Is it possible that we have forgotten all that unites us? Have we forgotten what makes us unique among all the nations of the world; our two official languages, our aboriginal heritage, our multicultural fabric, our dedication to peace and human rights, and our caring and tolerant traditions. These are among our proudest achievements, achievements which set us apart and which can lead us to excellence. They are what make our Canadian citizenship among the most sought after in all the world.

The Prime Minister told this House a few days ago what is at stake. He said: "There is a new world to be won. Canada needs to turn the page, at last, on a long, controversial and crucial period—we need to recapture the sense of tolerance and common interest and common purpose that lies at the root of our success as a nation".

For me, our greatest duty as Canadians now is to truly know and accept each other better. Wherever we live, wherever we come from, we are all Canadians. We have worked to build a house of freedom and compassion, with a strong foundation to support newcomers from all over the world. Ours is an "open house", to every culture and every origin, where equality and justice are a promise made to each other. Erecting barriers of ignorance or fear is not the Canadian way. Instead, we build bridges to truth and understanding. Our tradition is to heal wounds, to correct injustices and to right wrongs.

There is only one way to dispel fears and misconceptions in a democratic society. It is to reach out to individual Canadians of good faith. It is to stand up and be counted and not to yield to lesser obstacles. Canada is more than earth and mountain and stone. Canada is a state of mind, a quality of life.

[*Translation*]

Mr. Speaker, the motion now before the House is a strong appeal to the two legislatures to maintain confidence in Canadian unity.

[*English*]

We respect those legislatures and the people they represent. We acknowledge legitimate concerns and aspirations. We have pledged that they will be addressed fairly and resolved speedily. Once again, as has been the Canadian way, we ask that trust be exchanged for trust.

Sir Wilfrid Laurier called Canadians to that duty a century ago. Speaking in Quebec City, he said, and I quote:

> What this country needs above all is peace, concord and union between all the elements composing its population. Let us show to the world that if we reverence the past, we also have regard for the future. Let us show to the world that unity does not mean absorption, and that autonomy does not mean antagonism. . .and in all the vicissitudes of our situation, let us always remember that love is better than hatred and faith better than doubt, and let hope in our future destinies be the pillar of fire to guide us in our career.

Let us all be faithful to that duty in the hours to come. That is our answer, our only real choice.

Mr. Jim Peterson (Willowdale): Mr. Speaker, the issue we are discussing today is among the most difficult that Canadians can face or that Parliamentarians can ever have to deal with. It is an issue which must be beyond partisan politics, because it is an issue which divides parties. It divides families. Canadians are not united on the issue about which we speak.

The Constitution is probably one of the most difficult of all issues we have had to face throughout our history and, indeed, our Constitution has been an issue that has been with us since before Confederation and will be with us for many years to come.

Let us look, however, just at the recent history, the past decade. I was there, as were many many members of this House, when the referendum of 1980 was being decided. I went to Quebec at that time to fight to keep Quebec in Canada. Part of the promise delivered by those who voted against separation, the promise of those who were fighting to keep Canada united, was that Quebec would have a renewed federalism. This manifested itself in the Constitution accord which a separatist premier of Quebec refused to sign. It manifested itself in the Meech Lake Accord, which all 10 premiers and the federal government signed. Then it manifested itself in the companion agreement signed just recently.

This companion accord made changes to the Meech Lake Accord in an effort to deal with some of the problems contained in it. Canadians had many concerns about Meech Lake, and the First Ministers, having heard these concerns, met. All of those concerns were represented at the table. This is why the companion accord was signed, dealing with these issues in a way that Mrs. Carstairs, Mr. Doer and Mr. McKenna, who had previously been opposed to Meech Lake, were able to give their support to the package.

We recognize, on all sides of this House, that this may not be the perfect package. It does not have all the answers to all of our constitutional problems, but is merely one step in a process of constitutional reform.

Probably, most of the debate over Meech Lake has focused on the so-called distinct society clause for Quebec. It is simply a recognition of Quebec's unique problems as the home in Canada of the largest portion of Canada's francophones, francophones who are still in a minority in Canada. It is a recognition that they have different cultures and different institutions which have been part of the Confederation agreement for more than 123 years.

• (2000)

But this distinct society clause has caused much anguish. I believe that the companion accord has dealt with it in a responsible manner. They have attached a legal opinion from some of the best jurisprudential minds in Canada saying that the distinct society clause does not overrule individual charter rights.

I may be accused of some bias, Mr. Speaker, but I could not help but be impressed by the words this morning of the Premier of Ontario when he spoke to Newfoundland.

He indicated there that even if this legal opinion were wrong and at some point in our future it were held that it could be used to impinge on certain individual rights, it could only be done in the province of Quebec. It would only be Quebec legislation which, in furtherance of protecting its unique and distinct status, might be able to overrule certain charter rights at a certain point.

Quebec is a province that wants the distinct society. The distinct clause is also supported by the major leading women's group in Quebec, so who are we to say that even if our legal opinion were wrong, that Quebec should not be able to determine certain rights to protect its own distinct francophone status.

A lot has happened that is causing us dismay. Bill 178 and the use of the notwithstanding clause were not appreciated by the rest of Canada. There is some evidence that some Canadians want to get even. Even the Premier of Manitoba changed his mind about Meech Lake after Bill 178 was passed.

Maybe we can criticize Quebec, but surely let us look at the signals we have been giving to Quebec: tromping on the flag in Brockville; Ontario municipalities passing English only by-laws. What signal does this send to a people who are Canadian, who are our brothers and sisters?

Quebec has said yes to Canada three times in this decade: once at the time of the referendum, once at Meech Lake, and once on the companion accord. How many more times is Quebec going to say yes to Canada if Canada says no to Quebec?

The political reality is that if there were an election in Quebec and Mr. Parizeau were elected, Quebec would be leaving Canada. He has said that he is there not to keep Canada united, but to break up Canada.

There is a symbolic mythology, apart from its meaning, which pervades the whole Meech question. It has come to be a symbol of whether we want Canada to stay together, whether we are prepared to say yes to Quebec after it has said yes to Canada three times in this decade.

Do we know with certainty whether Quebec voters will reject a separatist alternative? Can we say for certain that they will come back to the table? Can we afford as a nation to start this process all over again? Should we not be getting on with other issues as well, not only the companion accords and further enhancements to our constitutional process, but dealing with the severe economic challenges we face?

We have so much to do. Perhaps in the past we have said that in Canada our unity was founded on the rail from coast to coast. But perhaps we have put too much stake in ribbons of wood and steel and not enough in the great human spirit of humanity, sharing and caring about our nation. Together we can be strong.

The risk of not standing up for this accord is enormous.

The Acting Speaker (Mr. Paproski): The Liberal Party has split the last 20 minutes. The hon. member for Willowdale and the hon. Member for Glengarry–Prescott–Russell have both taken 10 minutes.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, it is with a certain emotion that I am addressing this House tonight. So far I am the only francophone outside Quebec who has had the opportunity to take part in this debate.

I listened carefully to the speeches made by some of my colleagues, the Prime Minister, the Leader of the Opposition and the Secretary of State who, as usual, has enriched this House with his eloquence. I must say that I share many of his feelings. It is perhaps unusual for us to talk this way about our colleagues opposite but that is what is called for today, I think.

Mr. Speaker, ever since I was a kid, I have been hearing about our national unity and how it is threatened. I remember very well the October crisis of 1970, the election of the Parti Québécois in 1976 and the fears it gave rise to, the 1980 referendum on the future of Quebec and all of Canada and, let us not forget this component of the referendum, the patriation of the Canadian Constitution in 1982, that I had hoped for and agreed with, and finally the defeat of the Parti Québécois in Quebec and the renewed interest in national unity not only in Quebec but throughout Canada.

[*English*]

We in this Parliament did not invent the subject of discussing our Constitution. Canada has had 24 constitutional documents, Orders in Council, Acts of the British Parliament, Acts of our Parliament. I want to take a moment and describe perhaps a component of one of these acts, namely, the Statute of Westminster of 1931, which, after all, is the law that gave this country its independence over foreign affairs and its independence generally.

At that time Canada, New Zealand and Australia were granted this independence. We in this country, of course, could not take advantage of all that was given to us and all that we had earned at that time. We could not do it because we had not yet resolved a difficulty within our own country as to how it was that we would amend our Constitution in the future and how we would deal with such issues as constitutional amendments. So our constitution stayed in Britain.

I suppose in typical Canadian form of compromise and sometimes delay, 51 years later it finally came home. That was a very historic day, April 17, 1982. I was a member of the Ontario legislature at that time, a brand new member, and I had the privilege of viewing, like many other Canadians, what was happening before us on that great historical day. Of course, many of us said at that time that it was not over, and it certainly was not. We were back almost immediately talking about constitutions again.

• (2010)

On April 30, 1987, the First Ministers of our country, the Prime Minister and his provincial colleagues signed the Meech Lake Accord. I was watching television that night when I heard of the signing of the accord. I was really taken by the fact that, at last, we would see an end to some of the disagreements that we had had. I was so optimistic and so pleased, not only for myself but for my family, for my children and for my country.

Within a few days things looked as though they were unravelling again, but finally they got back on track and on June 3, the Langevin document was signed, if that is what we call that document. Let us call it that for the purposes of this discussion.

Then I became very optimistic again, as I think all Canadians were, about the process and the possibility of putting this national unity issue finally behind us and working towards the great potential that we have as a nation.

We in this House, after much debate and some difficulty—difficulty within my own political party and all political parties and I do not think that we were the only ones who had difficulty—adopted this accord. It was adopted in the other place and then finally it had to be adopted again by this House. It was adopted by legislatures right across the country save and except two. Then there was the subsequent withdrawal of a ratification. We got to a point that was what I would call very close to that eleventh hour. The concern then heightened.

Constituents of mine in Glengarry—Prescott—Russell a few weeks ago were having very serious reflections on just where we were and where we were going.

[*Translation*]

My constituents, Mr. Speaker—and I know I have the privilege of representing a special riding, almost surrounded by Quebec, but still an Ontario riding where French-speaking people are in a majority—worried about their future, the future of Quebec and the future of the whole of Canada.

[*English*]

The electors I represent understood one point very well. Perhaps not all of us in this House and in other legislatures, or even some Canadians understood the following point. Heaven forbid that this country were ever to become divided by the withdrawal of one of the provinces, namely Quebec. It would not only be Quebec withdrawing from the rest of the country, but a big component of the country would not be there. There is no question Canada would not be a member of the G-7 group of nations without 25 per cent of its population, a great proportion of its riches and everything else that would be gone if that were to happen.

It is not just one part of the country that loses, Mr. Speaker. The whole country would lose were that to happen. It is you and I and everyone out there listening to the House of Commons debates tonight, all Canadians. Perhaps some regions of the country would suffer financially more than others. I do not know. But very few, if any, would ever gain from that kind of proposition and disunity.

[*Translation*]

Now, Mr. Speaker, I am not saying either that if the accord is not ratified this is the end of it all. This would be irresponsible on my part. What we have to do is try our best to ratify, and encourage others to ratify the Meech Lake Accord. As far as we are concerned, in this House, it is done. We are not being asked, tonight, to ratify the accord, but simply to urge others to do it, as agreed between the various government leaders.

Mr. Speaker, if all Canadians do this kind of soul searching about our future, I am convinced they will realize, as I did, not that the agreement is perfect, it is not—however, the previous one was not perfect either, nor the one before it—they will realize that having amended our Constitution so often, having had that kind of debate in the past, we will continue to do so in the future.

[*English*]

In conclusion, let us remember that this accord is not the end of constitutional discussion, it is merely a component of the continuing process. We have had discussions in the past.

Let us pass this accord. I hope that it passes. If it does not, I do not want to pretend that it will be the end of the world. That would be irresponsible. We will all have to work together after June 23, pick up the pieces and try to build again. I am sure that we would. I am confident that we would. But why at this point would we want to risk it. This is no time to play Russian roulette with the future of our country.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I rise today with a very grave concern in my heart about the future of Canada, the future of this country. I have heard people say that those of us who have that concern are fearmongering. I cannot believe that anybody could characterize the concern that all of us feel here in this House and across this great nation as fearmongering because there is ample reason for that concern.

I believe that those who raise the spectre that fearmongering by raising concerns is counterproductive to this process are putting their heads in the sand and misunderstand the very deep feelings in Quebec and the gravity of the situation with which we are faced. Those who would say that our concern is fearmongering are doing a disservice to this country.

I believe that we in Canada right now are at a crossroads of choice. Either we can open our minds and our hearts and generously embrace our future as one Canada, one single country, one entity, a Canada that is rich in diversity but bound by a common determination to survive against sometimes incredible odds or we can continue to pursue a debate that will only lead us to a mean and bitter end, an end not worthy of the country that we have come to expect Canada will be in the future and has been in the past.

During the recent discussions at the Congress Centre in Ottawa, some wise soul in the audience made a sign which read very simply: "Nine plus one equals ten. Ten minus one equals zero". No more words need to be said because I believe with all my heart that that is so. We cannot have a Canada that lacks a great and vast geographic part of our country and still have a Canada that is a Canada at all.

In Manitoba, where I come from, the skies are clear and wide, bright and blue and to me they symbolize the spirit of the people of Manitoba. I believe that Manitobans are warm. I know that Manitobans are generous. I have watched as Manitobans over the years have embraced new ideas and other cultures with gladness and with joy. Manitobans, I also know, love this country with a great profundity and they want to see it stay together more than anything else in the world. I also believe that Newfoundlanders want the same and have the same warmth and generosity of spirit in their hearts.

• (2020)

So what are we to do about this awful pickle that we are in? How are we going to solve the dilemma that we find ourselves faced with? I do not believe that the way to do it is by attributing blame. History will take care of that, if there is any blame to be attributed.

Instead, we have to search actively for answers, for solutions that will keep this country together. That is our job as leaders and we cannot rely on process to substitute for that responsibility either.

We must exercise the leadership that has been vested in us by the people of Canada, be it at the federal level or at the provincial level, or wherever it might be. If it is only the leadership of a group or a society, we must

exercise that leadership, too, to find a way out of this dilemma that we are in.

There comes a time when personal political fortunes and personal political dreams become very insignificant in the greater scheme of things when we are faced with something like this. There also comes a time when heavy though the mantle of leadership might be, it must be borne bravely, or it must be cast aside and left for others to pick up and carry on.

The Meech Lake Accord is a simple document. There is nothing terribly complex about it. It is an affirmative document. It is a positive document. It says yes in almost every line. It says yes to the aspirations of seven million Canadians first of all. It says yes to the federal government in the matter of the spending power. It also says yes to the provinces and it respects our diversity and our differences in the same manner. It says yes to the provinces on the question of immigration. It says yes to the provinces in the matter of having a veto. It says yes to the provinces on the matter of appointing judges and senators.

I cannot think of a single thing in the accord that says no to anyone in this country. In fact, the accord even says yes to those who are not mentioned in the Constitution at this time. It says yes to those who have constitutional aspirations for the future because it is only by completing the unfinished business of 1982 and by embracing Quebec and bringing Quebec back into the circle of Confederation that other reforms can be initiated; other reforms that will allow Canada to say yes to those who have constitutional aspirations.

It is a simple fact that we cannot undertake any other constitutional reform until Quebec is brought back into the circle of Confederation.

Aboriginal concerns about constitutional recognition cannot take place without ratification of the accord. The addition of other recognitions must also wait until the accord is ratified. We cannot deal with things like Senate reform, if we determine in the future that that is what we want to do, until Quebec is back in the Constitution.

So why would we not want to do everything that is humanly possible to achieve that simple goal, to bring our country back together, to knit it into one 10–province family with two territories waiting in the wings, looking for a future that they will develop and be able to reach and aspire to in a whole and complete Canada. Why would we not want to do everything within our means, within our reach, to ultimately accomplish that goal?

If the accord is the affirmative statement that I really believe it to be, why would we ever want to turn it down? Why would we not want to say yes immediately, openly, freely, and hold out our arms and embrace the opportunity that is afforded to us here today.

I cannot believe that we are so narrow and so warped in some sort of selfish dissatisfaction—maybe we are overfed, maybe we are over rich, or maybe we are over lucky, but I do not believe that we are so steeped in that kind of narrowness that we cannot endorse a document that I understand most deeply to be a confirmation of everything that we hold dear as Canadians. It is confirmation of all those things that we like to think of ourselves as being: open–hearted, generous, warm, kind, tolerant. Canadians have a conceit that we are all those things, and I have that conceit as well. But if they are true, if indeed that is what we are and that is how we see ourselves, and if that is what our identity is, then how can we turn down this opportunity to use that character to embrace the very simple aspirations of Quebec and get on with running the country?

I believe in my deepest heart that we are all those things. So it is with the utmost astonishment that I have watched the debate these past 16 months over something that is so generous–spirited as the inclusion of the distinct society designation for the one province that by its very existence lends so much to the roots of that Canadian character that I just spoke of. It is because of Quebec, because of the fact that a country had to learn to live with differences at a very early stage in its development that we have that conceit of being tolerant, open, generous and kind.

Oddly enough, nobody else seems to disagree that Quebec is indeed a distinct society. As a matter of fact, I have listened one after another to provincial leaders across this country tell us that Quebec is a distinct society, and that they agree that is so. That includes premiers who are having difficulties right at this moment.

What appears to bother us is the fact that somebody wants to write it down. We want to write the words "distinct society" and to us in English Canada that sends

a thrill of fear to the very core of our being and we believe that will have some negative impact on us.

This might be understandable. In the weeks that I spent travelling across the country with the Charest committee, I came to understand something about us in Canada that I did not understand before. This discussion about two Canadas, the two solitudes, two nations, is not only steeped in language, although we often point to language as being the one to blame, it also is based on the fact that we have two very distinct approaches to the way we do business in our provinces and the way we deal with the business of writing laws and rules.

English Canada lives by the common law, the unwritten law, the rule of the understatement. We have a profound and deep understanding that what is not written down sometimes means more than what is.

French Canada lives by the civil law, the written law, which demands that things be written down, because if they are not in writing they have no legal meaning. Those people are steeped in that cultural understanding. It goes very deep.

It seems to me that these two ideas are at the very centre of the discussion about the distinct society and they come into conflict time after time after time.

I believe that this is what was at the root of the western premier's insistence in 1982 on the inclusion of the very much maligned notwithstanding clause. It seems to me that Mr. Lyon and Mr. Lougheed were also steeped in their very deep understanding of the unwritten law and they feared being hemmed in by the words in the Charter of Rights.

In fact, is there anything to fear from the words "distinct society"? I have every profound belief that there is nothing to fear in those words.

In fact, at this very moment, if the Supreme Court were to be studying a matter of the Constitution, they would take into consideration the fact that Quebec is a distinct society in making a judgment. They did so when they handed down their decision about the signage law in Quebec. The words "distinct society" were written into their decision when they said that while both languages must be placed on the signs, French could take precedence and English could appear in smaller type.

People also seem to worry that the distinct society will give Quebec an advantage over other provinces. That simply is not true.

• (2030)

It states what is a fact: Quebec is distinct. For purposes of the law in Quebec that is a very important fact. Something many women's groups have said is that somehow the words "distinct society" will affect their rights under the charter. I do not know how that could be when the distinct society clause affects only the people in Quebec and the women of Quebec are not worried about the inclusion of that clause.

I really have no understanding of where those fears come from. We must put them aside and come to the understanding that the words "distinct society" do nothing at all to hurt, abrogate, or denigrate anyone else in Canada. They are a statement of fact and they are necessary to the people in Quebec in order to interpret their law.

If in some corners of the country we are going to ask any question at all, and if we are still confused about whether we should pass the Meech Lake Accord, in my opinion there is only one question that we should be asking: Is there anything at all in the Meech Lake Accord that hurts anyone in Canada? I have to say: "No, there is nothing. There is not a word that hurts anyone in Canada."

That is the question that the people and the leaders of Newfoundland and Labrador must ask themselves: Is there anything in the Meech Lake Accord that hurts the people of Newfoundland or Labrador? The answer is no, there is nothing that hurts the people of Newfoundland or Labrador in the Meech Lake Accord.

The people in Manitoba must ask themselves: Is there anything at all in the Meech Lake Accord that hurts Manitobans? The answer is no, there is nothing in the Meech Lake Accord that hurts the people of Manitoba in any way.

There is something that does have the possibility of hurting the people of Labrador, Manitoba, Newfoundland, Quebec, and all the rest of Canada. That is the lethargy, the lack of positive will, the inability to grasp this opportunity and take the responsibility to pass the Meech Lake Accord, to say yes, to take affirmative action, and to overcome whatever processes, problems or

barriers which might seem to be in the way. If that is not done, it could have a very profound effect on all of us.

In closing I want to say that I know that all the leaders of Newfoundland and Labrador, all the leaders of Manitoba understand this issue very well. I feel very strongly for the terrible trauma they are going through and for the dilemma they are in. Even at this moment I know that they are wrestling with these very heavy questions and the tremendous burden of responsibility that they bear for the future of this country.

I believe, with all my heart, that they will come up with the right answers and that they will find the solutions we all seek. My appeal this evening is not to those leaders. My appeal tonight is to the people of Manitoba and to the people of Newfoundland and Labrador to support their premiers and to support their representatives in doing whatever it is they must do in order to pass the accord so that we can get on with the business of building this wonderful nation.

My appeal is to the warm, generous, tolerant people of those two provinces and the rest of this country to support our provincial leaders in their search for solutions, to say "yes" to Quebec and to say "yes" to Canada.

Miss Deborah Grey (Beaver River): Mr. Speaker, I would like to thank the hon. member for her remarks.

The hon. member closed her remarks by saying that she is appealing to the people of the provinces of Manitoba, Newfoundland, and Labrador. Unfortunately the people are the ones who have been left out of it because of this heavy-handed, top down approach. It is up to the politicians now to decide what will happen. We see quite clearly that the fundamental flaw of the Meech Lake Accord is that the people themselves have had very little to do with it.

The hon. member also mentioned in her speech the rhetorical question: is there anything in the Meech Lake Accord that hurts Manitoba or Newfoundland and Labrador? Possibly, at this point, it would be academic to say no, there isn't really anything wrong with it because once we bring Quebec into the constitutional family all will be well.

I would argue, being one member of the family of Canada and certainly a western Canadian, that I am a brother or a sister in the family of Canada, that Quebec is in the Constitution, that it is in the family of Canada and always has been, quite clearly, legally, and constitutionally since 1867.

Maybe nothing now will hurt Manitoba or Newfoundland and Labrador, but I would like to ask a short question about the comments made that the Meech Lake Accord says yes to everybody and everything. I would just like the hon. member to make a couple of comments regarding whether there is anything in the Meech Lake Accord that should hurt these other two provinces if Meech Lake is not ratified?

Yes to Senate reform, is that a possibility with the unanimity clause as it stands right now? Are we saying yes to a person like Elijah Harper who is exercising his constitutional right to do what he is doing now because he believes in it, whether we agree or disagree with it? Are we saying yes to Elijah Harper's constitutional right? Are we saying yes to this because of vetoes to all linguistic groups in Canada of whom we should be proud rather than only saying yes to the main two linguistic groups?

Mrs. Dobbie: Mr. Speaker, I thank the hon. member for her questions. I know she wants to understand the accord. I think her questions were searching and appropriate.

I am pleased to answer again—and I do not want to sound repetitive—that the answer to your question is yes. In fact the Meech Lake Accord and ratification of the Meech Lake Accord allow us to proceed with Senate reform. Yes, ratification of the Meech Lake Accord allows us to proceed with responding to the needs and the constitutional aspirations of the aboriginal people. Yes, ratification of the Meech Lake Accord allows us also to proceed with the constitutional aspirations of other minority groups in Canada who may want to be included in the future.

Until constitutionally we bring Quebec's signature to the document, we cannot proceed with any of these reforms. In the interests of this country and in the interests of all the people I know the hon. member represents so well and so whole-heartedly, I know she would want also to help us make that appeal to the people of Canada, the people of Manitoba, Newfoundland and Labrador, to support their leaders in searching for answers and solutions, to say yes to. . . Quebec, and

to say yes to Canada so that we can get on with the rest of the business of the country.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I would like to thank all members who have participated in this debate for a very positive and progressive debate. The feelings communicated to the people of this House and to the people of Canada were strongly held on the part of those members, sincerely and honestly held on the part of those members.

I have always been a supporter of the Meech Lake Accord, as have many members in my party, but I have always had a number of concerns about the process, about what was included in the accord, and about what was excluded from it.

I do not think any constitutional document, no matter where you look in the world or even the constitutional documents of this country, can fully address the aspirations of the people of Canada. It is widely recognized that these are imperfect documents, but they are vital documents as well, documents always being corrected and improved upon.

The process in Canada is always a little difficult, but as we move toward protection over the hundreds of years we have been in existence more and more we will see the Constitution reflect the aspirations of the people of this country.

• (2040)

I also recognize the importance of Quebec becoming a full participant in the Constitution, a signatory to the Constitution, and a full participant in future constitutional discussions and developments. It is extremely important for this country to claim to exist as a national state when 25 per cent of its population has not agreed to the fundamental law of the country and does not make any sense at all. We have to strive to make sure that Quebec is a signatory and is a full participant.

I also argued over the months since the accord was signed that there is really nothing in the Meech Lake Accord that is inconsistent with Canada's constitutional tradition dating back, not only to the Treaty of Paris in 1763 or the Proclamation of 1763, but even to the edicts of the military government that took over Quebec after 1759. Those military governments recognized, in order to maintain the security of Quebec and North America, that the right of Quebec to its religion, its civil law, and its language, were critical elements. Back then even the successors in terms of military government to General Wolfe, recognized the distinct society in Quebec and the importance of that society to the continuation of British North America.

I think there has been a problem and I think there is some blame that has to be laid. After the signing of the Meech Lake Accord and the endorsement of the accord by the eight provinces and by the Parliament of Canada, I think there was an obligation on the part of the federal government or an obligation on the part of the government that sits opposite to cross Canada and to explain to the people of Canada exactly what that accord was all about. This is where the initial failure of leadership took place.

I can say as a person who represents the most western province, British Columbia that there was an absence of any government representatives in that province to explain to people exactly what the Meech Lake Accord was about, why it was a good thing for Canada, why it was a good thing to recognize the distinctiveness of Quebec society within the accord, and why the accord should be adopted, not simply by every legislature and the Parliament of Canada but also by the citizens of Canada who could take up that document and that Constitution as their own, be proud of it, and have nothing to fear from it.

That is where the initial failure of leadership came because the Prime Minister of this country did not go around and talk to the people of Canada, explain what was in the document, and explain the advantages of that document to Canada: the advantage of bringing Quebec back into the constitutional family and the advantages which would proceed in the future in terms of addressing other constitutional requirements if this constitutional amendment were passed in the time set out for it to be passed.

That is when the debate was hijacked by western extremists, by people like APEC. People who wormed their way into the debate eventually took the leadership of the debate and turned this document, in western Canada at any rate, into something that the people of that region feared, loathed, and wanted to see defeated.

Also I think some people had the worst intentions in mind. They wanted to attack the French speaking people of this country, were intolerant, and wanted to use the

intolerance that was growing in Canada at that time as a vehicle to defeat the Meech Lake Accord and to defeat the constitutional amendment. I think the blame for that hijacking of the debate around the Meech Lake Accord by extremists on the language issue and by extremists who wanted to force Quebec out of Canada can be put squarely at the door of the Prime Minister of this country.

As one Liberal member suggested, rather than going around the country and saying "you must accept this" and "not to accept this is to be anti–Quebec" was not the argument that registered well with the people of Canada.

My finding, when explaining this document to the people in my constituency, was that many of them had not even read it. Many of them had not seen the document. Many of them who had scanned the document did not understand it and needed some explanation. They needed the authorities there that they could consult, trust, and rely on to explain the document to them.

Who did they have? They had Preston Manning, they had the Reform Party, they had APEC, and they had a whole series of people who wanted to use that document for their own purposes, whether political or whether to increase the intolerance between groups in this country. I think it was a shame that those people were allowed to hijack the debate because of the failure of the leadership on the part of the Prime Minister of this country.

Mr. Speaker, there are other things that have contributed to the disunity of Canada. I think that those contributions to the disunity of this country, again, rest squarely on the shoulders of the Conservative Party opposite and the Conservative government opposite.

My family has been in this country since before it was a country. They moved to Canada east in 1819 from Ireland. They did not consider themselves English Canadians because Irish was the language that was taken away from them by the English in Ireland and they did not see themselves as English Canadians. But they did see themselves as Canadians nevertheless.

They have been here since 1819. They drilled in the Rebellion of 1837, on the side of Canada. They fought in wars, both in western Canada and in Europe on the side of Canada. My family, over the five generations that they have been here, have committed themselves to Canada and we hope will be able to commit ourselves to Canada in the future. That is certainly my commitment and I know the commitment of one other Skelly in this particular House.

We are concerned about what is happening with this country because this country was put together contrary to all the predictions of the experts on how a country should be put together. The geographers told us that the natural lines of trade are north and south with the various regions of the United States and that you could not pull a country as large and diverse as distant from shore to shore as Canada, together. Yet, Canadians and Canadian governments over the years, through the active involvement of government in the process, managed to turn this country into the nation that everybody predicted could not exist and would ultimately fall into the jaws of the United States.

The fathers and mothers of Confederation actually put this country together and it is always a problem keeping this country together. It is a problem that those of us who enter public life, whether at the provincial, municipal or federal level, always must address ourselves to. We know if we neglect this country at any particular time or neglect the sinews and glue that hold this country together, then it is going to spring apart. We have to take good care of the sinews and glue that hold this country together.

The Secretary of State for External Affairs talked about Canadians as being some of the most fortunate and luckiest people in the world. To some extent, some of us are the luckiest people in the world. Some of us are, but not all of us are.

I think that some of the policies of this government, over the last few years, have contributed in a very dangerous way to disunity in this country and contributed to disunity in such a way that the country is being pulled apart to the point where it is not willing to accept the Meech Lake Accord.

I look at this government's action in destroying the VIA Rail system. It was that railway that pulled this country together from sea to sea and Canadians are proud of that railway. It is a railway that served virtually every region of the country and a railway that could have been held together by government not simply dismissed and destroyed. That railway was perceived as being a symbol of Canada, and an important symbol that pulled

the people of this country together in recognition of this country, Canada.

This government has attacked senior citizens through the clawback program. The one thing that this country stood for was that pensions would be the same, whether you lived in Nova Scotia, Newfoundland or on the coast of British Columbia. The value of universal programs in this country was to maintain this country and to maintain social programs at a certain standard in every region of the country. By undermining the universality of those programs, the government again has removed some of the sinews and glue that keeps this country together and keeps us thinking as Canadians. Some people suffered as a result of that. Other people did not suffer.

• (2050)

Another example of what the government has done is the unemployment insurance legislation. Some people in Canada are going to be paying a greater penalty than others as a result of what that legislation will do. You cannot have a country where everybody pulls together, where everybody considers themselves fortunate, where everybody contributes and has the same aspirations for the future when some people pay greater penalties for being a Canadian than others. That is a serious problem which is a result of the policies that this government has brought down.

If this government had been more sensitive to the need to maintain programs in Canada, to maintain the symbols of what this country is all about, then I think there would be stronger support for this government and for the Meech Lake Accord and for keeping this country together. I do not think we would find ourselves in this House of Commons, at the eleventh hour, trying to talk two legislatures into approving something which on the one hand they see as against their best interests but, on the other hand, feel they are forced to accept in order to keep the country together.

I think that the Prime Minister and the government in the last two years have contributed, to a great extent, to the disunity of this country. As a result, Meech Lake tends to fall on deaf ears, especially for the people who are paying a higher penalty for being Canadians than others because of the inequality in the legislation that has come down as a result of this government.

I do not think there has been any more important group that has been hit by this than the aboriginal people of this country. In the February budget these people were the hardest hit by the budget reductions. Why did the government focus its attack in the budget on the native people of Canada? The government cut back native print media so that newspapers used by native organizations and tribal councils are now being forced to shut down. Newspapers like the *Micmac News* that first brought to the attention of this House and to the Nova Scotia Legislature the injustice practised by the Nova Scotia justice system against Donald Marshall; newspapers that in the north and in western Canada are agents for providing literacy training and providing retention of native languages were totally eliminated because their budgets were cut 100 per cent. Many of them will be gone by the time this summer is over. Why were aboriginal people singled out by this government, by the vicious Thatcherite kind of budget that this government imposed on native Indians?

Native broadcasting was cut by 15 per cent. Native people, with an oral language tradition, relied on native broadcasting, both radio and television broadcasting, again to preserve their traditions, to preserve their languages. Yet this vehicle for preserving the language of native people in this country and for keeping their traditions intact was cut by the government. Natives do not see this government and its proposals as supporting their aspirations. They see themselves as being singled out for an attack by Canada. How can Canada now expect native people to want to support the Constitution of a country that they feel does nothing but marginalize them, force them to the outside of society, both in economic and social terms. Now they want native people to endorse the Constitution?

I think it would be a matter of good faith on the part of this government to reverse those cuts, to say they were wrong because they were an attack on native people. I think that would be absolutely necessary in order to get the native people on side, because right now they feel the most attacked of any group in our society.

The Prime Minister sent his agent, Senator Lowell Murray, to talk to the native people and to MLA Elijah Harper out in Manitoba and made them a whole series of offers about involvement in the first ministers process, so that they could be involved in the first ministers process. Why did the Prime Minister not make that offer

before? The Prime Minister went to Manitoba and offered a royal commission into aboriginal issues, a royal commission that would be the equivalent to the biculturalism and bilingualism commission of years ago.

The natives have specifically asked not to have a royal commission. The Prime Minister has offered any number of things. Native people remember when this Prime Minister made promises to them coming out of First Ministers' conferences. Those promises simply were not kept.

This is a release by the Prime Minister of Canada in 1985. He promised after a First Ministers conference in 1985:

> My policies and those of my government are based on certain principles:
>
> —the special relationship between Canada and the aboriginal peoples should be strengthened;

How? By cutting their budgets? By making it more impossible for them to operate their media and their representative organizations? Is that how the Prime Minister is going to strengthen the relationship between aboriginal people and the Government of Canada? In fact, this promise was not kept and the native people in this country are suspicious of this Prime Minister keeping any of his promises to them at all.

Aboriginal rights, especially the right of self-government, should have constitutional protections. In the land claims settlements just discussed by the Prime Minister in the House today, the rights of self-government were not, specifically not, constitutionally protected.

Current funding levels of programs designed to correct the serious inequities which exist for native people and native communities will be maintained. In fact, the inequities have grown as a result of cut-backs in funding for native people from the Secretary of State's department. The Minister of Indian Affairs and Northern Development says the funding for Indian Affairs is increased. In fact, for certain native programs it has been capped.

Because of the growing population of native people, the amount of money going to native people in this country per capita has been going down. How can the Prime Minister expect the native people of this country to believe him when he has certainly not kept the promises he has made in document after document after document. They are tired of listening to promises that are not going to be kept.

If the Meech Lake Accord is to pass and be accepted by Canadians, we must have some kind of change in the kind of leadership that has been shown by this government. We have to see policies brought down in this House that do not protect some Canadians and punish others and then expect to see those Canadians pull together at a time of need for national unity.

If we are going to see the Meech Lake Accord passed and accepted by Canadians in the future, we will have to see a government that embarks on policies that brings this country together and holds this country together and treats some people much better than this government has.

[*Translation*]

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, I want to say, first of all, that I am not particularly joyful as I rise in the House this evening, at the eleventh hour of a great constitutional debate, to speak to the motion before the House, a motion that urges the Manitoba and Newfoundland Legislative Assemblies to ratify the Constitution Amendment, 1987. Nevertheless, I am optimistic, and I am convinced that the accord, as negotiated, will be ratified on time.

Mr. Speaker, today we are discussing, as we have been for the past three years, a constitutional document, but we are also talking about the future of our country. As a Quebecer, I want to be a full participant in Canadian society. As a Canadian, I want a united country from coast to coast.

Mr. Speaker, as you know, in politics we must have a number of goals. The question that often arises is the following: What do we, as leaders of a country, want to leave to future generations, to our children and grandchildren? My list is not very long, but I think it will meet with the approval of all members of this House. We want to leave a country that is strong and united. We want to pass on a prosperous country; we want to pass on a country which is fair; we want to pass on a country where every citizen, man or woman, can find respect. And we want to pass on a country which gives its citizens the opportunity to realize their potential.

• (2100)

Mr. Speaker, I think that Canada, on those five scores, is showing a rather impressive record, but still incomplete, a record that the accord we are discussing today could enable us to improve in a major way, while enabling us to realize in a more concrete way the goals we had set for ourselves. Of course it has to be done by welcoming Quebec in the great Canadian constitutional family, and this will enable us to go forward to realize some of the goals that we had set for ourselves and that still need more improvement.

Of course, Mr. Speaker, I rise today not as a minister, but as an ordinary member of this House, as an ordinary citizen, as a French-speaking resident of Ontario whose ancestors came from Quebec. Throughout my life, Mr. Speaker, I was given several opportunities. First, when I was very young, I had the opportunity to learn both official languages of Canada. I was given the choice, and I made a decision. I can say today that I have no regret.

I also had the opportunity to study in Ontario and in Quebec, and I still consider myself fortunate today. Afterwards, I had the opportunity to study in the United States with the assistance of two institutions, Hydro-Québec and the Arts Council. The two levels of government helped a young student to develop and reach his goals.

After graduating in the States, Mr. Speaker, I had the choice either to stay south of the border, or to come back to Quebec, and to Canada. I decided then to come back to my country, because of the values we share here, the tolerance, the openness of mind, the faith in our future, the willingness to build a country, to assert ourselves, all of which I could not find anywhere else. I willingly made those choices, Mr. Speaker, I made those decisions, I said yes to Canada.

Nowadays, we are discussing a constitutional agreement, one in a series of several such accords. It is not the first of its kind, nor the last, Mr. Speaker. We have to realize that a Constitution is a dynamic, living instrument, one that reflects our society.

Today, we are discussing a document approved by all the First Ministers of the country, a document which would allow us to pursue our constitutional evolution. The requests dealt within the document—I will not read them to you because they are quite well known by now—were the minimum demands of a people, one part of our country which had been excluded from the constitutional agreement of 1982. By ratifying the accord, we could proceed to a new round of constitutional review.

Then, as Canadians, the question we should ask, and probably the question many people outside of the country are asking themselves, is what will happen if the accord is ratified and what will happen if it is not? Where will we go after the signing of the accord? How can a single piece of paper take such a vital importance for the future of our country?

Mr. Speaker, all of us Canadians have made tremendous progress in dealing with many problems to make Canada more competitive and put the country back on the right economic track. We have won greater confidence in our abilities and more respect internationally as a member of the Group of Seven or G-7, the world's leading industrialized nations. Mr. Speaker, there is a new entrepreneurial spirit in Canada, a new economic vitality, supported and encouraged by all levels of government that represent the key to a strong, dynamic and competitive nation. We must not forget that a good economic performance is what guarantees fair and generous social programs for the country. The Canada we are building for this decade and the next century will have to meet society's demands for a higher standard of living, environmental protection, better health care and a better education system.

How can we maintain our momentum and reach these objectives that will enable Canada to play an important role in the world economy? The answer is obvious. We must remain a united country. Social justice cannot exist without economic renewal. Economic renewal cannot exist without national reconciliation. This goal can be reached by ratifying the Meech Lake Accord, thus ensuring social peace and economic prosperity for Canada. Not only will the accord allow Quebec to regain its place in the Constitution but it will strengthen all of Canada. A strong federal government with strong provinces is essential to the country's success. The accord gives all provinces without exception an equal voice in changes to national institutions, important institutions like the Senate and the Supreme Court. That defines the new federalism. We believe it is the only way a country as big and as diversified as Canada can find its place on the international market and in a global society.

Meech Lake will unite the Canadian family while enabling all Canadians to proceed to the next stage of their constitutional and economic expansion. We will turn the page on the 1980s and open a new chapter on the 1990s. Meech Lake will give us the economic stability that is essential to attract foreign investment and prepare Canada for the international challenges of the coming years.

Now, Mr. Speaker, the question: Should Meech fail, should Meech not be ratified—and I think we are now well into the eleventh hour when, as political leaders of the country, we have to entertain the possibility that the Meech Lake Accord might not be ratified before June 23—we must seriously consider what might become of Canada after June 23.

Nobody can really predict the outcome of such an eventuality, and I must confess that, like anybody else, I do not have a crystal ball to gaze into the future. For sure, the sun will rise in the early hours of June 24. Still, Mr. Speaker, we have heard a number of possible scenarios, most of them not overly optimistic. I can tell you that if Meech Lake is not ratified, unfortunately I am among those whose outlook on the days ahead is rather grim. The signature of the Meech Lake Accord is a unique accomplishment which several former Prime Ministers have been unable to achieve. It is the result of efforts of goodwill and of a spirit of compromise and fairness which have been the hallmark of our country's history. And I am sorry to say that, should Meech Lake fail, that spirit will be the first victim.

The accord was initiated when Premier Bourassa put his five basic conditions on the table and the other nine premiers accepted to take Quebec back into the constitutional family. It was said repeatedly that those five conditions are the most reasonable ever asked by a premier from Quebec. Jack Pickersgill had this to say about Quebec's willingness to compromise, as shown in its conditions, and about the consequence of failure: "If Quebec is rejected, if this agreement becomes a disagreement and if such an opportunity to get the approval of Quebec's constitutional authorities is lost, I believe that we will not get another chance before another generation and never with such reasonable terms." As I was saying, that willingness to compromise will be the first victim of the failure of the accord. And the message that Canada will send to the rest of the world if this accord fails, after three years of discussions and after being signed by all eleven First Ministers, will be most disconcerting. How will the international community react? Economic impacts are already being felt. Several foreign investment projects are already being delayed or shelved.

• (2110)

If the accord should fail, Mr. Speaker, what we would lose next I am afraid would be the confidence of other countries which do business with Canada. A major force is at stake, although we cannot assess its impact just now. I can assure you that there would be an impact both nationally and internationally. Political uncertainty and disagreement are not conducive to foreign investments. This burden would be made heavier as a result of our constitutional situation. The progress we have made so far in the area of Senate reform, Indian rights, women's rights, as well as the constitutional expectations raised in other groups would be short-lived. It would be difficult, if not impossible, to carry out further constitutional reform in the absence of Quebec around the constitutional table.

Mr. Speaker, I have listed three major victims of a possible failure of the accord. However, I sincerely believe that what would suffer most would be our pride, pride in ourselves as a people who have always shown understanding, compassion, justice and tolerance, pride in our own country, this great and magnificent land which is the envy and admiration of many other nations. Those who would cause this accord to fail, for whatever reason—and I will not mention any name—would have difficulty explaining to Quebecers on June 24 that Canada said no to them once more. They would find it difficult to explain to Westerners and Atlantic Canadians that the Senate reform is impossible. They would find it difficult to explain to our trading partners that while walls are crumbling down all over the world, that nations are seeking a global market, we, as Canadians, have erected new barriers to make us less competitive. They will be hard pressed to explain to their children how they could let Canada drift apart.

In conclusion, Mr. Speaker, earlier this evening I spoke of options, of opportunities. In the next few days, we will have the option and the opportunity to say yes to Quebec and, as much if not more important, to say yes to Canada. Mr. Speaker, as a Canadian and a Quebecer, I would not want to intrude in any provincial jurisdiction, but I simply want to support the motion before the House this evening and urge all Canadians from coast to coast to take that step ahead, to say yes and proceed to

the next stage, to continue to build this great and magnificent country.

Some hon. members: Hear, hear.

[*English*]

Mr. Maurice A. Dionne (Miramichi): Mr. Speaker, the Meech Lake Accord was a flawed document from the very beginning. It is flawed both in process and in substance. This document has torn our country as it has never been torn before, and that is the result of its flaws and the Prime Minister's penchant to conquer by discord.

There is no doubt that Quebec should be brought into the Constitution, but this document, with all its flaws, I believe will not work. That is why I must oppose it.

This discord was hatched in darkness and nurtured on fear. It has nothing to commend its passage. Moreover, it ignores Canada's first people and that has nurtured anger, fear, discrimination and despair. It has been a classic example of how a constitutional document should never be undertaken. Its genesis occurred in secret and grew on doubt, confusion, suspicion and misinformation.

For three years the Prime Minister repeated over and over again that the document had to be accepted as it is. Not an *i* could be undotted or a *t* uncrossed. Then we had that marathon, week-long spectacle here in Ottawa where the Prime Minister rolled the dice. What a cynical way to build a nation's most fundamental document and to build respect among colleagues. Not being satisfied with rolling the dice, he had to brag that he did it deliberately and thus inflamed the atmosphere to the awful state we have today.

A constitution must involve the people of a nation, not just the First Ministers. It must reflect the views, the aspirations, the hope and the will of all of the people. It cannot be hatched in darkness, in secret, in manufactured desperation.

The people must have a constitution that takes into account all of the people and especially our aboriginal peoples. By any ethical standard, they should have been the very first to be consulted and to have their grievances adjudicated in fairness and generosity.

I want to say, and I will do so briefly, something about this canard that Quebec was left out of the first round. Sir, this is just not true. It is true that Quebec was not there, but Quebec was not there because the Lévesque government chose not to be there for its own reasons.

We must have a complete, proper and functional constitution, but it must be consummated for all of the people, born in light, and approved by all. Anything less, Sir, I can neither support nor accept. A valid constitution belongs to the people, not to the government.

Mr. Speaker, we come to life and sometimes forget that we are finite beings, but we are not. However, our country should outlast us all for many generations after all of us will have been forgotten. The world may little note nor long remember what we say here, but our descendants will long remember what we do here. Let us not fail them.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I want to thank my colleague from Miramichi for giving me the opportunity to use the rest of the time allowed to the Liberal Party to take part in this important debate. I think it is appropriate to put the debate into the context of a motion that the government is proposing and that urges the Manitoba and Newfoundland legislatures to complete the ratification of the Constitutional Amendment, 1987 before June 23 1990, Saturday of this week, so that Canadians can complete an important act of nation-building and thereby open up the process for Canada's future constitutional development, including the important issues of Senate reform, of aboriginal rights and linguistic rights, of territorial participation in the federation and of providing a process for a continuing review of the operation of the Constitution of Canada.

• (2120)

Mr. Speaker, that is more or less what the motion proposes and we, on this side, hope that the two provinces that are still hesitating will hear the message that members of this House are sending and accept by the deadline of June 23 the constitutional proposals known as those of the Meech Lake Accord. This motion

reminds me of moments in 1986 and 1987 when the Meech Lake Accord was discussed in this House and at the Liberal Party Convention held here in Ottawa. In November of 1986, the National Convention of the Liberal Party approved a proposal very similar to the motion which is before the House today. I want to remind the House that it was we of the Liberal Party that proposed to amend the Meech Lake Accord precisely to strenghten that accord and to give it a national relevance. Here is, in substance, what was contained in the resolution proposed in November 1986 by the Liberal Party. We proposed adding a preamble to the Constitution to preserve and promote the linguistic duality and to recognize Quebec's distinctiveness, the multicultural character of Canadian society, the contribution made by native people, as well as the advantage of developing the Canadian economic union.

We introduced in this House nine constitutional amendments which were all defeated by the government. It has now come back with a motion very similar to what we were proposing three years ago.

[*English*]

History will say that this Liberal Party proposed three years ago some important amendments to strengthen the constitutional amendment. We do not have the pretension that we knew all about the process and that we would be able to propose things that would be perfect. I am not that naive. It is the first time since 1982, since we patriated our Constitution, that we Canadians go through the process of amending our Constitution. It is a lengthy process, a complicated one, one which, in my opinion, and I guess it is an opinion shared by many Canadians after this experience, is faulted, is in need of change.

Over the last few years in trying to explain to people in my riding, at the University of Ottawa, in my meetings with constituents, in meetings even with public servants not very long ago, I asked the simple question: "What does Meech mean to you? What does Meech mean to us? What does Meech mean? What does it encompass?"

I issued the challenge that if anybody in the room could tell me what the five conditions of getting Quebec into the constitutional fold are, I would buy him or her and a guest a supper at the Parliamentary Restaurant.

I never lost that bet, never once, and I made it umpteen times at the University of Ottawa. Nobody could give me the five conditions. Yet here we are wondering today why we are getting that kind of reaction. Well, I share the blame with all of us here in this House. We did not succeed in getting the message across to Canadians. We did not succeed in making them understand that we are not trying to make Quebec any better, greater or more powerful than any of the other provinces, but are trying to recognize the distinctiveness of that province.

[*Translation*]

Mr. Speaker, the majority of Quebecers speak French. Quebec is the only province with a French majority. It has a different Civil Code, which has applied since Napoleon and is unique to this province. It has cultural and social traditions—as evidenced, for instance, in its music and its poetry—it is a distinct society in the Canadian context. It might not be the only one, but it really is one. I recognize it, and so did my party.

Secondly, it was said that Quebec would have its say in immigration matters. The Cullen–Couture agreement exists since 1976 or 1977, I think— It was agreed that through the Meech Lake Accord, all provinces would be given that same right. That does not strike me as such a big deal! These powers already existed under our statutes, but now they would be enshrined in the Constitution, for all provinces if they agree. I think that was pretty clear.

Third, Mr. Speaker, there was the matter of veto rights for Quebec on constitutional amendments. There was also the federal government's spending powers in areas under provincial jurisdiction. There was a desire to restrict those powers. There is nothing new here. It was discussed in 1970, in Victoria, and in 1976 here in the House. This is not new. There was the question of Senate reform and giving the provinces the right to submit a list of candidates, and also that Quebec, since it has a different legal system—the Civil Code—would from now on be entitled to appoint three justices to the Supreme Court.

That is what Meech boils down to, and that's all. However, many Canadians are still very hazy about all this. Today I heard some very eloquent speeches in which it was said that the whole issue had been so poorly explained that today, Mr. Speaker, there is resentment and hatred in this country, and it's true, and it is just

because people don't understand. I find this very depressing, because once properly explained, it is a matter that is certainly not difficult to understand.

[*English*]

In affirming the constitutional role of the elected legislators of this federation of ours, and their right to decide, which is what we are going through now in this process, all this motion does is urge that Manitoba and Newfoundland exert efforts to bring about full ratification of the constitutional accord of 1987.

We have affirmed that deep commitment to this country. We would like to reaffirm that constitutional amendments can be made with care, understanding and generosity.

• (2130)

I think people have read into Meech much more than is actually there. I have heard some of the speakers on the government side today say that will be a disquieting and worrisome on June 25, June 26, or thereabouts, but I join some of my colleagues on this side. I think that if we do not get Meech it may not be the end of Canada. I hope and pray that it is not, but it will be a different Canada, Mr. Speaker. I can tell you that. I believe that strongly.

Will it be more generous, more understanding to the native people and their rights, to the minorities and their rights? Will the majority of Canadians, English speaking, be more understanding of the minorities after if Meech does not pass? I do not believe that.

Will they be more caring, more generous? I do not believe they will be. I do not think that if Meech is defeated that that will make the majority more understanding of the minority expectations, dreams, or rights, for that matter.

A Constitution is made for minorities, because we are all in some sense part of a minority. God knows we have minority rights now in our Constitution; minority rights are there. They are not always applied, I agree. I could give the House possibly a long speech on minority rights in this country.

I was the one who got up on my feet the day after the Prime Minister announced the Meech Lake Accord, the Langevin Meech Lake Accord, and asked the Prime Minister about promoting minority rights across this land. I thought that was the normal thing: preserve, yes, but promote also because preserve means *status quo*, promote looks forward, moves. I was told to be patient, that it will come in the second round. I was very disappointed.

Since then I have asked the Prime Minister in this House many times to convene a federal-provincial conference and get on with solving our constitutional impasse. I was told: "Wait, it is not the time. My emissary, Senator Murray, is out there consulting with the provinces". I understand that process.

However we are now at the eleventh hour. I say to the Prime Minister: if this thing does not go through and if they do not hear our plea in Manitoba and Newfoundland, there is only one person that I will blame and that is the Prime Minister of this country.

Miss Deborah Grey (Beaver River): Mr. Speaker, I appreciated the hon. member's remarks. I certainly have to agree with him that we are at the eleventh hour. In fact, on June 27 last year, the last day that the House sat, I asked the very same question: "We are less than one year now from Meech Lake. What is to be done about it?" The answer was: "Wait, everything is under control." We have seen that that obviously has fallen flat.

People who come to Ottawa and watch, people who are watching their TVs tonight, people who are watching to see what is going to happen in effect with Manitoba and Newfoundland and Labrador, and people across the country are frustrated about the whole process.

I am hearing over and over again the problems with the Meech Lake Accord. First, there are objections to the process whereby Meech Lake was developed and this whole top down approach that I have mentioned so many times in this House. As I said, people feel frustrated. Second, there are objections to the high priority which Meech Lake gives to Quebec's constitutional demands while failing to address the constitutional demands of other groups. I just heard from my hon. friend that everybody is talking about minority rights. I think it is very interesting to note that that is so important. Finally, there is this rigid amending formula that I have mentioned in this House so many times as well.

I would like to ask a question of my hon. friend. Come June 24 or June 25, can we say as members in the federal Parliament of Canada that Canada is bigger than Meech Lake, or is Meech Lake so overpowering that absolutely nothing can be done? Will the Meech Lake Accord, in his estimation, solve all of Canada's problems?

• (2135)

Mr. Gauthier: Mr. Speaker, I do not think that the answer can be anything else but that this will not resolve all our problems. It never had that pretension anyway.

The Meech Lake agreement, like the 1981 constitutional patriation documents and the Charter of Rights, never had the pretension of answering all Canadians' expectations or answering all of our hopes and dreams, although I believe it is a step in the right direction.

I must admit that I agree with the hon. member that the process has proven incredibly difficult and possibly flawed. I have a quote from the Prime Minister, himself, when he said in the House on June 11 of this year: "This process has proven to be increasingly unsatisfactory in several respects and must be changed. There should, first and foremost, be ample opportunity for Canadians to participate in the process".

That process is flawed; let us change it. As far as I am concerned, on the 25th we must stand together in this country, go forward and continue to build this country of Canada in a way that it is generous, open, free, and absolutely democratic, for the sake of our kids. I do not think that we can do it in one shot.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, the motion before the House for debate today is that:

> The House urges the Manitoba and Newfoundland Legislative Assemblies to exert efforts to bring about full ratification of the Constitution Amendment, 1987 by June 23, 1990, so that Canadians can complete an important act of nation-building and thereby open the process for Canada's future constitutional development, including the important issues of Senate reform, of aboriginal rights and linguistic rights, of territorial participation in the federation, and of providing a process for a continuing review of the operation of the Constitution of Canada.

I want to stand and speak in support of the motion. As you know, Mr. Speaker, I am probably the least partisan member in this House and I think all members recognize that. On the question of the future of Canada, I cannot find it in my partisan heart to actually see this issue in partisan terms. I cannot see the issue in partisan terms, so I am not going to involve myself in assigning blame. I am not going to blame the Prime Minister and I am not going to blame the provinces. I want to spend my time trying to explain why I would recommend to the legislatures of Manitoba, Newfoundland and Labrador that they support and pass the Meech Lake Accord with the attachment of June 9.

I do this because I recall very vividly three years ago. I remember the meeting at the Langevin building and I remember that weekend very well. I am not a betting person but I was prepared to take bets and I did not give the Prime Minister a snowball's chance in hell of coming out of that weekend meeting with any sort of agreement. I recall that very vividly.

I think I speak for all members in this House when I say how surprised we were that a unanimous agreement came out of that. In fact, on Monday morning, following that culmination of the Meech Lake process, everyone stood in this House and gave the Prime Minister a standing ovation. I did, and my colleagues in this party did. We all stood because we recognized that finally Quebec was pulling up its chair at the constitutional table and was going to participate now in the building of this nation.

• (2140)

It was an important element in the whole process of constitutional development. We were all very pleased. There were 10 premiers' signatures on that document, and the Prime Minister's signature. Ten and one; 11 signatures.

I have talked to a lot of young people. What they cannot understand at all in this country is whether a person's signature is worth anything any more. Is not the person's word and signature a bond any more? That is what young people say to me.

I was talking to a young chap the other day who said: "Well, if they signed it, they should stick by it, and if there are things you don't like, you work to change them". And all of this malarkey about process. Every Canadian has a different process, probably a lot better process than was followed. But that is the process that was inherited. You talk about process in 1982? It did not even go to the provincial legislatures.

If one were to examine in retrospect the document that former Prime Minister Trudeau gave to the country, people today would find fault with the notwithstanding clause. Where has there ever been a perfect constitution? Name the constitution that is perfect. Name the law that is perfect.

I saw a law come through Parliament—one page, two clauses—and we did it all in 15 minutes. It went to the Senate, and it found there that there was a comma in the wrong place which changed the whole meaning. It had to come back to Parliament and go through the process again in 15 minutes. It is not a perfect document and nobody says it is.

The Meech Lake Accord, of course, is not a perfect document. I want to say that I cannot accept the fact that it was made by 11 elitist people, 11 people of privilege. Of course not. They are elected. The premier of Ontario, whether I like it or not, he is not in my party, he was elected by the majority of people in the province of Ontario. Therefore, he represents the people of Ontario. The integrity is in the fact that he is elected. This is a democracy. They are not people of privilege. They are people who are elected.

So those 11 people signed the document, and eight legislatures ratified it. Two have not; Manitoba and New Brunswick.

There was a change of government in Newfoundland and that government deratified it. What a cockamamie way of making a constitution. Can you believe it? Who would ever come back and sit at the table thinking that there is integrity in this group and they would stick with what they have agreed to? By the time the ink is dry on the document, you find half the governments have changed. They have new stripes, new motivations, new politics and they do not like it. Throw it out. What a heck of a way to operate a country.

I have talked to people who are not from this country. They are absolutely amazed that we are risking the breakup of this nation, as we know it today, over this question: How many angels can dance on the head of a pin?

When one province came into Confederation, it was written into the Constitution you need to have a colour for the margarine. Believe it or not.

I say that the people who signed the document have a responsibility to have it ratified. They had a responsibility. I do not think it is out of place for us, as a federal Parliament, with elected members to have a national vision of Canada. I represent the riding of Nickel Belt, but my first commitment is to Canada because I am in a national Parliament. Therefore, I do not think it is beyond the realm of possibility for the federal Parliament to ask two of its confederated partners, namely Manitoba and Newfoundland and Labrador, to pass the Meech Lake Accord. I think it is quite within our responsibility to do that. I have no compunction whatsoever in asking those two provinces to ratify the Meech Lake Accord.

• (2145)

There is no question in my mind that the whole process of Meech Lake was to bring Quebec into the constitutional family. The Edmonton declaration where the nine premiers of the provinces—the Prime Minister was not present—declared that the next round of constitutional talks was to bring Quebec into the constitutional family. That was the purpose. If we do not fulfil that commitment, we put in jeopardy any future changes to the Constitution of this country.

Frankly, Mr. Speaker, the offer made to aboriginal peoples is a fair one. I ask them, through the medium of this television, to reconsider. It is a fair proposal.

Meech Lake was signed and the ratification was supposed to take place, but it did not take place. Then started the dance. I could find a lot of fault with the way the Prime Minister may have handled it, but that is beside the point. The whole process of bringing the premiers together was to reach some consensus on getting this passed. The whole purpose is the welfare of the nation. That is the overriding concern. I cannot fault the Prime Minister for attempting to use every opportunity to make the premiers recognize their responsibility.

I have been really impressed with some people in this whole process. I want to tell you that I was very impressed with the Premier of Alberta, who actually stuck to his guns at one of his conventions in the Province of Alberta. He stuck to his support for Meech Lake, and won. If ever a person had as a concern Senate reform, it was Don Getty. He went into the Meech Lake Accord with the concept of a Triple E Senate. He did not come out with a Triple E Senate. I suspect he recognized

that the greater concern was to bring Quebec into the constitutional family.

I think people are putting their heads in the sand if they do not sense the mood across the river. It is not one of frenzy, but it is quiet certainty.

I recall very well the referendum debate. I was sitting on the sidelines. I saw all the municipalities across the country passing motions and sending them to Quebec. My municipality sent a motion which said: "Oh, Quebec, we love you, we love you. Just say no, and we will make it all right". That is what we hear. Just ask: "Will you love me as much tomorrow as you love me now?" That is what happened. I see the same dance happening again. We are sending all the cards saying: "We love you". Well, I do not think it will work this time. Once caught, twice shy. We have a responsibility as federal parliamentarians. That responsibility is the question of seeing Canada whole, as it is.

• (2150)

Meech is not the end, Meech is the beginning. It is promised in the attached document that we will look at and correct the process. That is fine. We will do that. But I think the first priority, and one that we owe the next generation of Canadians, is to deliver this country as we know it today on to them so they can build on this and make it a better country.

That is why I stand and speak in favour of the motion. It should be approved and, God, I hope it is.

Some hon. members: Hear, hear.

Mr. J.W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I would like to make some comments and then I would like to ask the hon. gentleman from Nickel Belt a question.

Mr. Speaker, I share his view. I absolutely support the Meech Lake Accord and I am convinced it is not only the right move, it is the best move for the country at this time.

I also share his view and recommend to all Canadians, particularly those in Newfoundland and Manitoba, and our aboriginal citizens everywhere, that we consider that the truly positive and constructive benefits of the Meech Lake agreement will bring a common direction for our country, committed at last to new constitutional progress, a new Senate, aboriginal reform, aboriginal rights, pride in a common vision of our country, common identity, economic stability and new prosperity, a renewed international strength and influence and the time and energy for other things, other challenges such as the environment and the economy.

I would like to congratulate and commend all those Canadians such as the hon. gentleman from Nickel Belt who have participated in this debate on the Meech Lake Accord over the past three years and who have stood so solidly behind it.

In particular, tonight I would like to commend and congratulate those legislators in Newfoundland and Manitoba who are wrestling with this issue at this very moment. I am confident that they will discharge their duty in the best interests, not only of their provinces, but of all of Canada.

In the final analysis when we talk of certainty, there can only be certainty where there is trust. Surely we have now learned that only where there is trust is it possible that a great country such as Canada can find its true potential and its destiny.

In these final days we do place our trust in our fellow citizens in Manitoba and Newfoundland. I do not believe they will let us down.

I believe there has been a paralysis in the constitutional affairs of Canada ever since the patriation of the Constitution. I would like to ask the hon. gentleman from Nickel Belt if he believes that the constitutional paralysis that we have endured for so many years will now be cured with the passage of the Meech Lake Accord and with the existence at the one constitutional table of all the provinces and the federal government of Canada.

Mr. Rodriguez: Mr. Speaker, I thank the hon. gentleman for his question.

I want to respond appropriately because when the Constitution of 1982 was negotiated in the kitchen of a room in the Chateau Laurier it seemed that René was not in the kitchen with Dinah in the discussions on the constitution.

René Lévesque was not there and all the other premiers who were there came up with a deal. They did not hesitate to say that Lévesque was in high dudgeon and left. That is too bad.

But Quebec was out of it and did not attend constitutional conferences after that. In fact the ones the Prime Minister referred to with respect to aboriginal people failed, with five provinces and the federal government voting for it, and Quebec was not there.

• (2155)

A major player represents six million people. How could we exclude six million people from the negotiating table? If they are not at the negotiating table, in fact our family is not complete. There is somebody missing at the table.

I think the Meech Lake Accord brought Quebec in. Certainly after the Meech Lake Accord was signed, it was a departure to see the Premier of Quebec talking about our country, our Canada. Meech Lake provides the opportunity for further changes to the Constitution and the accompanying document. Now all these things can go forward. I think it is very important that Meech Lake be approved.

Some hon. members: Hear, hear.

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I would like to thank the hon. member for Nickel Belt for his support of the motion.

Above all, I would like to thank him for the very eloquent and noble way in which he has reminded us all of the real purpose of Meech Lake. I would like to ask him one question. Does he not find it surprising that our Liberal colleagues across the floor keep saying that they are hesitant about Meech Lake because it does not do enough for the promotion of minority rights, for aboriginal people and so on?

They have been in power for all but six years of the last 50 years, why did they not do it then?

Mr. Rodriguez: Mr. Speaker, I started out by saying that the one thing that I will not do is attach partisan politics to my view of Meech Lake and the wholeness of Canada. I will not comment on whether Liberals did it better than Conservatives. I think that is falling into a trap.

I can find a whole zillion things such as tax changes and social programs about which I am the most partisan member in this House. As a group, Tories are an acronym to me. Individually, some of them are not too bad. The same with Liberals. On this whole question of Canada and Meech Lake, I cannot project an image to Canadians that I want to get down into the specific, partial gutter and start throwing snowballs at the Liberals or Tories.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Debate.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, with only a couple of minutes left, I must say that it is a great privilege for me to have the opportunity to be the last speaker in this debate.

As the hon. member who has just finished said, and as Churchill said: "We are near the end and we are at the end of the beginning", for Canada is still a very young nation. We have only just begun our constitutional development.

There are three days left, and two provinces are in final debates leading toward ratification of the Meech Lake Accord. I have always had a sense of faith about this issue. Sometimes it does seem to defy logic. This evening they are still debating in Manitoba and Newfoundland the ultimate destiny of this accord. If we want to contemplate the worst, we can be very worried about it. For Canada, I prefer to believe in the best.

These great issues bring out the best in us. For Manitoba, for Newfoundland and for every province, obviously there have been some difficult concerns subject by subject, clause by clause, word by word. There is compelling evidence that Meech Lake is good for Canada. Therefore, if it is good for Canada, it is good for every province and for every Canadian.

As we in Canada continually struggle for a common sense of national vision and identity, we sometimes lose sight of the very distinctions which make our nation great. Canada is comprised of many different meanings for many different people. What distinguishes this country, though, is its very capacity to promote and protect such differences while remaining true to the ideal of one united land.

As we look to Canada's future with this vital issue still to be resolved in the next few days, let us reaffirm our common commitment to building this country in tolerance and respect for one another. I believe and I feel sure, Mr. Speaker, that you believe that that is what Canada is really all about.

SITTING SUSPENDED

The Acting Speaker (Mr. Paproski): It being 10 o'clock p.m., pursuant to order made earlier this day, this sitting is suspended to the call of the chair.

The sitting of the House was suspended at 10 p.m.

HOUSE OF COMMONS

Tuesday, June 26, 1990

The House met at 11 a.m.

Prayers

[*Translation*]

HOUSE OF COMMONS

CHANGE OF AFFILIATION OF MEMBER FOR RICHELIEU

Mr. Louis Plamondon (Richelieu): Mr. Speaker, never in all my life have I ever faced a more crucial decision, as a member of Parliament and as a Quebecer. For Quebecers the time has come to choose, and when all is said and done, I must choose Quebec.

Our ambiguous position as a people is not new. Since the earliest years of cohabitation with the anglophone component of this country, we have been treated as a conquered people but, nevertheless, citizens of this great country.

In 1763, James Murray, the first British governor said, in referring to our ancestors, that if they had left it would have been a great loss for the British empire. But what has been done since then to urge us to become full-fledged members of this empire?

Since the Royal Proclamation of 1763, the avowed goal of our new conquerors was to assimilate us. However, out of fear for the Americans and to soothe our feelings, we were recognized as a distinct society, several years later, in the Quebec Act. When at the end of the eighteenth century, repeated demands for our own legislative assembly were finally met, it was without the powers normally bestowed on that body. How magnanimous! How democratic!

We built this country with our blood and sweat. Our thanks was to be humiliated and treated as a people without history and without a culture. As the founding people of this country, we shall never forget the many times we have been humiliated in this great country we thought was ours: the Conquest, Louis Papineau and the patriots, the Act of Union, Louis Riel, the conscription question in both wars, the War Measures Act, the 1982 patriation of the Constitution without Quebec, and the defeat of the Meech Lake Accord.

History seems to be repeating itself today. I am thinking of that memorable motion presented before the Quebec Legislative Assembly in 1917 by MLA Francoeur. He pointed out that the province of Quebec would be willing to accept the break-up of the federative pact of 1867, if the other provinces felt that Quebec was a barrier to Canada's unity, progress and development.

I never thought I would see the day that we would be considered a barrier to Canada's progress and development, despite the "night of the long knives", in 1982. I really believed the risk was worth taking, and that is what made me go into politics in 1984, like most of my colleagues in the Quebec caucus who wanted to defend the interests of Quebec. I was prepared to follow this through to the very end, and I did.

Mr. Speaker, I also believed that the Premiers of the other Canadian provinces would abide by the Meech Lake Accord. I believed that all these politicians were men of their word and would abide by what they had signed. I believed they would never let themselves be manipulated behind the scenes by the Chrétien-Trudeau clan. You do not build a country on weakness, and Quebecers will no longer be satisfied with a vision of Canada that, as far as I am concerned, goes back to the Dark Ages.

For weeks I have been literally torn between my loyalty to the Prime Minister and my desire to respond to the imperative interests of Quebec. However, Mr. Speaker, the fact that Quebec was unable to re-enter Canadian Confederation with honour and enthusiasm is certainly not Prime Minister Mulroney's fault. If there ever was a prime minister in the history of Quebec, since 1867, who has done everything to try to give Quebec its proper place in Confederation, he is certainly the one, and I want to take this opportunity to thank him for

doing so. We cannot reverse the course of events, however.

• (1110)

Mr. Speaker, I have far too much respect for my compatriots to give them a false impression of the way things stand today. No more expressions of trust in Canada! No more compromises that would be even more humiliating! My pride and dignity need time to heal, and from now on, I want to devote my energies only to Quebec. Quebecers are experiencing a time of extraordinary solidarity, and I would have lifelong regrets if I were to miss out on this new rendezvous with history.

From now on, Mr. Speaker, I intend to sit in this House as an independent, in a Quebec bloc where I will continue to serve the interests of my constituents in the riding of Richelieu, while at the same time serving those of Quebec. I will never forget the trust and encouragement I received from the people of Richelieu during the past weeks. I want to thank them and can assure them that I will continue to devote the same energy to all issues in my riding.

In concluding, Mr. Speaker, I would like to thank the Prime Minister and my Quebec colleagues for the great satisfaction I had in working with them. All good things must come to an end, however and now the curtain rises on the federal tragi-comical farce. Mr. Speaker, a good memory is essential if reason is to prevail. I remember, and I want our descendants to remember. I will never accept the legacy of Lord Durham. And above all, I want Quebecers to look to the future with pride, dignity, determination and without any constraints on their aspirations.

CHANGE OF AFFILIATION OF MEMBER FOR ROSEMONT

Mr. Benoît Tremblay (Parliamentary Secretary to Minister of Regional Industrial Expansion and Minister of State for Science and Technology): Mr. Speaker, I think that today we must draw conclusions from the events of recent weeks in Canada.

Obviously, the utmost was done to make the whole country accept what all Quebecers always considered to be a bare minimum. I want to say that I am not criticizing Mr. Mulroney; he has full marks from me for his tenacity and his efforts to bring Quebec into the Constitution with honour, although the enthusiasm disappeared several weeks ago.

It is very clear that Mr. Bourassa went as far as he could possibly go in being open to the efforts made. We must admit that we have all failed. We were unable to repair the constitutional mess that Pierre Elliott Trudeau and Jean Chrétien left us. We must begin again, on a different basis, the thorough reform of this country's political institutions if we want them to correspond to the ideas of the distinct societies that make them up.

Most Quebecers who joined or supported the Progressive Conservative Party did so as part of what René Lévesque called the *beau risque*, or risk worth taking. I think that we were right and I trust that all our efforts were not completely in vain. Several provincial premiers seem to understand Quebec's aspirations better, and that is a gain. They will really need this understanding in the coming months to explain the consequences of the failure of the Meech Lake Accord to their fellow citizens! Quebecers have now begun to take a different approach, with realism, dignity and determination.

Like them, I am now convinced that beyond party politics, we will give ourselves a country in our image. I am convinced that it will be open to the world, ready to co-operate with its neighbours and all who want to leave their children a country they can identify with.

At a time of globalization of trade, such a move may seem inappropriate at first glance, but how much energy and time have been wasted repairing a constitution that divides us! Perhaps a broad political and social consensus is as necessary for economic development as an abundance of capital and technology. To meet the challenges facing us, we must soon acquire political institutions that express and harness our collective will.

With this deep conviction that is widely shared by my constituents in Rosemont, I have decided to fully support the non-partisan movement launched by the hon. member for Lac-Saint-Jean (Mr. Bouchard).

I therefore announce my resignation as parliamentary secretary and my decision to sit henceforth as an independent member.

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 222 petitions.

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

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[*English*]

PARLIAMENT OF CANADA ACT

MEASURE TO AMEND

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons) moved for leave to introduce Bill C–79, an act to amend the Parliament of Canada Act.

Mr. Speaker: Is it the pleasure of the House that the hon. member have leave to introduce the bill?

Some hon. members: Agreed.

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

* * *

[*Translation*]

CRIMINAL CODE

MEASURE TO AMEND

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved for leave to introduce Bill C–80, an Act to amend the Criminal Code and the Customs Tariff in consequence thereof.

Mr. Speaker: Is it the pleasure of the House to grant the minister leave to introduce the bill?

Some hon. members: Agreed.

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

[*English*]

INCOME TAX ACT

MEASURE TO AMEND

Mrs. Beryl Gaffney (Nepean) moved for leave to introduce Bill C–323, an act to amend the Income Tax Act (air conditioners).

Mr. Speaker: Is it the pleasure of the House the hon. member shall have leave to introduce the bill?

Some hon. members: Agreed.

Mrs. Gaffney: Mr. Speaker, I am pleased to rise in the House today to introduce this private member's bill. The purpose of this bill is to allow an income tax deduction for the cost of an air conditioner when it is needed for health reasons. One example where there is a clear medical requirement is for those people suffering from multiple sclerosis.

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

* * *

• (1120)

PETITIONS

BILL C–21

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I rise in accordance with Standing Order 36.

It is my privilege to present on behalf of my constituents from Bonavista, Catalina, Amherst Cove, Keels, Port Rexton, Port Union, and other communities on the Bonavista Peninsula, a concern that my constituents have with regard to Bill C–21. I do not have to remind the House about the status of that bill at this particular point in time.

My constituents continue to concern themselves about the fact that the government is going to get out of the unemployment insurance business. They are worried that it will cost, by the latest statistics, the average Newfoundlander $2,500. They are very concerned about the fact that they will now require 14 weeks of unemployment qualifying time at a time when the economy of Newfoundland is probably at a very low point, particularly with respect to the future of the fisheries.

They are very concerned. They humbly pray and ask Parliament to withdraw this bill so they can rely on unemployment insurance for the social support that it was meant to be when it was introduced in 1940.

VETERANS AFFAIRS

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I rise pursuant to Standing Order 36, to present a petition signed by veterans from my constituency. They are concerned about the actions of this government.

The petitions reads: "Whereas the Government of Canada has introduced charges that will reduce housekeeping services to veterans and substantially increase the cost of long-term care, whereas our veterans have already given service to this country and should not be targeted by these measures", these veterans call upon Parliament to reject the budget measures that deprive veterans of proper services and increase their financial hardship.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I too have the honour and duty, pursuant to Standing Order 36, to present to the House a petition certified correct by the Clerk of Petitions. It contains the signatures of hundreds of Canadians, residents of my riding of Hamilton West. They call upon Parliament to reject the budget measures that deprive Canadian veterans of proper services and increase their financial hardship.

GOODS AND SERVICES TAX

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I have a second petition to present, which is certified correct by the Clerk of Petitions. It, too, contains the signatures of many hundreds of Canadians who are strongly opposed to the new goods and services tax. In their opinion, it is an unprecedented tax grab from the pockets of Canadians and will hit them not only with higher taxes but with higher inflation, higher interest rates and higher unemployment. Therefore, they call upon Parliament to reject the proposed GST.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I am delighted and honoured to present, pursuant to Standing Order 36, petitions on behalf of some 80 of my constituents who ask Parliament to reject the proposed goods and services tax.

VIA RAIL

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I have the honour and privilege to table two sets of petitions today. The first petition is from a number of residents throughout Canada who are still concerned six months later after the demise of VIA Rail. The petitioners call upon the government to not only restore funding, but upgrade VIA Rail with new equipment and give VIA Rail a sufficient budget to maintain its national mandate for passenger services.

GOODS AND SERVICES TAX

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I have a second group of petitions signed by hundreds of residents throughout northwestern Ontario, Thunder Bay, Atikokan, Kenora, Dryden, Sioux Lookout and a number of other communities who totally reject the government's goods and services tax and indicate in very strong language that they want it scrapped.

LITHUANIA

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, pursuant to Standing Order 36, I too have the honour to table petitions. On behalf of Canadians from various parts of Quebec and Ontario, these petitioners cite in their petition that the people of Lithuania require the assistance of the various governments in the world to support their desire for freedom and independence.

The petitioners call upon this Parliament to act upon the all-party resolution of March 12, 1990, and recognize and support the right of the Lithuanian people to the clarity and dependence of the Republic of Lithuania.

* * *

[*Translation*]

ABORTION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, on behalf of my constituents, I present a petition on abortion, pursuant to the Standing Orders of the House.

[*English*]

GOODS AND SERVICES TAX

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, on behalf of petitioners in the Ottawa area, I have the pleasure to present, pursuant to Standing Order 36, their request to this House that as the Government of Canada has seen fit, since Confederation and without hiatus, to apply a zero rate of tax to magazines, books and newspapers and now propose to include them in the GST, the government please withdraw the tax on all matters that have to do with the historic principles

embodied in the printed word with respect to legislation in this House.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, it is my duty to table a petition that calls upon Parliament to drop this legislation dealing with the imposition of a new sales tax on goods and services that Canadians will be purchasing after January 1, 1991.

The petitioners, and there are about 125 on this petition, feel strongly that this new goods and services tax is an unprecedented tax grab from the pockets of Canadians that would hit them, not only with higher taxes, but with higher inflation, higher interest rates and higher unemployment.

Mr. Speaker, I have just come back from Calgary, and I will tell you that the people in Calgary are pretty angry about this.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 265, 309 and 311.

[*Text*]

ESTABLISHED PROGRAMS FINANCING

Question No. 265—**Mr. Young (Gloucester):**

Does the government expect, during the next ten years, to make cash payments to each of the provinces and territories under the Established Programs Financing and, if so, in what amounts?

Hon. Michael Wilson (Minister of Finance): No detailed forecasts of such payments are made beyond five years, due to the difficulty of accurately forecasting factors such as gross national product, basic federal tax, and population for these years.

Projections of total EPF entitlements, including the cash and tax components, for the program years 1990–91 to 1994–95 are shown in Table 1. All figures are on a basis consistent with the February 1990 Budget. These projections are also subject to the difficulty of estimating transfers based on economic and demographic variables well into the future.

TABLE 1

PROJECTION OF ESTABLISHED PROGRAMS FINANCING TRANSFERS – 1990–91 TO 1994–95
(BASED ON MEASURES IN THE FEBRUARY 1990 BUDGET)

	NFLD	PEI	NS	NB	QUE	ONT	MAN	SASK	ALTA	BC	NWT	YKN	TOTAL
						($ MILLIONS)							
1990–1991													
Cash	225	50	350	285	1,585	3,110	430	400	985	1,270	20	10	8,720
Tax	205	50	320	260	3,495	4,220	395	365	880	1,080	20	10	11,300
Total	430	100	670	545	5,080	7,330	825	765	1,865	2,350	40	20	20,020
1991–1992													
Cash	210	50	330	265	1,335	2,865	405	375	940	1,220	20	10	8,025
Tax	220	50	345	280	3,775	4,575	425	395	950	1,170	20	10	12,215
Total	430	100	675	545	5,110	7,440	830	770	1,890	2,390	40	20	20,240
1992–1993													
Cash	200	45	320	260	1,155	2,720	390	360	925	1,210	20	10	7,615
Tax	240	55	375	305	4,100	5,005	460	425	1,040	1,280	25	10	13,320
Total	440	100	695	565	5,255	7,725	850	785	1,965	2,490	45	20	20,935
1993–1994													
Cash	195	45	305	245	950	2,540	375	345	905	1,195	15	10	7,125
Tax	260	60	410	330	4,455	5,470	500	465	1,135	1,395	25	10	14,515
Total	455	105	715	575	5,405	8,010	875	810	2,040	2,590	40	20	21,640

	NFLD	PEI	NS	NB	QUE	ONT	MAN	SASK	ALTA	BC	NWT	YKN	TOTAL
						($ MILLIONS)							
1994–1995													
Cash	185	45	295	240	770	2,405	365	335	900	1,190	15	10	6,755
Tax	275	65	440	355	4,815	5,930	540	500	1,230	1,510	30	15	15,705
Total	460	110	735	595	5,585	8,335	905	835	2,130	2,700	45	25	22,460

Note – Projections of entitlements for each successive year are subject to wider margins of error.

GOODS AND SERVICES TAX

Question No. 309—**Mr. Young (Gloucester):**

1. Is the government prepared to announce the cost of its most recent advertising campaign for the proposed Goods and Services Tax and, if so, what is it?

2. Has the government undertaken a nation-wide radio campaign telling Canadians to expect a copy of "Some straightforward answers about the Goods and Services Tax and what it means to you," in their mailboxes and, if so, at what cost?

3. Were these copies produced and distributed in (a) bilingual (b) English (c) French versions and, if so, in each case (i) what number (ii) what number were distributed to each province?

Hon. Michael Holcombe Wilson (Minister of Finance): 1. The cost of the recent radio and newspaper advertising campaign (May 7–June 17) was approximately $3.415 million.

2. The cost of the nation-wide radio campaign (May 7–14, 1990) telling Canadians to expect a copy of—Some Straightforward Answers about the Goods and Services Tax and What it Means to You—was approximately $301,000. This $301,000 is included in the cost figure given in question No. 1.

3. The following is the distribution breakdown by province and territory for the GST information guide, "Some Straightforward Answers about the Goods and Services Tax and What it Means to You."

Province / Territory	English	French	Bilingual
Yukon	11,433		
N.W.T.	11,501		
British Columbia	1,221,555		
Alberta	924,775		
Saskatchewan	398,221		
Manitoba	395,842		28,441
Ontario	3,285,015		369,861
Quebec		1,966,686	779,168
New Brunswick	197,735		52,397
Nova Scotia	328,672		
P.E.I.	45,015		
Newfoundland	173,884		
TOTAL	6,993,648	1,966,686	1,229,867

The distribution plan was based on Statistics Canada figures broken down by postal code.

MR. ALLAN GOTLIEB

Question No. 311—**Mr. Harvard:**

1. Since his appointment as Chairman of the Canada Council, what number of days has Mr. Allan Gotlieb worked for the Council, for which he has received pay?

2. Are there objective criteria which must be met in order for Mr. Gotlieb to receive a full day's pay for Council work and (a) if so, what are they (b) if not, if Mr. Gotlieb claims a full day's pay, is his word accepted?

Hon. Marcel Masse (Minister of Communications):

THE CANADA COUNCIL

1. Since Mr. Allan Gotlieb's appointment as Chairman on February 1, 1989, he has received honoraria for 44 days of work.

2. The Council's regulations provide for payment of a full day's honorarium to Council Chairmen, Vice-Chairmen, and all Members for qualified activities. This regulation takes account of the fact that incumbents must travel to attend Council meetings and that no honorarium is paid for travel time, telephone consultations, reading, briefing and preparation time for meetings.

All Members, including the Chairman, submit expense forms and abide by the Council's regulations, which are based on those of Treasury Board, governing payment of expenses.

All 44 days for which Mr. Gotlieb was paid an honorarium involved his participation at meetings such as those of the Canada Council, Parliamentary Committees, the Advisory Council of the Order of Canada (of which he is member by virtue of his chairmanship of the Canada Council), official Council prize presentations, etc. Moreover, Mr. Gotlieb has devoted a great many additional hours of work to the Council for which honoraria were not paid.

[*English*]

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

The Acting Speaker (Mr. Paproski): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

MEASURE TO ENACT

Hon. Pierre Cadieux (for the Minister of the Environment) moved that Bill C–78, an act to establish a federal environmental assessment process, be read the second time and referred to a legislative committee.

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, in the absence of the Minister of the Environment, who is attending the vitally important London conference on the ozone layer, a conference at which I hope that he and other ministers from around the world will have a great deal of success in terms of strengthening the protocol, it gives me a great deal of satisfaction to begin second reading debate on one of the most important pieces of legislation to be placed before this House in many years.

The Canadian Environment Assessment Act will be the cornerstone of this government's commitment to environmentally sensible decision making. This bill will change the decisions we make in the future by changing the way we make decisions. It will enable this government to give real effect to the concept of environmentally sustainable economic development.

We will ensure, by implementing the requirements of this bill, that the environment and the economy become unified as an integral concept that will allow us to leave for our grandchildren an environment capable of satisfying their needs.

During the last two decades, Canadians have become increasingly aware of the importance of maintaining both a strong economy and a healthy natural environment. To help satisfy these goals, Canadian governments, both federal and provincial, established environmental assessment processes. Environmental assessment is a systematic method of identifying potential environmental consequences and their impact on people. By identifying adverse environment effects before they occur, plans can be altered so that unwanted environmental impacts are minimized or, ideally, eliminated. In some cases proposals must be abandoned if negative impacts are unacceptable and cannot be mitigated.

• (1130)

Environmental assessment as a planning tool has been practised by the Government of Canada since 1974. It has been used to predict the potential environmental effects of proposals requiring a federal government decision. The process was updated in 1977 and reinforced in 1984 when the environmental assessment and review process guidelines were issued by Order in Council.

These processes were never adequately implemented because a series of governments failed to provide a substantive legislative footing for them. The process was never more than a cabinet directive until 1984, not

adequately resourced by government and not sincerely implemented by departments. After 1984 it was still very difficult, even for a government dedicated to environmental values to implement fully the poorly conceived and ambiguously worded guideline order, frantically introduced at that time in a futile attempt to bolster the sagging fortunes of the government of the moment.

In 1987 the government asked the Minister of the Environment to consult the public on the need for and manner of reforming the environmental assessment and review process. The minister issued a Green Paper to serve as a basis for that consultation.

Six months of public meetings were held in major centres across Canada, followed by a national consultative workshop in March, 1988. Broad consultations were held with a wide spectrum of Canadians including governments, the private sector, native peoples, environmental and other special interest groups, the legal profession, and environmental assessment professionals.

Participants in the consultations called for an accountable and administratively simple process based in law that is effective, efficient, fair, and open.

This government has responded clearly and strongly to the needs of the country and of the Canadian people. As a reflection of the consultative process and its promise during the last election campaign and subsequent Speech from the Throne, we are proud to introduce a substantive, important package of reforms to Canada's environmental assessment system which will, as the Minister of the Environment stated last week in launching the initiative, make this the most comprehensive and effective environmental assessment process in the world.

The key element in these reforms is the bill we are discussing today—the Canadian Environmental Assessment Act; for the first time, a comprehensive, legislative commitment to good decision making. While the focus of our debate will be on the legislation this House is being asked to consider, I wish to point out to members of this House that the government is going even further to ensure that this package fills the needs of today's Canadians. We are not stopping with the introduction of Bill C–78.

Beginning immediately we are requiring that environmental factors be integrated into all government policy decisions. This is an unprecedented step. I cannot overstate its importance to government decision making. Government policies are often the determining factor regarding what economic development projects are conceived and implemented across Canada. If the policies are not environmentally sensitive, it is much more difficult to ensure that the resulting projects will be, even with tough assessment legislation such as we are introducing.

Henceforth, all decisions of cabinet will require the potential environmental effects to be assessed and considered. To help build public confidence that this is being done consistently and well, the responsible minister will be required to make a clear statement about the environmental effects of the policy initiative at the time it is announced. Also, to help ensure consistency and to enable the public to see the rules under which government is functioning in this regard, the Minister of the Environment has been asked to develop a set of clear guidelines for use by all departments, and the Privy Council Office has been asked to amend cabinet procedural manuals accordingly.

Further opportunity for public scrutiny can be reinforced by the House of Commons Standing Committee on the Environment which can request any minister to appear before it to explain the environmental implications of any new policy or any new program. The government will encourage and welcome this form of public accountability.

This is a great step forward. It is one which is virtually unprecedented in the world, let alone in Canada. We do not hide the fact that neither we nor any other country in the world have all the techniques fully developed for environment–economy integration in policies, but we are going to do it as well as it can be done and improve our techniques along the way. Leadership almost always requires breaking new ground. We have the strength and the resolve to do that.

A second vitally important element of our reform package is a consistent and predictable program of financial assistance to participants in public reviews that may be required in the process set out in Bill C–78 and, for that matter, any public reviews that may be undertaken under the present regime until Bill C–78 is able to be

implemented. This is going to be introduced, immediately after funds are approved by Treasury Board. We have learned over the years that whenever financial assistance is provided to review participants the issues are debated much more cogently and the results achieved are much more satisfying to all concerned.

The funding is usually directed as a matter of priority to communities and individuals most directly affected by a proposed development. This enables them to study and understand the issues thoroughly and to prepare well considered submissions to review panels. It minimizes antagonistic rhetoric and promotes useful dialogue.

For each public review the funds for this purpose will be allocated according to strict criteria and on the basis of applications submitted. Allocation decisions will be taken by special committees established for each review made up of credible individuals largely from outside government to help ensure independence. This again is almost unprecedented. The Netherlands, according to my understanding, is the only other country we know of that has a public review participant funding program. This will help build partnerships among decision makers and those affected by the decisions.

A third point I wish to raise at this time before returning to the details of the proposed legislation is a major international initiative the government intends to launch formally very soon to help increase awareness and action on environmental issues world-wide.

Canada, along with many other industrialized nations, provides a variety of forms of support, financial and otherwise, to goods and services exported abroad. To be consistent with its domestic policies, Canada must also consider the environmental effects of its actions affecting other countries. It does this formally with respect to bilateral aid initiatives and will continue to do so. To do this unilaterally with respect to export support actions would be highly unlikely to result in environmentally better decisions in the receiving country. What is more likely to happen is that Canadian exporters may not be able to compete effectively. In fact, it is probable that Canadian exporters may not even get invited to the bidding table if they are alone in carrying environmental demands.

An alternative course of action, and one which we believe is more likely to obtain environmental benefits while not cutting off international markets for Canadian goods, is the development of an international accord in this area with the other countries in competition for the same export markets.

This has the potential to be of great international significance from an environmental point of view. While we cannot set a firm deadline for this process since that would pre-empt the negotiations, the government has requested that the Minister of the Environment and the Secretary of State for External Affairs report back to cabinet in three years on the progress made by that time. The expectation is that there would be substantial progress.

Mr. Speaker, as you can see, even though we know that Bill C-78 is a strong and comprehensive piece of environmental assessment legislation, we are not letting the matter rest there. The additional initiatives that I have outlined this morning demonstrate clearly to the Canadian people that this government is strongly and irrevocably committed to making all its decisions based on sound environmental criteria and to ensuring that the affected public has a fair opportunity and the means to influence those decisions.

I wish now to return to the bill itself. I would like to characterize the key features of the bill in order to give members an appreciation of the impressive advances it is introducing to the field of environmental assessment. Other government speakers during the course of this debate will certainly go into more detail about the process described in the bill. My intent is to touch on the highlights.

The stated purpose of Bill C-78 is to ensure that project decisions by responsible authorities are based on an informed appreciation of the likely environmental effects, to encourage project decisions by responsible authorities that promote and maintain a healthy environment and a healthy economy, to ensure that projects in Canada do not cause serious environmental effects outside the jurisdictions in which they are located.

This is in the context, as the bill itself states, of providing an "effective means of integrating environmental factors into planning and decision-making processes in a manner that ensures that present needs are met without compromising the ability to meet the needs of future generations". This is the concept of sustainable development that is the driving force behind this bill.

• (1140)

The bill requires government departments and agencies to give projects for which they have decision-making authority the degree of assessment warranted in the circumstances. If projects are determined to have no environmental relevance they will be excluded. It is important to note, however, that the bill is designed to have very broad application. Any exclusions require specific decisions based upon narrow criteria to avoid abuse.

All projects characterized in a list, which will be issued by regulation, as having potentially major environmental significance will be required to undergo mandatory environmental study and reporting. The Minister of the Environment will then make a decision as to whether a formal public review will be needed. All such mandatory environmental studies will entail consultation with the public and a review by government agencies with appropriate environmental expertise. It is anticipated that this provision will have a profound effect on the way developers interact with those potentially affected by development. They will have to start talking at an early stage to those affected in an effort to find mutually acceptable solutions to identified problems. Developers will want to do all they can to submit a mandatory environmental assessment report to the minister which identifies solutions, not just problems. Dialogue of this kind will improve, trust will build, and better solutions will emerge.

For other projects, that is those not on the list, an environmental screening will be required which may lead to a public review or to the project proceeding with appropriate mitigation measures.

If a public review is needed, the environment minister may choose between a mediation and a public review by a panel. In certain cases both may be needed.

A new agency will be created to administer the legislation and to advise the Minister of the Environment in the implementation of the process. The agency will be called the Canadian Environmental Assessment Agency and will be fully independent of Environment Canada, unlike the present federal Environmental Assessment Review Office.

A new provision is being introduced in this bill designed to safeguard the environment of one jurisdiction from actions initiated in another. With this provision, if the trans-border environmental issue is serious and the parties have been unable to come to an accommodation regarding the way it should be assessed, the federal environment minister may require a federal review and may issue a stop work order on the project in question until the minister is satisfied that the trans-border environmental effects are acceptable. This is a potentially very important provision, not only because of the trans-border safeguard but also because it contains authority to protect certain lands of interest to Indian people which are not necessarily on designated reserves.

I would now like to summarize the important advances being made in Bill C-78 for the whole field of environmental assessment in Canada.

First, the Minister of the Environment makes the key process decisions regarding the need for a public review. This decision is currently taken by the minister responsible for the project and sometimes leads to accusations of the fox guarding the chicken coop. Bill C-78 places this responsibility where it belongs.

Second, all major projects must undergo mandatory assessment which must include public consultation. This is currently discretionary.

Third, assessments of major projects must include a consideration of cumulative environmental effects of the project relative to other projects affecting the same environment, alternative ways of carrying out the project, the reasons for proposing the project, and effects of the project on the sustainability for future generations of any renewable resources that might be affected by the project.

Each of these requirements on its own would be seen as very significant improvements. Taken together, the advance in my opinion is truly impressive.

Furthermore, public registries will be created and maintained for all assessed projects and will normally be located in the vicinity of the project so that those who might be affected by it can understand it and influence it.

Moreover, public review panels will be fully independent of government. Currently, although most members of panels are from outside government, the chairman or chairperson is a public servant. In the future the chair will also be from outside government.

Public review panels will have subpoena powers, enforceable by the Federal Court. Currently it is necessary to rely on the goodwill of participants, and from time to time not all useful information is made available.

A new provision will be introduced to enable appointment of a mediator to resolve environmental disputes when the conditions are right and when there is a willingness on the part of all key parties to find a solution.

All major projects will require the preparation of follow up and monitoring plans. Until now this has been one of the most significant deficiencies of environmental assessment processes everywhere in the world. To our knowledge, there are only two other countries in the world which allow for follow up. According to my understanding they are the Netherlands and the United States of America.

Opportunity will be provided to assess the effects of projects on lands off reserves in which Indian people hold interest. This has never been recognized before.

The ability to ensure protection of the environmental interests of one jurisdiction against the actions of another is a very important advance which will do a lot to ensure harmony among jurisdictions, if only to keep the federal government out of their hair. I am sure that many provincial jurisdictions will applaud this innovation.

Many opportunities are provided in the bill for co-operation with provinces through joint public reviews and administrative agreements to avoid duplication and confusion.

Special procedures will be adopted for Crown corporations to ensure coverage by the law. Currently, coverage is voluntary. A new agency, separate from Environment Canada, will be created to administer this process.

I scarcely need to repeat that this is a very impressive package of reforms. No one who has followed environmental assessment evolution over the past 15 years can deny the advances which are represented in Bill C-78. These improvements constitute in many ways a bold move for any government since some of the requirements set out in the bill and in other parts of the reforms will require the introduction of as yet unproven methodologies.

But we believe that the issue—survival of the planet—is so important that we must push our knowledge and our capacities to the very limit. This bill will do exactly that. The government is proud to have introduced it. For that reason I am confident that members opposite will also be eager to join with us in the legislative committee in ensuring that the bill gets the speedy passage which it deserves.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, we on this side of the House also welcome the arrival of this bill. We think it is at last a step in the right direction, and a highly desirable one considering some recent events which reflected very badly on the Minister of the Environment, who preceded by two the present one, of this government, and also on other ministers of the Crown who were involved in two major projects which have had an important role in ensuring that the government finally would introduce this legislation in the House.

I am referring specifically to the Rafferty-Alameda project, Mr. Speaker, with which you are certainly fairly acquainted and to the one with which you are most acquainted because it is in your region, namely, the Oldman River dam.

Unfortunately, the parliamentary secretary decided to give a political and partisan connotation to his intervention and referred to political convenience. We will analyse that after we put this bill into the proper framework.

This bill does not come forward in a vacuum. It is the result of several steps which date back several years, in particular to an important step which was taken in 1983 which provided the groundwork and the foundation for two important decisions by the Federal Court. It was the EARP guidelines order which was promulgated in the summer of 1983 and provided the foundations to which I am referring.

• (1150)

It is interesting to note that it was during the election campaign of 1984 that the Progressive Conservative Party promised an environmental assessment process. The promise, however, was readily forgotten. I submit it would still be forgotten in the large bag of unfulfilled promises had it not been for Rafferty-Alameda and the Oldman River dam.

Therefore it is important to put on record in order to substantiate what I just said part of the decision that was made by the Federal Court on April 10, 1989, when it

made its decision on a case between the Canadian Wildlife Federation and the Minister of the Environment and the Saskatchewan Water Corporation. The judge on that day concluded that, in his opinion, the federal Minister of the Environment is required before issuing a licence under certain legislation to comply with the guidelines order that govern environmental assessment.

The judge went on to say that by not applying the provisions of the order the minister has failed to comply—imagine a judge indicating that a minister of the Crown has failed to comply—with a statutory duty and that he has exceeded his jurisdiction and therefore the applicants, namely, the Canadian Wildlife Federation, are entitled to their order.

The judge went on to comment further that the EARP guidelines order indicates that certain procedures, namely, the preparation of an environmental assessment and review, must be carried out when dealing with a proposal that may have an environmental effect on an area of federal responsibility. The project being such a proposal, and the minister being a participant in that he issued the licence and by not complying with the order has, in the opinion of the judge, not performed his duty. Therefore the applicants were entitled to the order and costs after taxation. It was Judge Cullen who gave this decision.

The references to the Minister of the Environment are for the one who failed to be re-elected in the 1988 election.

It is also important to refer to another decision by the Federal Court of Canada handed down on January 24 of this year. The applicant in this case was not the Canadian Wildlife Federation, but Friends of the Oldman River Society. The respondents were two federal ministers, that of Transport and Fisheries and Oceans. At the provincial level, it was the minister of Public Works, Supply and Services of Alberta.

On page 19 of the decision the judge concluded that the guidelines order, which is the order that had been promulgated by the preceding government—in other words, the Liberal government—was intended to bind the minister in the performance of his duties and functions. It created a duty which is super-added to the exercise of any other statutory power residing in him.

The judge went on to state that the source of the minister's jurisdiction and responsibility to address environmental questions in areas of federal responsibilities springs not from that statutory law but from the guidelines order itself. The judge concluded that the minister had a positive obligation to comply with it.

It is against this background that today, six years later, we engage in this debate on second reading. When the parliamentary secretary makes reference to political convenience, it might be not only desirable but charitable on his part to look in his own backyard before pointing the finger at others.

In examining the bill, and we will have ample opportunity to do that in committee, we come across certain passages which I would like to highlight so as to express, at least at this point, certain reservations that might then facilitate discussions later which are of certain substances. I would refer you, first, Mr. Speaker, to the preamble where it states: "—the Government of Canada seeks to achieve an appropriate balance between economic development and the preservation and enhancement of environmental quality".

This balance referred to in the preamble is the thinking that prevailed long before the Brundtland report. It is dangerous thinking if the government is, as the Parliamentary Secretary proclaimed a few minutes ago, committed to sustainable development. That commitment—and I wish the parliamentary secretary could find a moment to listen—is in conflict with the preamble in which this balance is described. If you pursue a balance between the economy and the environment, you are not really pursuing sustainable development. You would instead be pursuing a balance between two factors which are seen in the mind of the writers of this preamble as being in conflict with each other, something which they should not be.

I submit to the parliamentary secretary that the preamble ought to reflect the policy of this government, as it should, and rightly so. I am glad in a way that in his speech the parliamentary secretary made reference to sustainable development which is not included in the bill itself as a concept. We cannot find it in the preamble. We

cannot find it in clause 4, the clause that relates to purposes.

Instead, we see a regression in thought by way of this reference to a balance between economic development on the one hand and the preservation and enhancement of environmental quality on the other. The two, I submit, are not separate entities. The two are not objectives that have to be held in balance. One is the premise to the other and, therefore, one would want to have an economy that is tailored and flows from the environment, rather than an economy that is in balance with the environment. We will not achieve sustainable development by looking at the two as separate entities, as is spelled out in the first part of the preamble.

I must give credit to the government for the second part of the preamble which is very well put. It is almost word for word taken from the Brundtland report.

The third part of the preamble is as a result of a conceptual flaw, so to speak, which sees the environment as separate from the economy. It reads:

> The Government of Canada is committed to exercising leadership within Canada and internationally in anticipating and preventing the degradation of environmental quality and at the same time ensuring that economic development is compatible with the high value Canadians place on environmental quality;

Not only is this very vague, but it would have read much better if it had read, from the second whereas: "and tailored to environmental requirements". That concept would give future ministers and the courts a clear idea as to what the government intends to achieve with this particular bill.

• (1200)

The concept of a balance in the preamble sets the government off on the wrong foot. It is unfortunate. We will erase it in committee and, I hope in co-operation with other members, we will attempt to rectify this faulty preamble.

In clause 4, there is the very important set of purposes which need to be addressed. First, what is not there is a reference to sustainable development. Again, the parliamentary secretary did make a reference to it in his speech. I am glad he did. I hope that the reference in his speech today will somehow provide enough political motivation for a modification of clause 4 so as to include the concept of sustainable development in the purposes of the act.

Second, the clause dealing with the purposes reads: "to ensure that the environmental effects of projects receive careful consideration". I submit it should read: "to ensure that the environmental effects of projects are fully assessed and understood". That would mean more than just receiving careful consideration. Careful consideration can be given to anything and then just ignored. Having gone through that process and having gone through the motions, consideration has no doubt been given. What really matters here is a full assessment and a full understanding of the project.

The second purpose under paragraph (b) is fine, as well as the third. I would like to congratulate the parliamentary secretary on paragraph (c) because it commits Canada internationally in a manner that, as he mentioned in his speech, may have been done by the Netherlands and another nation but not by the United States of America. This is to the best of my knowledge and I stand to be corrected.

Once this section of that act is promulgated and proclaimed—the portion that commits Canada to assuming a high standard of environmental responsibility with respect to its neighbours—I urge that it is taken up, promoted and advanced at international fora, not only the UN, but also the OECD and at any other opportunity where we would want to have a reciprocity to our own domestic legislation, particularly on the part of the United States, Mexico, or any other major industrial nation of the world.

I would add that there is one purpose that the Government of Canada subscribed to only a few weeks ago at the Bergen conference. That is the "precautionary principle" agreed upon by 34 ministers of the environment. This is missing. I urge the parliamentary secretary to use his access to the corridors of power to see if the precautionary principle could be included as a purpose of this bill. It is missing but would make considerable difference if adopted as a purpose and guideline in the legislation.

In this context, it is also interesting to note that just a year ago the member of parliament for Ottawa South, despite valiant efforts, failed to have an amendment adopted in committee and also in the House to introduce the concept of sustainable development when the bill creating the Department of Industry, Science and Technology was voted upon. We were stunned, even at that time, to see the Minister of the Environment of the day voting against such a sensible amendment, consistent

with the policies the government of Canada has embraced at home and abroad.

At that time the member for Ottawa South was told in debate that only Environment Canada should promote sustainable development and he should not mess around with other departments. This was, and still is, an admission of failure on the part of the government to understand what it has committed itself to when speaking for and embracing the concept and objectives that come with sustainable development.

The political will of the government came to a serious test with Rafferty–Alameda and the Oldman River dam. I would like to indicate that the courts also told the government that the guidelines are mandatory and binding, not discretionary, and therefore could not be ignored.

At the present time, construction of the Oldman River dam in Alberta is continuing. As far as I can ascertain, $1 million a month is paid to the Government of Saskatchewan to stop work on the dam. The work there has not been stopped despite a court order. This raises some serious doubts about the political will behind the proposition we are debating here today.

I would also like to bring to the attention of the parliamentary secretary that, when it comes to projects to be assessed and the specifics of the excluded projects, one could drive a truck through Clause 6(a) as it is written. We will certainly attempt in committee to tighten up that clause.

I also refer to the weakness of how the projects to be assessed in Section 5(d) is presently written. That clause would be much stronger if it did not have the qualification at the beginning referring to subparagraph 55(1)(g). That very much weakens the impact of that particular assessment.

• (1210)

It is worth noting that, if one looks at the legislation that would trigger the powers to be used under this bill, one has to look at the regulations. I am sure this will be dealt with very effectively by my colleague, the hon. member for Skeena. He was very articulate and effective in commenting on this when the legislation was introduced and I am grateful to him for having done so.

In subparagraph 55(1)(g), in particular, we find that the key legislation that would trigger this particular bill is not indicated yet. That tells me that there is indecision or division in cabinet. In other words, one would want to ensure that the key legislation which a government has at its disposal would come under the umbrella of this procedure called the environmental assessment process.

We find that Atomic Energy of Canada Ltd. is not yet, or may never be, brought under this legislation. Canada Post Corporation, the Cape Breton Development Corporation, and the Export Development Corporation are not part of the legislation covered by this bill. The Federal Business Development Bank, the Harbourfront Corporation, and the National Capital Commission would seem to be exempt, as well as the Northern Canada Power Commission. The St. Lawrence Seaway Authority seems to have escaped the net, as well as VIA Rail, Canadian National Railways, the Montreal Ports Corporation and Petro–Canada. These would be the major actors, so to speak, which ought to be brought under the umbrella of this legislation if it is really to have muscle and if it is really to implement the political thrust, determination, and commitment the parliamentary secretary referred to earlier.

Let me also make a reference to paragraph 55(1)(j), and repeat that Schedule 3 corporations, from which I read a moment ago, do not come under this bill. None of the 75 clauses that comprise this bill apply to them.

We will not know when the regulations will be written, what they will specify, and if they will ever be proclaimed as they affect these corporations. In other words, we are being asked to take a leap of faith that something of this kind will come into effect. Through the parliamentary secretary, we urge the minister when he appears before committee to indicate to us exactly what plans he has to include the statutes of other agencies under Schedule 3.

It is my understanding that the National Energy Board Act, the Fisheries Act, the Atomic Energy Control Act, the International River Improvements Act, the Canada Oil and Gas Act, the National Parks Act, the Railway Act and the Railway Reallocation and Crossing Act are being considered. We invite the parliamentary secretary to

ensure that when we go to committee we have a clear understanding as to which acts will be brought under this umbrella because they are not specified.

Another question must be raised under this section. Will there be a public role? The bill does not give us such assurance and we would like that added when we enter into the study of the bill in committee.

I also refer very briefly to section 55(2) because there is a problem of clarification, to say the least. The question is related to the exclusion of physical activities, whereby the minister, when making regulations, may exclude certain physical activities. What will be considered inappropriate when it comes to physical activities? That is the question. The interpretation that could be given to this section is so broad that it definitely raises some doubts as to the loopholes that this particular section offers.

Also, I find it important to bring to your attention, Mr. Speaker, the significance of the decision of the minister concerning section 20. Some words have been added to section 20(a)(i) which did not exist in the unnumbered version of the bill. These words have weakened the original version by adding "that may not be mitigable". This particular addition weakens the impact of the section as a whole, and also because the term "mitigable" can be interpreted in so many different ways.

We would also like to have in this bill powers given to the minister of the day to recommend, at least to cabinet, refusal. The powers to refuse, at an early stage, are some that deserve thoughtful attention because it would be easier to achieve or to stop a project than when it is too far downstream, so to speak, and too late in the day.

Therefore, under this act, the minister ought to be given such authority, possibly under section 20, so that the project can be sent back to the drawing board. I would submit for the parliamentary secretary's consideration some wording to the effect that the minister of the day would have the authority to recommend refusal to cabinet. Then this act would have the additional strength that is required to command the attention of the totality of government as to the importance of implementing the environmental assessment process, as already done by virtue of the two decisions by Judge Cullen which seem to me to be, not only extremely lucid but also very clear on the role that the Minister of the Environment of the day ought to play when it comes to the environmental assessment process.

• (1220)

Also, I would like to refer the parliamentary secretary to section 25, the mediation and panel reviews. This is written in a manner that appears to include anybody who is not directly affected. Therefore, we wonder, if section 25(a)(i) where the words "directly affected" are spelled out were to become law, would it mean that at the point when mediation has taken place, is taking place or will take place as in the case of Rafferty-Alameda, the Canadian Wildlife Federation would have had standing in the court?

Would it have been excluded? Would Friends of the Oldman River have been excluded at the mediation or panel review phase if this clause had been proclaimed?

One must say that one would not want to prejudge mediation. The wording of section 25(a)(i) would seem to indicate that the minister could prejudge the outcome of a mediation specifically without giving it a chance to take place. I suppose that here experience is being drawn from labour negotiations, and I would say to the parliamentary secretary that a judgment *a priori* sometimes has not led to the best possible results.

The bill is one that gives us something to discuss and to move ahead with because definitely it is badly needed. As such, we welcome the fact that it has finally seen the light of day six years after the promise was made by the Progressive Conservative Party during the 1984 election.

The credibility of the bill would be considerably enhanced if the concept of sustainable development would find its way into the preamble and the purposes. It would be considerably more enhanced if this reference to a balance between the economy and the environment were to be replaced with appropriate wording. We could work this out in committee, particularly, if the concept would emerge at last in the thinking of this government that there cannot be a healthy and long sustainable economy unless it is based on a well-protected and well-managed environment. There is no dichotomy between the two and there is no conflict between the two in the long term. I presume the test of the political will of

this government will come in committee when we discuss the bill clause by clause.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have an opportunity to speak on Bill C–78 today.

Unfortunately, it is a bill that fails on many tests. I will spend the next few minutes going through the history of how we got to where we are and why there will have to be substantive changes to the legislation if it is to be accepted widely by the Canadian public, as I think the government would like.

The federal environmental assessment and review process known as EARP was developed in response to a December, 1973 cabinet decision to provide for evaluation of environmentally significant undertakings subject to federal control. As you will recall, Mr. Speaker, that was during a period of a minority government. In fact, we got some fairly good legislation under way during that period of time.

The main outlines of the process were approved by cabinet in April of 1974. Minor revisions were made by a cabinet directive in 1977. In its initial form EARP was entirely administrative. A 1979 amendment to the Government Organization Act gave EARP a statutory basis for the first time by authorizing the Minister of the Environment to establish and operate an environmental assessment process.

Since 1979 the federal Minister of the Environment's duties have included the following responsibility:

> —to ensure that new federal projects, programs and activities are assessed early in the planning process for potential adverse effects on the quality of the natural environment and that a further review is carried out of those projects, programs and activities that are found to have probably significant adverse effects—

In 1983, following 10 years of experience with EARP, the federal cabinet ordered a formal evaluation of the program. This resulted in the proclamation of an Order in Council on June 22, 1984 under the Government Organization Act. This Order in Council replaced the previous cabinet directives that established the program.

It is that 1984 cabinet guidelines order upon which the Federal Court ruling was made on the Rafferty–Alameda and the unanimous ruling of the Federal Court of Appeal on the Oldman.

The EARP guidelines order is applicable to any proposal that,

> (a) is to be undertaken by an initiating department;
>
> (b) that may have an environmental effect on an area of federal responsibility;
>
> (c) for which the government of Canada has a financial commitment; or
>
> (d) that is located on lands, including the offshore, that are administered by the Government of Canada.

It is on that 1984 cabinet guidelines order that many Canadians are waiting to obtain assurance from the Government of Canada prior to Parliament rising that the guidelines order will not be tampered with.

Since Bill C–78 is now moving through the House, I would hope that today the parliamentary secretary or someone in the cabinet would give an assurance that the guidelines order will not be tampered with as we await the passage and proclamation of C–78, a piece of legislation which I said requires some rather drastic modifications. Let me spend a few moments on that.

My friend who just spoke pointed out that the Conservative Party did promise during the 1984 election that some kind of EARP legislation would be brought forward soon. That was six years ago.

Let me run quickly over the last couple of years. After a year of hearings in 1987—and I think this is germane because of these so–called Green Plan hearings that are going on—how may Canadians have an expectation that that process is actually going to produce some kind of useful and functioning environmental legislation and fiscal framework?

This gives some idea of how this particular government will always find ways to stall. After that year of hearings on EARP in 1987, on October 20, 1988 the federal government announced that it would strengthen the federal environmental assessment and review process known as EARP which was a mere Order in Council.

The press release of October 20, 1988 quoted the then environment minister, Tom McMillan, as saying: "We are prepared to subject every federal undertaking and every undertaking on federal lands to a thorough environmental impact study."

This followed the year-long Canada-wide consultations between the federal government, industry, the academic community, local government, environment, and other citizen interest groups of which I have spoken.

This was reiterated because a year later, workable EARP legislation had not been put in place and both Tom McMillan and his successor Lucien Bouchard got blasted by Canadians over the decision to proceed with the Rafferty-Alameda project without the promised EARP review.

In fact on June 20, 1989 Lucien Bouchard told the House of Commons he would be introducing "very, very important" legislation by fall. That was the fall of last year. However, as of the beginning of this year we still only had the guidelines in place, although they had been somewhat strengthened by the Federal Court ruling on Rafferty-Alameda which made it clear that the guidelines were both mandatory and binding.

A further step was taken on March 13, 1990 with the unanimous ruling of the Federal Court of Canada on appeal that both Transport Canada and the Department of Fisheries and Oceans were negligent in not conducting an environmental assessment of the Oldman dam. Although, as we heard earlier today, construction is not halted on either of those projects even though on the Rafferty-Alameda the federal government is paying some $1 million a month for Saskatchewan not to proceed and yet both the Rafferty-Alameda and the Oldman dams are proceeding supposedly only in relation to safety related matters. But, of course, the definition of "safety related" appears to coincide rather nicely with the concept of completion construction. Completion construction seems to all be safety related, no matter what area it comes in.

• (1230)

We need assurance that the guidelines order will not be gutted or changed prior to the passage of Bill C-78. I do not hear anyone from the government side contradicting that, so I assume that will be the government position until Bill C-78 is passed, unless we hear otherwise during this debate.

Let me quote what some people had to say on June 19 when this bill was unveiled by the new Minister of the Environment, the President of the Treasury Board. "It is fill-in-the blanks legislation". That was stated by Elizabeth May, a lawyer and spokesperson for the Sierra Club. "Too much has been left out", that was stated by Stephen Hazel, a lawyer and spokesperson for the Canadian Arctic Resources Committee. He also said: "As it stands, it is narrower than what we have now".

Ray Robinson, the head of FEARO, the existing body that administers environmental assessment stated: "It is fair comment to say the scope of the act cannot be determined by what you have in front of you". There you have probably one of the people in Canada most expert in understanding the history of environmental assessment, of the panels that are presently under way and the ones that have already held hearings across the country.

Of course, this is the fifteenth draft. This legislation was brought forward and gutted, brought forward and gutted, brought forward and gutted, until finally it was the kind of amorphous Swiss cheese that Conservatives like the most where there appears to be something there, there appears to be some functional piece of legislation that could actually go out and evaluate nuclear projects, tanker spills, water quality or mega projects.

In fact, as one finds as one reads through the legislation, which is something that all Canadians should do, every time you find something that is constructive that appears to give some legitimate access to a process, almost the very next section will provide for exclusionary powers or lists of excluded projects or ministerial discretionary powers to provide other lists or special discretionary powers for the federal government to opt out of a process and give it over to a provincial or territorial process. So there is this constant building up of expectation in the legislation and then much like a gigantic legislative game of snakes and ladders, just as you finish climbing that ladder in hopes of finding a good, fair and just democratic process, there is this giant tube that you must slide down again that gives all the powers back to the political level on behalf, generally, of industry and government.

Under the existing rules, the 1984 guidelines order, which are supported by federal court rulings, it is required that all projects that might affect an area of federal jurisdiction must be reviewed. So we can see that we have in fact gone backward. We have not gone

forward and come up with a more comprehensive piece of legislation. In fact, the draftpersons were forced, I suspect at the point of the cabinet's gun, to go back and particularly gut the statutory provisions in relation to Section 55 and the other provisions that I will come to in a moment.

Under Bill C–78, projects the federal government funds or is directly involved in may be reviewed as well as projects involving federal lands. There is a world of difference between what the Federal Court has said about the guidelines order and what is actually in the legislation.

The list of federal statutes to which the legislation applies is not included. A moment ago, my friend from Davenport pointed out that in the documents that were released on June 19, some are suggested. The Minister of the Environment said with certainty that the Fisheries Act will ultimately come under the ambit of Bill C–78.

In one of the cabinet documents that I have here it states that as of December, six months ago, $14 million has been spent doing the various consultations, studies and so on related to this legislation. After spending $14 million the bureaucrats were unable to come up with a list of federal legislation that has some environmental bearing on some federal jurisdictions or some bearing in relation to permits that could or might or should be involved in projects across the country.

They suggest the National Energy Board Act, the Railway Act, the Railway Relocation and Crossing Act, the Atomic Energy Control Act, the International River Improvements Act, the Fisheries Act, the National Parks Act and the Canada Oil and Gas Act are the only ones that the cabinet seems to think might perhaps be included. I suggest that the list that should be included in this as a statutory reference is several dozen in length and I would hope that the government will come forward with a full, complete and unadulterated list of those that will be included before we in fact even have to deal with this legislation in committee.

The other deep concern that Canadians have about this legislation is that in terms of government policy, perhaps the most important tenet to be carefully scrutinized under environmental assessment legislation has been purposely excluded. There will be assessments done but they will be done in house and the only thing the public will ever see is the conclusion, perhaps a one or two line conclusion of the assessment when it comes out. That is not a very stirring approach.

Even the approach taken by the Government of New Zealand is better where there is an environmental commissioner or, as I have suggested, a national environmental auditor who in fact would be arm's length from government, much like Canada's Auditor General, and be able to go in and audit the environmental assessments that are done.

Let us take an example. The Minister of Energy right now wants to provide billions of dollars to certain fossil fuel projects, after slashing available funding—supposedly the level playing field concept—to renewable energy and to conservation. That funding was slashed to only $200 million over five years, but it is proposed to give billions of dollars to fossil projects that have never undergone the most basic environmental assessment.

What has happened is we have what are known as the scrambled industrial omelettes. On those that Mr. McMillan and Mr. Bouchard struggled with, the Rafferty–Alameda and the Oldman, they did not do what they were supposed to do in the first place and even when ordered by the courts did not do what they were supposed to do, and we are being told now, as members of the House and as Canadians, to trust the government, that the government in fact will do proper auditing and accounting of the environmental impacts of government policy.

That particular area of this legislation is so poorly and so weakly drafted that I do not think any Canadian will find it acceptable until either we have a publicly accessible in house evaluation, or at least an arm's length evaluation through an environmental commission or commissioner or environmental auditor. Nothing less will do.

As my friend was talking about earlier, this legislation does not even give credence or pay respect to the Brundtland commission, the definition of sustainable development. The former Secretary General, Jim McNeill, just works across the street from here and could have easily been given a phone call and asked where, in the opening sections of this legislation, should we put purpose sections, interpretive sections and

clauses to make sure that the true impact and meaning of sustainable development is included in this legislation.

Another point made by my friend from Davenport was in relation to the precautionary principle, another absolute fundamental that is now recognized world-wide by leading environment ministers and environment organizations and generally thinking people that there must be a precautionary principle included in legislation such as this that gives immediate power to the minister, at the very least, to put an absolute halt to projects, including those that have already begun.

This legislation excludes the scrambled industrial omelettes like the Rafferty-Alameda and the Oldman. It excludes all of that policy that is now coming to the fore, the fossil projects and all of these other projects that are absolutely kooky when taken in the context of sustainable development. We have all of that stuff grandfathered out of the legislation. And now, in terms of having truly visionary and forward looking environmental legislation that would deal with policy so that in fact it is sound, that is excluded. It gives the opportunity for exclusionary lists of projects.

• (1240)

I can already hear the chatter in the various industrial clubs across the country: "Oh, hey, that EARP legislation is before the House. Did you manage to get yourself on the 55(2) list?" That will be famous. Everybody in the boardrooms will be asking their lawyers: "Did you get us on the 55(2)?", the mandatory exclusionary list. That will be oil projects, nuclear projects and all of these other ones. It will be the 55(2) club and you will not even need Roch LaSalle to get on that one. You will not have to pay five grand to go to dinner. You will just have to make your contribution to the local PC association, five, ten, fifteen grand, and you become a 55(2). You never even need to worry. Daishowa will want a 55(2) today for Alberta, AL-PAC, every one in the fossil section, uranium mining companies, pulp companies that create 40 per cent of the main pollution in Canada; they are all going to want to be 55(2)s.

What I think happened is on the fourteenth or fifteenth draft, this came back to cabinet because Mr. McMillan had been summarily booted out of cabinet with such a proposal and booted out of the House of Commons too. Then Mr. Bouchard had been booted out of cabinet. The day he resigned, very few environmentalists had even heard of this yet. His resignation, because it took place while the market was open, cost over $1 billion. That is how much Canadian currency dropped. That is how much the Bank of Canada had to intervene because Mr. Bouchard chose to resign while the markets were open. More than Environment Canada's entire annual budget was flushed down the drain by a minister who claimed to care about the country, to care about Quebec and to care about the environment. He lost on all three in my view by doing what he did when he did.

Let us go back to this legislation that is full of these incredible holes. Bill C-78 has been described by many as legislation in retreat. I quote what *The Financial Post* had to say: "Ray Robinson, FEARO's executive chairman said under the new act the environmental assessment process is an advisory process. The government does not have to accept the recommendations of the review panels. Government hopes to pass the act by the fall of 1991".

So now we are getting signals about what the government is really all about. This process began in 1983. By 1984, the government promised to implement legislation. After three years in office it then had a year of hearings and then made promises for another two years. Finally it brought the legislation forward. The legislation has been gunny-bagged. Even the gunny-bagged legislation is not supposed to come in for another year and a half. One can only wonder how anything could possibly move that slowly, other than a slowly melting glacier.

The Ottawa *Sun*, on the day that the legislation was released, quoted my friend from Davenport as saying that the bill was a step in the right direction. A very timid step, Mr. Speaker. The Montreal *Gazette* went on to quote him as saying: "It deserves intensive and speedy study so we can make it the law of the land".

It certainly is going to require intensive work because the legislation is almost totally inadequate. It allows the government to get out of having due process on almost any project, no matter what the magnitude.

This legislation, as drafted, would not in its present draft apply to the largest industrial project ever proposed in the history of North America, James Bay II. This

legislation would not apply. It is discretionary. It will not apply to the largest industrial project which will flood 5,000 square kilometres of the province of Quebec, cause enormous methane releases to the atmosphere, wipe out the only freshwater seal population in the world, harm the whale populations in James Bay, divert many river systems so that they will flow in the opposite direction to which they already do and require the clear-cutting and the dumping of thousands of square miles of forests. This has been demonstrated in the March edition of *Science Magazine* as being the largest, single, carbon sink on planet earth, the northern boreal forest. It used to be thought that it was the oceans. Now, because of advances in science, we know it is the forests.

Amory Lovins appeared before the Standing Committee of Parliament, and the Canadian media did not even cover the fact that he had done a study for the northern tier states which showed that simply by revamping with new motors and with state of the art conservation and by redoing the buildings, the industry, and the homes only on the Island of Montreal, more power could be saved than would be generated by James Bay II. In fact, there would be an incremental bit of power that could be sold to the northern tier states at lower than the cost of any James Bay I power now available after almost a decade and a half of amortization.

The country is being led by a good chunk of the business community that can only be described from an environmental perspective as the lunatic fringe. In terms of their accounting procedures they completely exclude outside impacts on the environment. Pulp companies generate 40 per cent of the marine pollution in Canada. They consider the rivers, lakes, and oceans of Canada to be an open sewer for their free, uncosted benefit.

The atmosphere of planet earth is being considered as a gigantic garbage dump for those who want to dump acid precipitation. For those who want to move toxic and hazardous materials that they cannot take to a land fill, they put them in the atmosphere and they blow into another country, out on to the ocean, or out into the countryside.

Carbon dioxide in the atmosphere, CFCs. The Minister of the Environment is in London and we have already had leaks. We understand the Canadian position is substantially weaker than the all-party unanimous agreement on CFC and halon reduction. All three parties in this House are onside. The Minister of the Environment runs off to London to take a weaker position.

Who is his friend? Is it Dupont? Is it Allied Chemicals? Why would a minister not take the position which could only be described as a lowest common denominator? That report certainly did not represent the highest rate of reduction of CFCs and halons that we could possibly attain, but that is not being pursued.

This legislation has to be seen through the transparencies, the way it has been so carefully crafted that wherever there is strength there is a complete return of that power to the political level and wherever a particular project is seen as politically sensitive like the Rafferty-Alameda, even though it is wrong, even though it is contrary to the law, even though it is in violation of a court order, it still proceeds. Wink, wink, nudge, nudge; you know what I mean. The Prime Minister calls Grant: "Hi Grant, I won't get in your way. Don't worry. I know you are getting politically upset. Go with the project". "Oh, Mr. Getty, the Oldman. Go ahead. Just build it on safety. That is right. Construct it all the way, but before you drop the last grain of sand, stop, and we will study it and see whether or not it is good, bad or indifferent".

That is madness. We know too much about the environment now. We could well all perish within our own lifetimes because of some of the things that we are doing to the globe's environment.

Forty thousand children under the age of 12 will die today from starvation and preventable disease. Is anybody doing anything about it?

The cartoon that was run recently in *The Regina Leader Post* told it all: a picture of a small, shrivelled up, starving child reading about Earth Day and saying: "Oh, well, if they care as much about us as they do about the environment, will we all survive?"

With 40,000 a day starving to death, I somehow doubt these geniuses on the government side who say: "No, we cannot really go through all these screening processes. We really need to be able to keep our radioactive material, 100 million metric tons at Elliot Lake, unsafely. We really need to be able to dump all of our pulp mill pollution into the rivers".

To have not come forward at this point in the world's history, let alone Canada's history, without adequate environmental assessment legislation is a serious underestimation of what Canadians expect now of government.

The head of FEARO, Mr. Robinson went on in an interview with *The Toronto Star*, June 19, 1990, to talk about government departments being unable to agree whether reviews would affect their areas. He said: "Of course everyone is turf protecting". That is used as the reason the necessary pieces of legislation to trigger the activity of this legislation have been purposefully left out. The Minister of the Environment states that they will be included over time to make the legislation dynamic. Perhaps the minister should get out a thesaurus and find out what is the opposite of dynamic, because that is what this legislation is without that being included.

• (1250)

I think I have covered Rafferty and Oldman enough, but northerners are concerned about things like the impact of organochlorines, furans, and dioxin in the Peace and Athabasca rivers flowing up and particularly affecting their aquatic life, fish, birds, and so on.

What does this legislation do? Would there be an EARP triggered under this in relation to either a singular pulp mill in the province of Alberta or any other province or territory? The answer is no.

Would there be one triggered because of the cumulative impact of 5, 10, 15, or 20 pulp mills on the same systems? The answer is no.

Would there be one triggered because of the clear cutting of a third of the province of Alberta, 220,000 square kilometres, out from under the noses of Albertans? Would there be anything under this because of its potential impact on reducing the carbon fixing efficiency and capacity of a country like Canada? No.

What is this legislation, really? This is a public relations exercise, and it should not be seen as anything other than that.

What about west coast tanker traffic? We have had the *Nestucca* spill. We have had the *Exxon Valdez*. We have had spills in downtown Vancouver, right in the harbour. Would there be a possibility of triggering an EARP under this one? No.

Could you even go to the courts to get a judicial review? Mr. Speaker, you only have to look in this legislation to find that only where there is extremely narrow grounds can you ever do what public interest groups have been doing in relation to the Oldman or the Rafferty–Alameda. We know why and I will come to that in a moment when I quote from the Bill Oppen memo, the famous Alberta memo about what the provinces wanted gutted from any legislation that would come before and through this House.

Would this do anything about global warming? No. Ozone depletion? No. Acid rain? No. Great Lakes water quality? No. Arctic pollution? No. Poisoning of the belugas in the St. Lawrence? No. The loss of an acre of forests in Canada every five seconds? No.

What about the 20 per cent? In 1988 we had an international conference in Toronto and a scientific agreement suggesting that Canada and other countries would have a 20 per cent reduction from 1988 levels by the year 2005 in releases of carbon dioxide into the atmosphere. That went too far. The Minister of Energy, Mines and Resources did not like that. When the former Minister of the Environment went to Bergen, he said that Canada would at least freeze carbon dioxide levels to the year 2000. I understand he was promptly phoned by the PMO and told he had to eat those words.

It was not too long before he resigned. That again was the lowest common denominator. If we are not even going to freeze carbon dioxide and other greenhouse gas emissions into the atmosphere, life, at least human life, will not survive.

No one likes to talk in terms of that kind of fundamentally accepted scientific reality. People should read the IPCC, the Intergovernmental Panel on Climate Change. One thousand of the best known climatological scientists in the world have agreed that we need 60 per cent to 80 per cent reduction in all of the greenhouse gas families in order to stabilize the atmosphere.

What is this government doing? The greenhouse gas emissions, including CFCs, have gone up every single day, every single hour, every single month, every single year it has been in office, and it claims to be environmentally committed.

Let us take a look at what was said in this famous Alberta memo from Mr. Oppen, because he got just about everything that he wanted. This was a meeting in Vancouver that involved a number of provincial bureaucrats acting, I take it, on behalf of their ministers. Here are the sort of things they wanted.

> There must be the capability through administrative agreements for Canada to defer to a provincial process.

That is very nice; just simply turn it over to the provinces.

> The act, or the regulations, must contain an exclusion or grandfather clause for projects that are either under way or that have previously been reviewed.

They wanted that and they got that.

> Reasonable time limits are to be imposed on reviews—This would only be appropriate in the case where a project is 100 per cent federal—The provinces need to be a party to the development of the exclusion and compulsory review lists.

That is part six and the soon to become famous 55(2) list. There will be lines with all of the Tory bag persons, I guess to put it properly, across the country saying: "Hey, how much to be a 55(2)?" They will be lining up to get on that exclusionary list. Certainly the provinces were very much in favour of that.

> With respect to the interim measures, the provinces will demand that action be taken to amend the existing EARP Guidelines Order in order to remove environmental policy from the courts.

Well the provinces certainly got that.

> Alberta has also asked that the issue of delegation of administration of the habitat and pollution provision of the Fisheries Act be considered within the context of these consultations as a related issue.

Some of the provinces even want federal legislation entirely turned over to them. It is not enough that they have a gutted and gutless act. They actually want the entire statutory and constitutional powers of Canada turned over to them.

What is missing? Let me quickly list it for you, Mr. Speaker. I know we are starting to run out of time, which is too bad because one could go on at some length about legislation that is so interesting, particularly because of its failures. However let me just make a few suggestions. These were suggestions made by Bill Andrews, Executive Director of the West Coast Environmental Law Association, regarding an earlier draft that came out, but they certainly still apply to this one.

I recommend that following points which are omitted from or mentioned but not supported in the subject document.

First, that the forthcoming legislation include a mechanism for environmental assessment of existing projects, policies, and programs. That is not there.

Second, the criteria for environmental assessment policies and programs be set by regulation with public input. There does not seem to be anything that would allow for that.

Third, that the Minister of the Environment be authorized to issue an environmental permit without which an activity subject to the environmental assessment process would not be able to proceed.

Fourth, that it be mandatory that a monitoring plan be included in an initial environmental evaluation or an environmental assessment report.

Fifth, that there be a provision for auditing of the monitoring that is conducted according to the environmental assessments.

Sixth, that there be a parliamentary commissioner on the environment to monitor the implementation of the environmental assessment process.

Seventh, that the legislation require that Crown corporations meet the environmental assessment standards applicable to other federal operations and that these corporations not have a special privilege to opt for a provincial environmental assessment process.

Eighth, that the primary decision on whether to send an activity to public review be taken by the Environmental Assessment Agency with an appeal to the Minister of the Environment.

Ninth, that there be a statutory provision for public input on draft agreements with provinces and other jurisdictions regarding environmental assessment procedures and standards prior to the finalization of these agreements.

Tenth, that the authority of a panel to impose costs against a proponent include expenses incurred by public participants in additional to those funded by the Environmental Assessment Agency.

Eleventh, that environmental assessments be imposed on federal spending on support for exports.

Twelfth, that the decision of the initiating department regarding whether or not to conduct an initial environ-

mental evaluation be subject to an appeal first to the Environmental Assessment Agency and then to the Minister of the Environment.

These all seem like 12 very logical recommendations that will have to be included in Bill C–78.

So one can see, Mr. Speaker, even in the few brief moments that I have had here this morning—and I know I have kept you spellbound—there is an awful lot of hard work to be done simply to drag Bill C–78 up out of the gutter where it got trampled by cabinet.

There was probably a fairly nice strategy and piece of legislation developed by Mr. Robinson and others who worked on this and spent $14 million studying how to create a stand alone environmental assessment process that would work.

Unfortunately cabinet came along, as I said, and said: "Let's get those statutes out of there". It jerked the Fisheries Act and everything else out and then said: "Well, the provinces don't ever want an Oldman or Rafferty–Alameda decision, so let's jerk that judicial access out of there. Now we have got to have an exclusionary list. There is no better way to get pulp companies and others on side than by developing this exclusionary list. It might cost you a few bucks to get on that list, but let's keep that trap door open". We have to close those trap doors.

The Acting Speaker (Mr. Paproski): The hon. member's time has expired.

It being one o'clock I do not leave the chair until two o'clock this day.

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

TRIBUTE TO PRIME MINISTER

Mr. Jean–Guy Guilbault (Drummond): Mr. Speaker, I would like to stress the steadfast loyalty of the Hon. Brian Mulroney to Quebec. In the history of Quebec, he is the only prime minister of Canada who has defended Quebec's constitutional interests with such energy and tenacity.

Meech is dead. We must look not to the past but to the future. We still have a lot to do.

An incredible consensus has developed among Quebec's political leaders and the people of Quebec. We must show our solidarity and work together to protect and promote Quebec's interests and the future of Canada.

Yesterday, Quebec celebrated its national holiday with dignity. Untold crowds of happy and proud Quebecers showed a solidarity never seen before. They expressed their pride in being Quebecers and they did so loud and clear. Mr. Speaker, there were more people on Île Sainte–Hélène than on Prince Edward Island, more people on Sherbrooke street in Montreal than the entire population of Newfoundland.

Jean Chrétien is hardly the man to ensure that Quebec's status is properly understood and that Québec is recognized as a distinct society.

* * *

TRIBUTE TO JEAN CHRÉTIEN

Mr. Alfonso Gagliano (Saint–Léonard): Saturday night at the Saddledome in Calgary, some 5,000 solid Liberals elected the Hon. Jean Chrétien as Leader of the Liberal Party of Canada, on the first ballot.

Not long ago—in 1986—the Prime Minister of Canada said in this House the following about Jean Chrétien, and I quote: "He loves Quebec, believes sincerely in Canada and has his own special way of expressing his feelings".

To people like me who believe in this beautiful country, this Canada of ours, he is a ray of hope. Thank you, Jean Chrétien, and congratulations!

* * *

[*English*]

TRANSPORT SAFETY

Mr. John Brewin (Victoria): Mr. Speaker, on Thursday last a report was released about safety on the B.C. ferries. B.C. ferries carry more than 19 million passengers each year.

The report was prepared by a committee appointed both by the union and the corporation. The report unanimously condemned the Coast Guard for its complete failure to maintain safety practices on B.C. ferries.

The report pointed to the carrying of dangerous cargoes outside the rules, overcrowding of B.C. ferries, the resulting lack of safety equipment and the failure to have adequate training programs.

It is the job of Transport Canada and the Coast Guard to ensure the protection of passengers and crews on B.C. ferries. The reaction of the Coast Guard, through a Mr. Peter Booker, was first to say he had not read the report; second to say that 90 per cent of it was wrong; and third, to criticize the president of the B.C. Ferry Marine Workers for his comments.

Accordingly, I call on the government to take this report seriously and to act to protect the people of British Columbia.

* * *

FARM SAFETY WEEK CAMPAIGN

Mr. Murray Cardiff (Huron—Bruce): Mr. Speaker, I take this opportunity to draw special attention to the Canadian Safety Council's eighteenth annual Farm Safety Week campaign which will take place from July 25 to July 31, 1990.

The Hon. Don Mazankowski is pleased to endorse the campaign which this year highlights the theme of farm machinery, safe operation, transport and maintenance and stresses safe working habits on the farm.

Every year when man and machine interact in the farm workplace, there are fatalities and serious injuries which could be avoided, particularly those tractor-involved mishaps which account for about 70 per cent of all fatalities and injuries.

We commend the Canada Safety Council in its efforts to minimize serious accidents and to bring safety information to the attention of farming communities and agriculture-related businesses.

In invite members of the House to join with me in saluting farmers across the country for their hard work and vital contribution to Canada's well being.

* * *

MEECH LAKE ACCORD

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, this government decided to blame Premier Wells for its failure on the Meech Lake Accord rather than accept responsibility. The facts are that this government ignored, between 1987 and now, each and every recommendation to improve and correct the accord itself. As a result of such indifference the aboriginal people are left out of Canada's constitution. Imagine! This is not all. Millions of other Canadians are also left out.

Why blame Premier Wells? Because the Prime Minister desperately needs a scapegoat. Who is to be blamed when last Friday Senator Murray did not return the Premier's call? Why did the government reverse its position on the firmness of the deadline?

What this government hates to admit is the fact that the Meech Lake Accord died in the Manitoba legislature, where a courageous man, Elijah Harper, said no on behalf of the first people of Canada and on behalf of all those who believe that the first people must be in Canada's constitution.

* * *

SKILLS AWARENESS

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, to compete effectively in the global market-place, Canada requires a highly skilled, flexible and educated workforce.

To meet this demand there is a fundamental need to address the growing shortage of skilled workers. In my riding of Sarnia—Lambton, the Lambton Industrial Training Committee has taken up this challenge. Entitled "Skills OK", the committee has recently launched a well organized and thought provoking awareness campaign, including this very attractive T-shirt, that talks about about "Skills OK", promotes skilled occupations as desirable career goals for our youth, and the member for Kent could probably take advantage of this. "Skills OK" seeks to demonstrate that skilled trades should not be occupations entered into by default of other perceived better careers. Rather, these are more than simply jobs. They are important and worthy careers which, in themselves, are integral to the future economic growth and competitiveness of this country.

I salute the activities of the Lambton Industrial Training Committee and urge others to emulate their efforts.

EXTERNAL AFFAIRS

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, we saw recently what international pressure could do in a country like El Salvador, when President Cristiani rescinded his decision to privatize the university there.

What we would like to see beginning now is that same kind of international pressure with respect to the parliamentary elections which will be held in El Salvador in 1991. What I would like to do today, as a result of meetings that I have had with the MNR here in Canada and the trade union movement from El Salvador, is urge the government to devote as much resources as needed to ensure that the election in El Salvador is every bit as free and fair as the election that was held in Nicaragua.

I realize that the government in El Salvador is not as friendly to the notion of a free and fair election but, nevertheless, the international community and in this case Canada must show some leadership to begin providing the resources now to do the important pre-election work, as well as the election work, to ensure a free and fair election in El Salvador.

* * *

LIBERAL LEADERSHIP

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, on Saturday, Liberals from all across Canada made a clear choice, electing the Hon. Jean Chrétien as Leader of the Liberal Party.

His first ballot victory is an indication from the party of the support for the vision he has for Canada. His experience as a parliamentarian, his patriotism as a Canadian and his strength as a leader are all welcomed by Canadians. Under the direction of the Hon. Jean Chrétien, the Liberal Party will gain the strength, unity and vision to bring the Canadian family together.

We, as Liberals, are an open party representing Canadians from all walks of life. We encourage open dialogue and we debate one another with vigour, but our goal is always for a strong and united Canada that will stand together for our children and future generations. I believe that is the goal that the Hon. Jean Chrétien, the new Leader of the Liberal Party of Canada, can now help us realize.

[*Translation*]

Mr. Speaker, I wish to congratulate Mr. Chrétien personally for his victory at the Liberal leadership convention.

* * *

NEWFOUNDLAND

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I have something to say to the Liberal Premier of Newfoundland, Clyde Wells. I ask him why he betrayed his signature on the Meech Lake Accord, which he signed on June 9, 1990.

* * *

• (1410)

[*English*]

CROATIAN ELECTION

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I wish to draw to the attention of the House three members of the cabinet of the Republic of Croatia. The new cabinet was sworn in on May 30, 1990, the result of the first free election in post-war history. On that occasion there were six members of Parliament, from all sides of the House, who went to Croatia to observe the elections.

In the gallery today is Mr. Manolic, who is a member of the Presidency; Dr. M. Babic, who is Vice-President; and Mr. G. Susak, who is Minister of Immigration.

On behalf of the House, Mr. Speaker, we welcome them to Canada and wish the Republic of Croatia all the best.

* * *

BILL C-21

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, Bill C-21 is a bill designed to do many things, not the least of which is to provide for an opportunity for mothers and fathers to be with their newborn infants for a period of up to 30 weeks.

Why is the Senate not passing this bill? Does the Senate have a problem with this legislation? Are members of the the Senate not sensitive to this problem because they are not capable of becoming new parents? Do they not believe in the importance of the family and essentially the importance of the opportunity for a child

to develop a close relationship with its parents in the first few months of its life?

I assume the answer is no, to all of the above. I assume that the Senate is saying no to all new parents in Canada. Prospective parents in Canada deplore this insensitive non-action and I personally find the Senate's non-action despicable.

* * *

LIBERAL LEADERSHIP

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, last weekend in Calgary, Liberals from right across this great land had their leadership convention and chose the Hon. Jean Chrétien as their new leader.

Here is what one well-known Canadian said about Jean Chrétien, "—a great Quebecer and a great Canadian, a brave and dedicated member, the extremely likeable man who made an unforgettable impression on all Canadians, a witty and compassionate person. He loves Quebec and believes deeply in Canada and has a unique and thoughtful way of expressing that".

Some hon. members: Who said that?

Mr. Boudria: All right, it was the member for Charlevoix, the right hon. Prime Minister who said that.

* * *

[*Translation*]

MEECH LAKE ACCORD

Mrs. Gabrielle Bertrand (Brome—Missisquoi): Mr. Speaker, as it happened, the day after Meech failed, the people of Quebec took to the streets to celebrate their national holiday.

Yesterday's incredible demonstration where they marched towards their destiny and their future, with or without Canadian partners, was also a message from Quebecers to their political leaders.

They thanked the Prime Minister of Canada for doing his utmost, right to the end, to defend the aspirations of Quebec with honour and dignity.

To Jean Chrétien and his mentor, Pierre Elliott Trudeau, and his acolytes Carstairs and Wells, Quebec gave the following warning: It will remember for a long time, indeed forever, that they were the ones who really buried the Meech Lake Accord.

[*English*]

And as the new leader of the Liberal Party rightly said, "We have a lot of work to do".

* * *

KOREAN WAR

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, what was once known as the forgotten war was nationally remembered on Sunday when hundreds of Canadians gathered at the National War Memorial and at cenotaphs across Canada to mark the fortieth anniversary of the outbreak of the Korean war. The veterans of the Korean war, just like those who served in the First and Second World Wars, were certainly being remembered in practical terms by this government.

Let us recall the good news announced just this month by the Minister of Veterans Affairs, an agreement for 200 long-term hospital beds in British Columbia, services under the Veterans Independence Program for one year for spouses of deceased veterans, increased income protection for spouses of veterans in long-term care institutions, the payment of interest for the first time on trust funds administered by Veterans Affairs, special trusts for needy veterans, payments of attendants' allowances for one year to spouses of certain veterans and, finally, the raising of the ceiling for funeral assistance.

The Canadian men and women who served in Korea deserve programs and benefits which are second to none in the world and this government is delivering.

* * *

[*Translation*]

CANADA DAY

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, next Sunday, we celebrate our 123rd anniversary as a country. Let us take the time to appreciate what we have been, what we are, what we can become.

[*English*]

There are many older countries that are just starting to appreciate some of the fundamental rights and freedoms that we have now. For example, with the crumbling of the wall between the two Germanys, East Germany taking its first real step toward democracy. The release of Nelson Mandela is a significant gesture toward human rights and racial equality.

Canada is indeed at a critical time in its history, but let us celebrate what we share as a people: our people, our rich resources, our fundamental rights and freedoms, our diverse cultures, our reputation for tolerance not only at home but abroad, and our ability to improve what we have built together thus far. Let us celebrate what we are and what we can be.

[*Translation*]

Let us all celebrate together!

* * *

[*English*]

NATIONAL UNITY

Mr. Dave Worthy (Cariboo—Chilcotin): Mr. Speaker, I would like to draw the attention of the House to the efforts of a group of citizens in my riding of Cariboo–Chilcotin. These ordinary citizens from Quesnel, B.C., have launched a group called MEND—the Movement to End National Disunity—in an attempt to promote friendship between all Canadians.

The group has already organized a public conference call between elementary schools from each of our provinces and territories involving over 3,000 students. Petitions have been collected. Letters of support have been written by schools and church and business groups to their Quebec counterparts, offering hands of friendship.

These people themselves cannot solve the problem of national unity, but their love of their country and for all of their fellow Canadians serves to remind us that it is ordinary Canadians who built this country and it is ordinary Canadians who remain its greatest asset.

ORAL QUESTION PERIOD

[*English*]

HIBERNIA DEVELOPMENT PROJECT

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker—

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): I thank my colleagues for their applause but I direct their attention to the statement made by the Deputy Whip confirming the results of the leadership convention last week and the kind words spoken by the Prime Minister about our new leader some years ago.

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): I have a question for the Prime Minister. In his speech to the nation on television last Saturday regarding the failure of the Constitutional Accord of 1987, the Prime Minister said: "It is a time to mend divisions, and heal wounds, and reach out to fellow Canadians." Those are the words of the Prime Minister on national television last Saturday.

However, this morning the Liberal House leader was informed that the government did not intend to call the Hibernia legislation for report stage and third and final reading today, or at any time this week, even though the House is going to adjourn this Friday until September.

How does it fit in with the Prime Minister's desire to heal wounds, mend divisions, and reach out to Canadians by stalling on an important economic project with major industrial benefits for Newfoundland, Quebec, and all of Canada?

Will the government call this Hibernia legislation for third and final reading today? If it does so, I assure the government that it will have the co-operation of the Official Opposition in passing this legislation immediately in the interests of Newfoundland, Quebec, and all of Canada. Will the government undertake this act of nation-building today?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, this is the last week prior to the summer adjournment and there is an understandable desire by members on all sides of the House to leave and go back to their constituencies as soon as possible. I naturally consulted my colleagues as to what their needs were in terms of priorities for the summer agenda.

• (1420)

The Minister of Energy informed me that, in fact, the discussions and negotiations with regard to Hibernia were in no way conditional upon this legislation going through all three final stages.

The EARP legislation which we started today is very important. The amendments to the Parliament of Canada Act are very important. If we can get those two, we can do what Opposition members, our members, and members of the New Democratic Party would like, namely, to adjourn for the summer.

Mr. Gray (Windsor West): Mr. Speaker, I want to assure the government that as far as the Official Opposition is concerned, we are quite ready to stay here and pass this legislation because we think it is important as an act of nation building for Newfoundland, Quebec, and all of Canada. We regret that according to the Minister of Energy it is not one of the priorities of the government.

[*Translation*]

NATIVES

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, last week, in an attempt to save the 1987 Accord, the Prime Minister sent Senator Murray to meet aboriginal leaders in Manitoba with a six-point program to respond to their concerns.

I want to ask the Prime Minister whether he intends to continue the healing process by reaching out to aboriginals and implementing those points in the program for which constitutional negotiations and amendments are not necessary.

Would he agree this is important in order to end dissension, heal wounds and reach out to this very important group of Canadians?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition knows perfectly well that, before and during the negotiations on the Meech Lake Accord, there were many meetings with the aboriginal peoples on a bilateral basis between the Government of Canada and their representatives, and I want to give the House and the country the assurance that there will be many more. We have a number of bilateral problems to resolve, and we will do everything in our power to see to it that a settlement is reached that is fair and equitable to the aboriginal peoples.

It is truly unfortunate that the constitutional process provided by the Meech Lake Accord for aboriginal peoples no longer stands, as a result of the decision by one of the provinces last week not to proceed with a vote on the Meech Lake Accord. However, we will nevertheless meet, on a regular and satisfying basis, with aboriginal leaders in order to promote greater social justice for this constituency.

[*English*]

The Leader of the Opposition began by referring to some kind words that I apparently had for Mr. Chrétien some years ago. He need not have looked back that far. On Sunday, I wrote the following to Mr. Chrétien:

> I wish to offer my sincere congratulations to the Honourable Jean Chrétien, on his election as Leader of the Liberal Party of Canada.
>
> I offer Mr. Chrétien my full co-operation in the important duties he assumes today in Canada's democratic life.
>
> Mila joins me in wishing happiness and good health to Mr. and Mrs. Chrétien and their family.

Some hon. members: Hear, hear!

HIBERNIA DEVELOPMENT PROJECT

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the words in the Prime Minister's statement are obviously most welcome.

If the Prime Minister will not allow the House to reach a final decision—if not today, then before the end of the week—on the Hibernia legislation and, specifically, if he will not undertake to put into effect those items in the six-point program he offered the native leaders in Manitoba that do not require constitutional amendment, then how can Canadians take the Prime Minister seriously when he says he wants to mend wounds, heal divisions, and reach out to Canadians? Does the Prime Minister's attitude not mean that many Canadians are right when they say that the Prime Minister has lost the moral authority to govern and should act accordingly?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I know that some people, including my hon. friend, have made such elegant comments as those he has just repeated.

It will be for the people of Canada—

[*Translation*]

—for the people of Quebec and of Canada to judge at an appropriate time—

[*English*]

—to decide at an appropriate time who stood for Quebec's interests and who stood for the interests of a united Canada.

Some hon. members: Hear, hear!

Mr. Caccia: Let's have an election.

Mr. Mulroney: The hon. member from Toronto says: "Let's have an election". The last time he said that was in August of 1988 and look what happened.

The problem with the point of view that my hon. friend puts forward is that in Newfoundland the vote is not allowed in some areas.

Some hon. members: Oh, oh.

Mr. Mulroney: I just want to say to the Leader of the Opposition that he will hear no criticism from me. All he has to do is hear the comments made by the hon. member for LaSalle—Émard and members of his own caucus in regard to an important position that was not taken in the last week. Right or wrong, Canadians know where I stood. I was not hiding under a pool table in somebody's rec room.

Some hon. members: Hear, hear!

HIBERNIA DEVELOPMENT PROJECT

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, the Prime Minister says it is up to the people of Canada to decide, and we agree. The quicker he calls the election, the better.

Some hon. members: Hear, hear.

Mr. Tobin: Mr. Speaker, on June 7 in the House of Commons, the Minister for International Trade, the hon. member for St. John's West, said the following with respect to the Hibernia bill in urging members to pass it quickly.

He said:

> If Parliament does not enact this legislation before we rise, during the month of June, then of course we will not be back until September and there would be real doubt as to whether or not a year would be lost with reference to the Hibernia project and the project, itself, could be in some jeopardy as a result.

My question for the Prime Minister is straightforward. The Hibernia project legislation is listed on the Government Orders and we are prepared to deal with it at third reading. Why is the government refusing to introduce that bill to the Parliament of Canada today, June 26?

• (1430)

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I recall to his memory the statement I made at the time Bill C–44 was before a legislative committee of this House. I was asked very specifically at that time by the hon. member for Edmonton East—and I believe I have his riding designation correct—whether or not the government needed Bill C–44, the enabling legislation on Hibernia, to complete the Hibernia negotiations as well as to "flow money relative to the agreements".

I said at that time, well before last weekend, that the direct answer was that the legislation was not needed.

I also said at that time, and I have the transcript of the committee hearings here, that obviously there was a preferred route, but that I had a number of issues to deal with regarding Hibernia relating to industrial benefits, the lender risk sharing, or the LRS as it is now being referred to, environmental hearings, the completion of the agreements between the consortia and the two governments and that the legislation was the last piece of work needed for the finalization of Hibernia.

I say to the hon. member that the mandate is quite clear. We are going ahead with meetings on Hibernia. We are going ahead with the issues that are still outstanding. Obviously, our negotiations right from the beginning have been to maximize benefits.

I also remind the hon. member that it was because of the Atlantic Accord which this government signed, and which the Premier of Newfoundland as a lawyer proposed, that the offshore does not belong to the provinces. It is that issue which makes Hibernia possible in the first place.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, we in this party are not going to get into a petty dispute.

Some hon. members: Oh, oh!

Mr. Tobin: I want to remind the Prime Minister, who I know is listening to the catcalls, that this is a megaproject for Canada. The lion's share of the benefits of this project are outside Newfoundland. The major single player is the Province of Quebec, and I do not dispute that or oppose it. This is a time of healing. But you cannot heal a nation by a divisive action like this.

Will the government reconsider this motion to withdraw Hibernia, pass the bill and begin the process of healing a nation?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, with regard to the Hibernia legislation and in particular the industrial benefits that flow from it, I remind the hon. member that when the statement of principles was signed in July of 1988 there was a benefit for Newfoundland to be negotiated, and there were benefits which were to flow to other parts of Canada, not only to Quebec but generally to the eastern Canadian yards. The hon. member would know that. At that time there were 500,000 hours identified in the SOP as "best efforts".

I say two things to the hon. member. First, in our negotiations to the present time we have restored the hours for Newfoundland. Second, we have dramatically increased the hours for other parts of Canada. That is a lot more helpful than any premier saying that this is worth about two fish plants.

[*Translation*]

FEDERAL—PROVINCIAL RELATIONS

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

It is reported that the immigration agreement between the federal government and Quebec may be signed in a few days. Can the Prime Minister tell us what is in this agreement and the other agreements that the Government of Quebec would like to negotiate directly with Ottawa?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the agreement in question between the Canadian government and the Government of Quebec follows the process developed nineteen years ago, I think, since Cullen–Couture and even before that, of agreements between the Canadian government and the governments of Quebec and other provinces, six other provinces, in the field of immigration.

So today, we will maintain this tradition of bilateral negotiations which in the past twenty years or so, as I was saying, has resulted in a series of agreements with six or seven provinces involving issues of immigration and integrating immigrants into a new environment and so on.

It is in that context that we have been negotiating with the Government of Quebec for a long time now.

* * *

[*English*]

ABORIGINAL PEOPLES

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, in the spirit of the bilateral negotiations that the Prime Minister is referring to, on June 18 the federal government made an offer to the aboriginal people which included six various points. By offering that, the Prime Minister was indeed acknowledging there are legitimate grievances on behalf of aboriginal people.

Having accepted that there are legitimate grievances, will the Prime Minister begin immediately to address outstanding treaty rights and tell us what his agenda is for talks with aboriginal people?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think my hon. friend should know what our agenda is for aboriginal peoples. This is the government that has signed the largest land claim settlements with natives in the Northwest Territories and Yukon, the largest and most generous in history.

We also increased expenditures in favour of aboriginal peoples up to in excess of, I believe, $4 billion per year. This is an increase of $200 million from last year to this.

I have indicated on a number of occasions that had it not been for the absence of Quebec from the constitutional table in 1985, I believe we would have obtained that constitutional amendment so vital for justice for aboriginal peoples. This is why I think we were all so saddened when the Meech Lake Accord failed to pass because it held out such extraordinary hope and promise for the aboriginal peoples of Canada.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, certainly the first step for the Prime Minister and his government to take to show good faith with aboriginal peoples would be to restore the funding that was cut in the last budget.

I have another question for the Prime Minister. After the negotiations on June 9 I think all the First Ministers coming out said: "We do not want to do this process again. It is not a process that we feel is a constructive one". Events since have shown that it was a process which in the end failed.

Does the Prime Minister not see that one of the ways for further constitutional development to take place in a positive atmosphere would be to establish immediately a standing committee on the Constitution in the House of Commons? Is the Prime Minister prepared to take this positive step?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I will be happy to look at any constructive proposal that my hon. friend has in regard to ways in which we might advance the causes to which she refers.

I think it is difficult to improve upon a constitutional document signed by the Prime Minister and the 10 First Ministers of Canada whereby the First Ministers undertake to bring this matter for resolution by June 23.

In spite of a formal signature of a premier on this document, it was not honoured. This is deeply regrettable and says a great deal about the challenges that Canada has encountered in the past.

• (1440)

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, my question is for the Prime Minister. When the Prime Minister and the federal negotiators met with the First Nations in Manitoba he offered a six-point proposal, two of which were non-constitutional items.

One was the definition of treaty rights which the aboriginal people have advanced for years. The second had to do with the establishment of a royal commission on native affairs.

Has the Prime Minister withdrawn these two items?

Mr. Clark (Yellowhead): Ask Clyde Wells.

Ms. Blondin: Don't you like aboriginal people? What's wrong with you?

Some hon. members: Oh, oh!

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend has raised a very serious matter. The question she kind of suggested from her seat was: "Don't you like aboriginal peoples?" The answer is very much. Ask Clyde Wells because a lot of this was unsuccessful because of the fact that it did not pass.

Mr. Allmand: That is absolutely stupid.

Mr. Masse: That's the truth. You stabbed Canada in the back.

Mr. Allmand: Roll the dice again.

Mr. Speaker: I would remind hon. members that the hon. member for Western Arctic has put a question. The right hon. Prime Minister is rising to respond. The right hon. Prime Minister.

Mr. Mulroney: Mr. Speaker, I point out to my hon. friend that the—

Mrs. Finestone: Why don't you send Lowell Murray to answer?

Mr. Speaker: The right hon. Prime Minister.

Mr. Mulroney: Mr. Speaker, the issue raised by my hon. friend is very important for the aboriginal peoples, which is why the offer was made.

It stated, in summary, that my government is ready to act expeditiously in relation to and provide financial resources for each of the following, as soon as the Meech Lake Accord is ratified. We then listed the six points.

As I indicated at the time in response to questions in the House of Commons, I believe that the 80,000 Métis Federation of Manitoba viewed this package as the most generous and comprehensive in favour of aboriginal rights ever put forward by a Government of Canada. It was therefore with deep regret that the Meech Lake Accord was not passed in order to give rise to the execution of each one of these.

I know my hon. friend raises two other points that were not touched by constitutional questions that are susceptible of being looked at bilaterally. I will take notice of her suggestion and will be happy to review it with officials and report back to her.

Ms. Ethel Blondin (Western Arctic): My supplementary question is for the Prime Minister, Mr. Speaker.

Aboriginal people in Canada are anticipating a severe backlash from this government because of their principled stand to protect and advance their rights.

Since the Prime Minister has an obligation to deal with all Canadians and, in particular, a fiduciary responsibility for aboriginal peoples, will he assure Canadians that no retaliatory measures will be taken against the First Nations? Canada wants to know.

Some hon. members: Hear, hear!

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I know my hon. friend is raising the rhetoric on this—

Ms. Blondin: Concern, not rhetoric.

Mr. Mulroney: I think she will acknowledge that given the record of this government we do not have any lessons to take from the Liberal Party about protecting the rights of aboriginals.

Some hon. members: Hear, hear!

Mr. Mulroney: On the eighteenth of this month, the president of the Métis Federation—

Ms. Blondin: Give me a break!

Some hon. members: Oh, oh!

Mr. Mulroney: Maybe my hon. friend thinks that 80,000 Métis in Manitoba do not count, but I am concerned about all aboriginals, justice for all aboriginal peoples, including the Métis in Manitoba.

Some hon. members: Hear, hear!

* * *

IMMIGRATION

Mr. Sergio Marchi (York West): Mr. Speaker, my question is for the Prime Minister. As my friend, the leader of the NDP raised moments ago—

Some hon. members: Oh, oh!

Mr. Marchi: —recent media reports suggest—

Some hon. members: Oh, oh!

Mr. Marchi: The animals are restless today, Mr. Speaker.

Mr. Speaker: I would say to the hon. member for York West that on some days you have to be very careful in your preamble.

Mr. Marchi: Mr. Speaker, it did not take too long after our convention to have these guys shaking in their boots.

Some hon. members: Oh, oh!

Mr. Marchi: Unlike the Prime Minister, we rolled lucky sevens this weekend, Mr. Speaker.

Some hon. members: Oh, oh!

Mr. Marchi: Recent media reports have suggested that the Prime Minister has discussed with the premier of Quebec the possible transfer of authority and money to the province of Quebec for immigration settlement services which represent approximately 30 per cent of the immigration budget.

Would the Prime Minister confirm for the House just what exactly is on the table and whether this arrangement in substance is the same as that provided by the immigration reference in the failed constitutional amendment?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, the only reason people on this side are shaking is from laughter at the new partnership between the hon. member and the NDP.

Some hon. members: Hear, hear.

Mrs. McDougall: The discussions on the immigration agreement began some three years ago. I am not in a position to provide details to the House at this time. It is in keeping with the traditional agreement that we had with Quebec in the Cullen—Couture agreement. We are negotiating with other provinces on immigration agreements. That option is open to other provinces as well. I would be very happy to give the details to the House as soon as they are complete.

Mr. Sergio Marchi (York West): Mr. Speaker, my supplementary question is to the Prime Minister. I think the minister touched upon this matter.

• (1450)

Given that other provinces such as Ontario and B.C. together receive over 70 per cent of all immigrants and refugees to this country, is the Prime Minister ready and willing to allow other provinces to have similar arrangements? Do these arrangements also include other matters such as setting immigration levels and levels for refugee movements?

[*Translation*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, one of the problems with immigration is that Quebec, with about 25 per cent of the population, receives only about 15 or 16 per cent of the immigrants, and many of the immigrants to Quebec leave for the English-speaking provinces later. The French-English demographic balance of Canada is thus in danger of being undermined. That is why the Minister of Immigration pays particular attention to the problems of Quebec these days. But that in no way prevents us from reaching agreements with other provinces, as we and previous governments have done, because immigration is an important cultural and economic development tool for all of Canada.

* * *

[*English*]

ABORIGINAL PEOPLES

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is also for the Prime Minister. As the Prime Minister knows, Canada has a very special responsibility for the First Nations, the aboriginal people in this country, that

is quite distinct and different from that of the provinces and the territories.

My question to the Prime Minister is very simple. He has dealt with the six points, and he is going to look into them. What I am asking the Prime Minister is whether or not he is prepared to make special efforts in the area of comprehensive and specific claims. That is an area where aboriginal people need justice. They have waited a long time to get it.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, first, let me acknowledge the accuracy of the statement of my hon. friend. The Government of Canada and the Parliament of Canada has a very special and important relationship and obligation to the native peoples of Canada. It is one that we have sought to honour and will always continue to honour on behalf of all of the people of Canada.

With regard to the point raised in terms of land claim settlements, my recollection is that the last ones were the largest in history. They cover some 575,000 square kilometres, a territory larger than the four Atlantic provinces combined.

We put in $1.3 billion. I believe that at the time the Chiefs indicated that this was the most impressive grant and negotiation ever undertaken in history with the Government of Canada. I am particularly proud of that.

Mr. Jim Fulton (Skeena): Mr. Speaker, my supplementary to the Prime Minister is on the same two points.

I am sure he is aware that despite more than a decade of negotiations the Nishga Tribal Council in British Columbia has been able to make no movement in relation to the federal or the provincial Crown. There are several hundred outstanding specific claims. Some have been awaiting a negotiated settlement for more than a century.

Will the Prime Minister undertake over this summer to set in place a federal process which will get comprehensive and specific claim settlements under way in every province and both the territories?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I find the statement by my hon. friend very confusing. He appears to have said that the federal government has made no progress, I think he said, in regard to comprehensive land claims with the Nishga Tribal Council in British Columbia. I believe that is what he stated. Yet it was negotiations undertaken by this government which led to the framework agreement on the comprehensive land claim with the Nishga Tribal Council in July of 1989.

We have made some very remarkable progress, and we plan to make even more.

I think we can do all of these things and substantially ameliorate the record of the Government of Canada and the people of Canada in the obligation that we all have toward the native peoples of Canada.

* * *

[*Translation*]

CN REAL ESTATE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Transport. Once again, management of CN Real Estate in Montreal is trying to run roughshod over the people of Amos with its decision to increase the annual rent for a community parking lot from $1,000 to $22,000. Will the minister inform CN management that this 2,000 per cent increase is excessive and ask them to go back to the drawing board this week and reconsider the town's request for a normal increase in rental costs?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, CN's policy is to calculate rental costs for all its properties, in Amos and elsewhere, on the basis of market value. The company is continuing its discussions with representatives of the town of Amos.

* * *

[*English*]

MEECH LAKE ACCORD

Hon. Bob Kaplan (York Centre): Mr. Speaker, my question is for the Prime Minister. I want to remind him that the Charest committee considered and unanimously rejected every argument for a way of getting more time than the June 23 deadline for the achievement of the constitutional agreement.

If the Prime Minister had some cards up his sleeve, and if there were ways of getting more time for ratification of the agreement, why did the Prime Minister not do the honourable thing and tell his colleagues, the other First Ministers, while he met with them in Ottawa during

that week, that there was a method for extending the time for ratification?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, perhaps my hon. friend has not seen the final document. The first article states:

> The Premiers of New Brunswick, Manitoba and Newfoundland undertake to submit the Constitution Amendment, 1987 for appropriate legislative or public consideration and to use every possible effort to achieve decision prior to June 23, 1990.

It is signed by Clyde Wells, Premier of Newfoundland and Labrador.

Some Hon. Members: Hear, hear!

Hon. Bob Kaplan (York Centre): My Speaker, why did the Prime Minister not tell the First Ministers that he had a gimmick in reserve for giving them more time? If more time was available for Manitoba under this novel legal argument, why was there not more time available for the province of Newfoundland and Labrador?

If last Thursday he could find a way of rolling the deadline back from the period of Saskatchewan's ratification to September 23, why could that extension not be sought even today at the Supreme Court of Canada?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am a little perplexed by my hon. friend's suggestion that perhaps more time was needed in Newfoundland and Labrador.

In point of fact, if he will consult the transcripts he will see that Premier Peterson of Ontario, Premier Devine of Saskatchewan, Premier McKenna of New Brunswick and I as Prime Minister of Canada went down and spoke to the Newfoundland legislature on the formal promise of the Premier of Newfoundland and Labrador that a vote would take place Thursday night or Friday morning, and it did not take place.

Some Hon. Members: Hear, hear!

* * *

[*Translation*]

INTEREST RATES

Mr. Douglas Young (Gloucester): Mr. Speaker, my question is directed to the Minister of Finance. A few weeks ago, the Minister of Finance stated that high interest rates in this country were partly a result of the constitutional impasse.

I now have the following question for the minister: Could he inform the House whether his government intends to pursue its monetary policy that keeps interest rates and the Canadian dollar at levels that are too high, a situation that is be coming very dangerous for the Canadian economy?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I indicated some two or three weeks ago that there was a risk premium that was built into interest rates because of the uncertainty surrounding the Meech Lake Accord. That was a matter of fact at the time. That uncertainty is still there. There is still a risk premium, I would imagine, in the level of interest rates today.

I have said on a number of occasions that the more important reason for the level of interest rates that we are experiencing today is the level of inflationary pressure in the economy. Until we get that inflationary pressure out, we will have to endure these higher interest rates for a somewhat longer period of time.

Mr. Douglas Young (Gloucester): Mr. Speaker, I have a supplementary question for the Minister of Finance. In view of the minister's answer and in view of the fact that in the February budget the prediction for an average annual interest rate during 1990 was somewhere around 11 per cent—the fact is interest rates now are nearly 14 per cent—does the Minister of Finance not believe that the time has now come, in view of economic and constitutional reality in Canada, to either bring in a revised budget or to bring in a new budget based on the facts?

• (1500)

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I answered that question on numerous occasions in the House, a number of times when asked by the hon. member himself.

I indicated that there are offsetting factors here. Our revenues in 1989–90 were higher than expected, so we are going into fiscal year 1990–91 with a higher level of income and a higher level of revenues for the Government of Canada. There is an offset against the higher costs from our higher interest rates.

We are watching this on an ongoing basis. If it is appropriate to have some mid-term correction, we are prepared to take that action.

* * *

AGRICULTURE

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

On May 29, I appealed to the minister for financial assistance for the B.C. fruit growing industry, which is facing imminent financial collapse because of cheap U.S. imports. The minister advised at that time that pending the release of a report from an inquiry into the B.C. fruit industry he was prepared to make available a portion of the moneys set aside for agricultural assistance.

Now that the commission report has been released, will the minister confirm that he is willing to release these federal funds for the purpose of financial assistance to B.C. fruit growers? Will he sit down with his provincial counterpart and look at an appropriate program of financial support? Will he assure B.C. fruit growers that they will be given the financial security that the industry so desperately needs?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, it is true that the report has been released. We have not had a chance to study it in detail, but my understanding is that it centres around the fact that the industry can be more competitive if it deregulates, decentralizes, and takes on a more market oriented approach and that it is time to engage in some structural changes rather than just simply propping up the industry through *ad hoc* government intervention.

My understanding is that as a result of the release of the report the provincial officials are going around the agricultural population getting input and feedback on the proposed series of recommendations. At an appropriate time we will be in a position to sit down with our provincial counterparts. As I indicated in my previous answer, we are prepared to sit down with our counterparts in the the provincial government. As soon as that process is completed we will do so. We simply await their call.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, rather than acting on the minister's request the inquiry report has recommended the cutting of support programs for the industry. If the provincial government follows these recommendations the farmers will be left twisting in the wind.

Will the minister assure B.C. fruit growers that even if the Vander Zalm government is willing to abandon them the federal government will step in and provide the financial support that is so critical for the industry to survive?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, far be it from me to criticize the commission's findings after a thorough discussion with the industry and a thorough inquiry into the whole fruit industry. I think it requires a certain amount of time.

I thought the hon. member was suggesting that the federal government co-operate with the provincial government in coming to the aid of the fruit industry. He now suggests that the federal government should go it alone. He cannot really have it both ways.

As I said in my earlier answer, we are prepared to sit down with the province to work out a program that will be helpful and will facilitate the longer term structural and adjustment change that has to take place within that industry. I can assure him of the full-fledged co-operation of the federal government in that regard.

* * *

[*Translation*]

HOUSE OF COMMONS

CHANGE OF AFFILIATION OF MEMBER FOR LONGUEUIL

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I entered federal politics for the first time in 1984, and I renewed my commitment in 1988.

I did so, first and foremost, in order to take an active part in implementing one of the most important proposals in Quebec's history. I did so because I was convinced I was taking part in a noble enterprise. I did so because I sincerely felt that it was possible to bring Quebec back into the constitutional family with honour and enthusiasm.

Like many other Quebecers, I was convinced that the Meech–Langevin Accord was an important first step, a step with which I could agree, despite certain concerns. I was convinced it was one step towards a flexible constitutional formula under which Quebec would be able to grow and prosper.

However, as recent events have borne out, this was not to be, despite the fact that we all placed our trust in this process and devoted all our energies and enthusiasm to this cause, with honesty and sincerity.

In this respect, we all know that the Prime Minister has shown extraordinary courage and energy. He has our respect and admiration, that goes without saying.

Only those who, at this critical point in our history, insist on engaging in petty politics refuse to recognize this fact. To those who think that someday they will govern Canada on the basis of an obsolete vision of this country, I say that Quebec's motto is: *Je me souviens*.

Today, I think it is clear that the process agreed on in 1987 cannot produce satisfactory results either for Quebec or Canada. It is simply impossible, because of the political and constitutional context we have inherited.

We must seek another way.

As a Quebecer, I am convinced this new way must first of all be defined by Quebecers, based on the interests of the people of Quebec.

I think this is the only feasible formula for considering a new form of participation in the Canadian federation. To be viable and satisfactory, however, it must be a different federation. It must be based on the participation of groups reflecting the many realities of Quebec and of Canada's regions.

That is why I feel obliged to resign from the caucus of the Progressive Conservative Party, and from now on, sit as an independent member. As such, I will be in a better position to act in a manner that is consistent with my initial commitment and to defend the interests of Quebecers in Ottawa.

At this point, I wish to thank the Prime Minister and congratulate him on his courage and perseverance. I want to say that I was proud to be a member of his team and to work for this fine and noble cause.

I can also assure him of my support for efforts and initiatives that are a response to the needs and aspirations of Quebec.

To my colleagues I want to say: I appreciated this chance to work with you, and I will continue to do so, if you wish, in order to promote the interests of Quebec in Ottawa.

CHANGE OF AFFILIATION OF MEMBER FOR SHEFFORD

Hon. Jean Lapierre (Shefford): Mr. Speaker, I have had the honour and privilege of representing the people of Shefford in this House for over ten years, and never did I have to qualify or question my loyalty towards Quebec or Canada. Nor did I ever have to question my loyalty towards the Liberal Party of Canada in the past ten years. Yet today, as a Quebecer, I find myself at a crossroads. As a Liberal I also find myself at a crossroads. During all those years since the Quebec referendum I believed it was possible to achieve renewed federalism within the existing institutions.

• (1510)

And during all those years, Mr. Speaker, I believed that the Liberal Party of Canada was the natural bridge between our country's two linguistic communities.

Mr. Speaker, my motivation and my commitment stem from the speech delivered by Pierre Elliott Trudeau on May 15, 1980 at the Paul Sauvé Arena. I felt bound by his solemn commitment towards Quebecers, and I should like to repeat those words which were so important in my career and for the destiny of Quebecers.

On May 15, 1980 Mr. Trudeau said: "We will not stop until it is achieved". He was referring to constitutional renewal. "If it is no, we all said it will be interpreted as a mandate for constitutional change and renewed federalism". He said: "I am not the only one saying this, so do the 74 Liberal members in Ottawa"—including me—"and the premiers of the other nine provinces. We will tell Canadians in the other provinces that we will not accept that the no be interpreted as an indication that everything is going fine and that things can remain as before. We want a change and we are putting our seats on the line to have that change".

Mr. Speaker, not only did I put my seat on the line, I put my youth, my energy and whatever talent God gave me to work towards the renewal of the federation and to achieve this dream which was shared by so many Quebecers.

I was very active in 1981–82 when the Constitution was patriated, believing as I did that it was the first step towards genuine renewed federalism. I soon realized that the work was incomplete because Quebec had been left aside.

In 1985, Mr. Speaker, when Robert Bourassa was elected, a federalist premier, at the same time as the Prime Minister across the aisle had been in office for a few years, the Quebec–Ottawa axis was finally free, finally open. And today, Mr. Speaker, I acknowledge that the Prime Minister is an ally of Quebec.

Some hon. members: Hear, hear.

Mr. Lapierre: In 1987, not only was the 1981–82 failure admitted but the good faith of all participants gave us the Meech Lake Accord. And I also want to acknowledge the intrinsic merit of our then leader, the Right Hon. John Turner, who was also capable of reaching beyond partisan considerations and appreciating the fact that Quebec was entitled to its place in this country.

Some hon. members: Hear, hear.

Mr. Lapierre: Unfortunately, Mr. Speaker, the champagne we drank that night as Quebecers proud to be Canadians soon turned sour. So much for our illusions.

Since 1987, the five minimum demands of Quebec have proven to be too much. Since 1987, certain ghosts of the past re-appeared on Canada's political scene, associated with those I call "the government in exile" which enjoys much legitimacy in the Senate. Finally, Mr. Speaker, they did manage to derail the process over which all federal politicians in Canada had made a solemn commitment before Quebecers in 1980.

Mr. Speaker, I will indeed go beyond partisan limits—this is new to me, but I will have to get used to it—and tell the Prime Minister that they laid mines all along the road until the final explosion last weekend. I want you to know that Quebecers do not look upon this drama as the failure of one man, but much more as the failure of the system and the triumph of bad faith.

Some hon. members: Hear, hear.

Mr. Lapierre: Mr. Speaker, today I feel sad, humiliated and betrayed.

[*English*]

I said sad, humiliated and betrayed. For those who thought that Meech was too much, take note that from now on it is not enough.

[*Translation*]

Mr. Speaker, beginning today and henceforth I want to support Quebec's endeavour and play a role in the new scenario which will automatically follow the demise of the Meech Lake Accord. With my fellow citizens in Quebec, I want to take part in the definition of a comprehensive collective project.

Mr. Speaker, I do not seek to blow up the barricades, I do not seek to destroy the country, but I want to make sure that, beginning today, together we can design a new political contract in this country.

[*English*]

We have been had. We need to establish a new level playing field, one on one, not one in eleven. We will have to design a new political contract among ourselves.

[*Translation*]

Unlike some of my colleagues, Mr. Speaker, I am a Quebecer first and for my children's future in Quebec and in French, Jean-Michel and Marianne, I am compelled, for the sake of freedom of speech, to sit henceforth as independent member for Shefford.

[*English*]

Mr. Danis: Mr. Speaker, I wonder if there would be unanimous consent of the House to allow me to revert back to tabling of documents.

Mr. Speaker: The hon. minister has asked if we could revert to Tabling of Documents. Is there agreement?

Some hon. members: Agreed.

Some hon. members: No.

PRIVILEGE

BILL C-44

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, I have given notice of a question of privilege earlier today.

Mr. Speaker: I will hear the hon. member, but I will point out that I waited quite a period of time. I did not know what the hon. member's intention was.

Mr. Tobin: I apologize, Mr. Speaker. I did not see the Speaker.

Mr. Speaker, I stand on a question of privilege today because I believe my privileges as a Member of Parliament have been affected by an action taken by the Government of Canada.

Mr. Speaker, may I say as a Member of Parliament for Humber—St. Barbe—Baie Verte in the province of Newfoundland, in case there is any doubt, that I am proud to stand here and talk about my privileges as a Canadian because I am a Canadian first.

Some Hon. Members: Hear, hear!

Mr. Tobin: Mr. Speaker, on June 7 in the House of Commons there was a debate in which I participated with many members, but in particular with the hon. member for St. John's West, and also the Minister of Energy, Mines and Resources in which there was a debate on Bill C-44, the Hibernia bill.

Mr. Speaker, I, together with other members were urging members of the New Democratic Party even though they were examining amendments to ensure quick—

An Hon. Member: Order!

Mr. Tobin: Let me explain. I have a right to be heard. You may shut down Hibernia, but I will be heard.

Some Hon. Members: Hear, hear!

Mr. Tobin: Mr. Speaker, we were encouraging all members, members of the government, members of the Official Opposition to deal with a particular bill. Mr. Speaker, 19 days later with no explanation, that bill has been pulled from the Order Paper. It is gone and the government has indicated again today that it will not be recalled.

• (1520)

Under Beauchesne's *Parliamentary Rules and Forms*, Fifth Edition, there are established for all members to see the privileges of members of Parliament. Among those privileges are sections having to do with influencing a member unduly, threatening a member, and bribery.

Mr. Speaker, I submit to you—I want to make my case—under Sections 67, 68, 69, 70 and so on, that when the government of Canada, as it has today in Question Period, brazenly and blatantly in response to questions on process—

Mr. Speaker: I wonder if the hon. member could listen, just for a moment, to the difficulty his intervention is putting the Speaker in.

The hon. member is rising on a question of privilege. As hon. members know, a question of privilege is aimed at something that has happened that makes it impossible, or very much more difficult than would be reasonable, for an hon. member to carry on his duties.

The hon. member may or may not have a complaint. There were questions asked in the House earlier today involving that very issue, but surely the hon. member would agree with the Speaker that this is now a question of debate.

Whether the government should or should not have withdrawn something from the Order Paper is something that happens all of the time. It is a matter which is often dealt with in Question Period and it is a matter that often affects negotiations in this place, but it is very, very hard for the Speaker to accept that, under the circumstances, it is a question of privilege.

The hon. member will have to come very quickly to the point. I do warn the hon. member, I do not see a question of privilege at the moment.

Mr. Tobin: Mr. Speaker, it is quite clear now, as of today, that in this country it is impossible for a member to represent his constituents, represent their views, and represent their interests. If you do not speak right, vote right, if your province or provincial legislature does not behave right, blackmail is—

An Hon. Member: Sit down.

Mr. Tobin: You are nothing but a trained seal who is a liar and a cheat. Only a coward remains silent in the face of dictatorship—

An hon. member: Oh, oh.

An hon. member: Order.

Mr. Speaker: The hon. member has expressed a complaint. It is not a question of privilege and I think hon. members will appreciate the circumstances under which the hon. member feels that he did want to raise a matter, but it is a complaint, not a question of privilege.

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, apart from the first point which you have now disposed of, I think the hon. member knows full well and I think enough members in this House heard, that he used unparliamentary language. The words "liar" and "cheat" are outside of the purview of the use of parliamentary language and the hon. member has been in this House long enough to know that. While he might want to make certain points, I would ask that he withdraw.

Mr. Tobin: Mr. Speaker, I want to withdraw those words, because even though we have been neutered in this place, I want to stay around to participate in the debate. I am not letting this nonsense that is being practised today by this government go unchallenged, so I withdraw.

GOVERNMENT ORDERS

[*Translation*]

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. de Cotret that Bill C-78, an Act to establish a federal environmental assessment process, be read the second time and referred to a legislative committee.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I am pleased to rise today to speak to Bill C-78, an Act to establish a federal environmental assessment process, at second reading.

[*English*]

I want to continue with the debate this afternoon on Bill C-78. Opposition critics were very quick to find fault with this legislation when it was tabled in the House of Commons for first reading on June 18, 1990.

The NDP environment critic even had the temerity to suggest that the legislation was as full of holes as Swiss cheese.

Rather than find fault with the hon. member's bad taste, I would prefer to thank him for his analogy. After all, Mr. Speaker, Swiss is a world-class cheese and so too is Bill C-78 a world-class environmental assessment bill.

In my remarks to the House today I would like to focus on the scope of this bill in order to put to rest any concern that this legislation might be a retreat from the current guideline order. Nothing could be further from the truth.

This government is bringing forward legislation designed to bind government decision-making in a way that will ensure that every minister becomes, in addition to his or her regular responsibilities, an environment minister.

In such circumstances, a government that was less than fully committed to the environment might have sought to limit the scope of this legislation so as to leave its decision-making largely unfettered. Such has most assuredly not been the case with Bill C-78. This is a bill that is designed to expand the scope of the current environmental assessment process, not to restrict it.

This government is fully aware of the importance of the environment to Canadians. It is committed to protecting and maintaining environmental quality in all parts of Canada. The Canadian environmental assessment act will apply to virtually every project in which the federal government has an interest or an involvement. It will ensure that the environmental effects of all federal projects are fully understood before final decisions on whether or how to proceed with them are made.

The very broad scope of this legislation makes it abundantly clear that this government is prepared to leave no stone unturned in its efforts to bring a profound environmental ethic to all of its decisions and to all of its actions.

The scope of Bill C-78 is established right at the outset with the definitions of "environment", "environmental effect", and "projects".

Bill C-78 defines the environment as encompassing all of the components of the Earth including land, water and air as well as all layers of the atmosphere, all organic, and inorganic matter and living organisms, and

the interacting natural systems that we commonly refer to as the ecosystems.

This definition of environment not only provides the broadest possible scope for environmental assessment, it also recognizes that all natural systems are inter-related, thereby setting the stage for the theme of sustainable development which is evident throughout the legislation.

The second definition of critical importance to the scope of this legislation is environmental effect. Bill C-78 defines environmental effect as any change that a project may cause in the environment, as well as any effect that the environment may cause in a project. But the definition does not stop there. It goes on to make it clear that the consideration of such effects is not restricted to those that may occur in Canada, but it is also to include those that may occur outside Canada.

Even further, environmental effects will not stop with the environment, but are to include the effects of environmental change or damage on related health and socio-economic conditions. That means on people. Again it can be seen that this legislation is intended to have a very wide scope indeed.

The third and most important definition relating to the scope of environmental assessment is that of project. Bill C-78 defines a project as any physical work or physical activity that a proponent proposes to carry out.

• (1530)

This definition includes the construction, operation, modification, decommissioning, and abandonment of physical works such as factories, dams or pulp and paper mills, and the undertaking of physical activities such as low-level military flight training, for example. Clearly, the scope of the legislation is impressive, as should be obvious even to my hon. friends sitting opposite.

While definitions are an important element of any legislation, the real measure of the scope of application of the Canadian Environmental Assessment Act is to be found in the body of the legislation. Clause 5 of the bill outlines the cases where an environmental assessment of a project will be required. I would like to take a few minutes to describe the types of projects to which this legislation will apply because it is important that the House have a good appreciation of just how comprehensive the Canadian Environmental Assessment Act really is.

The act will apply to any project for which the federal government is a proponent. Such projects would include the fixed link to Prince Edward Island from New Brunswick, the north warning system in the high Arctic, and the possible expansion of Pearson International Airport at Toronto.

The act will apply to any project for which the federal government makes or authorizes payments, provides a guarantee for a loan, or provides any other form of financial assistance other than by means of general taxation measures. Such projects would include major offshore oil and gas developments, projects funded through regional development programs such as the Atlantic Canada Opportunities Agency or Western Economic Diversification, and foreign projects sponsored and supported by the Canadian International Development Agency.

The act will apply to any project for which the federal government sells, leases, transfers, or otherwise disposes of Crown lands. Such projects would include those that take place in Canada's offshore frontiers, those that take place on territorial lands in the North, and those that take place in national parks and on military reserves.

Finally, the act will apply to the issuance of permits and licences and the granting of approvals under various federal statutes and regulations which have the authority to deal effectively with the environmental effects of projects. These statues and regulations will be listed in a regulation made pursuant to the Canadian Environmental Assessment Act. The Minister of the Environment has already indicated that this list will include appropriate provisions for such statutes as the National Energy Board Act, the Railway Act, the Railway Relocation and Crossing Act, the Atomic Energy Control Act, the International River Improvements Act, the Fisheries Act, the National Parks Act, and the Canada Oil and Gas Act.

The Federal Environmental Assessment Review Office is currently undertaking a thorough review of all federal legislation having environmental powers with the intention of proposing an expanded list by the time that the legislative committee begins its clause-by-clause review of this bill. In addition, it is the intent of the government to add to this list on a continuing basis as new legislation is passed and current legislation is

amended and updated. It is for that reason that the list will be established by means of a regulation rather than as a schedule to the act.

As you can see, Mr. Speaker, it will be the rare project falling within the purview of the federal government that is not subject to a very thorough environmental assessment before the federal government makes its final decisions.

To this point, I have focused my comments on the definitions and the types of projects that will be subject to the Canadian Environmental Assessment Act. While these have painted a very impressive picture of the scope of the legislation, I would also like to say a few words about the broad scope of the environmental assessment process itself. I would particularly like to emphasize that it is in this area that very substantial improvements have been made to the current guidelines order that this legislation is intended to replace.

In the current guidelines order, the scope of the environmental assessment process is restricted to the environmental effects of projects, any directly related social effects, and to the concerns of the public. In special cases under the guidelines, where the Minister of the Environment and the minister of the initiating department consider it appropriate, an environmental assessment may also include a consideration of the general socioeconomic effects of and the need for the project.

Let me turn, by comparison, to the scope of the environmental assessment process in the proposed legislation. When I finish describing this new process, I will defy anyone, including my friends opposite, to tell me that Bill C–78 is a retreat from the current situation. Instead, I will challenge my hon. friends on the other side of the House to open their minds, recognize the facts, and admit that this legislation represents a substantial improvement over the current process.

Clause 11 of Bill C–78 describes the factors that must be considered in conducting an environment assessment of a project. These are divided into two groups: those factors that must be considered in any project assessment, and those factors that must be considered in the case of projects that are subject to a mandatory study, a panel review, or a mediation.

The environmental assessment of any project must, at the very least, include a consideration of four critical factors. The first of these factors is the environmental effects of the project. But this factor does not stop there, as it does under the current guidelines order. A consideration of the environmental effects of a project under the new legislation must include a consideration of the effects of any malfunctions or accidents that may occur in connection with the project. It must also include a consideration of any cumulative effects that are likely to result from the project in combination with other projects that are being carried out, or are likely to be carried out in the same vicinity.

This single factor alone represents a substantial improvement and a substantial broadening of the scope of environmental assessment relative to the current situation. For the first time, explicit recognition will be given to the fact that projects are subject to both mechanical failure and human error. Proponents will be required to build such considerations into their project plans in a manner that will anticipate the occurrence of malfunctions and accidents and prevent their effects from being felt in the environment.

Also for the first time, explicit recognition will be given to the fact that projects do not occur in environmental isolation, but can contribute, in a cumulative manner, to an over–all reduction of environmental quality. Proponents will be required to examine the environmental effects of their projects, both on their own merits and in relation to other existing and planned projects in the vicinity. In this manner, it will be possible for the first time to ensure the achievement of effective environmental quality goals and objectives.

The second of the four basic factors is the significance of any environmental effects that are likely to occur as a result of a project. A determination of the degree of significance will allow project proponents and federal authorities to focus their efforts on those effects which pose the greatest danger to the environment and on those measures that can most effectively reduce or eliminate those effects. In this manner, environmental

assessment will move from a subjective hit-and-miss art to an objective and cost-effective science.

The third of the four basic factors in environmental assessment under the new legislation pertains to the comments and concerns of the public. While this factor is similar to the one under the existing guidelines, the way in which this factor operates under the new legislation will be much improved. Bill C-78 provides far more numerous and more structured opportunities for the public to receive environmental assessment information and to participate in the environmental assessments of projects that are subject to the legislation. In short, the Canadian Environmental Assessment Act will establish a far more user-friendly process than the current guidelines order.

The final of the four basic factors that must be considered in the environmental assessment of any project is mitigation. There would be little sense in anticipating the environmental effects of a project if there was not a parallel requirement to take the necessary steps to control or eliminate those effects. The new Canadian Environmental Assessment Act will ensure that the proper mitigation measures are considered during the planning stages of projects and that effective measures are put in place at the start so that projects are safe from the time they are undertaken.

In short, the government is committed to anticipating and preventing environmental damage, rather than reacting to and curing, or attempting to cure, damage that has already occurred. This principle lies at the base of the Canadian Environmental Assessment Act and it makes infinitely good economic as well as environmental sense.

Those are the four basic factors that must be taken into consideration in the environmental assessment of any project under the proposed act. Impressive though they may be, they are not sufficient to achieve effectively the goal of sustainable development. Therefore, for major projects that will require a mandatory study, a panel review or a mediation, four additional factors will have to be considered.

• (1540)

The first is the purpose of the project. It will be important, in considering the environmental implications, to have a good appreciation of the need for and the advantages to be gained from that project.

The second additional factor for major projects is a consideration of alternative means of carrying out the project. It is often a fact that the most economical way of carrying out a project may be very environmentally damaging, and the most environmentally friendly way of carrying out a project may seem to be very costly. Alternatives must be considered.

The third additional factor for the environmental assessment of major projects is follow-up programs. In particular, emphasis will be placed on verifying the accuracy of the environmental assessment and determining the effectiveness of measures taken to mitigate the environmental effects of the project.

The final factor which must be considered is far from the least. It is a consideration of the short or long-term capacity for the regeneration of renewable resources that are likely to be significantly affected by a project.

[*Translation*]

As you know, Mr. Speaker, this government undertook a long time ago to honour its commitment to sustainable development as proposed in the 1987 report of the World Commission on Environment and Development, also known as the Brundtland Commission.

With the promulgation of the Canadian Environmental Assessment Act, this commitment will take on a meaning that will extend its application to all major projects the government is involved in.

In this way, Mr. Speaker, we are living up to our commitment to make Canada, by the year 2000, the world's most environmentally friendly country.

[*English*]

In conclusion, since Bill C-78 was tabled on June 18, I have been appalled by some of the statements attributed to supposedly informed environmental activists and opposition critics. These people have been very quick to offer their opinions on the scope of the legislation and to

suggest that the legislation represents a significant step backward from the current guidelines order. Nothing could be further from the truth.

The Canadian Environmental Assessment Act represents a bold initiative in the field of environmental assessment that will place Canada at the leading edge of responsible environmental stewardship. It represents a very significant expansion and improvement to the current guidelines Order in Council, and I trust that my remarks in the House today on the scope of the new process will put to rest any concerns in that regard.

Bill C–78 is a critically important legislative initiative that will provide environmental and economic benefits to Canadians for years to come and will place Canada in the forefront of economically concerned countries by the year 2,000.

[*Translation*]

Thank you, Mr. Speaker, for your interest in and attention to this bill which is so important for our country.

Mr. Jim Fulton (Skeena): Mr. Speaker, I have a question for my friend from New Brunswick.

[*English*]

I would like to compliment the member on that marvellous Environment Canada speech, but I would like to ask a few precise questions about the legislation itself.

I know the hon. member supports the concept of intervenor funding, but it is not found in Bill C–78. I wonder if he might want to express some support now during second reading for that principle which he thinks so highly of.

The second question is in relation to what is known as the exclusion lists and the mandatory lists. They are not included in the legislation. I am sure the hon. member, who has a background in resource management, knows that one has to be precise and one needs to know. That all comes under Section 55, but unfortunately most of it is proposed to be done by Governor in Council. I think the member would agree that we need to fill in what is on this exclusion list or exemption list and what is on the mandatory list.

I think the hon. member would also agree that statutes to which this legislation refers should be listed. The minister himself said that the Fisheries Act will be included. There are about a dozen acts suggested as being included. We are now aware that there are dozens of federal statutes that should be included. Does the member not think that those statutes should be included now? Should we not include intervenor funding now in the legislation? Should we not include those projects that are on the exclusion list and those that are on the mandatory list now so that everyone in the country knows, and should we not include the statutes to which this will apply whether it is for federal permits or federal jurisdictions?

Mr. Bird: Mr. Speaker, with respect to intervenor funding, the minister in his statements concerning this new bill has made it clear already that intervenor funding and public participant funding will be available. The estimate is that $100 million in additional funding will be involved to carry out the full provisions and implications of this act.

I would just like to read some of the conditions by which participant funding will be distributed to applicants.

Applicants must be directly affected by the proposed project or show a clear association with those who are.

Applicants with greater need will be favoured. They must also commit their own time and resources.

Applicants who are capable of making a unique and original presentation will be given priority.

Applicants who organize co–operative presentations will receive priority.

Applicants must prepare a clear plan of activity consistent with the terms of reference of the review.

Applicants from all sides of an issue will be equally considered.

The intentions of the government in this regard are very well stated and laid out. By leaving the matter open and subject to regulation, as with the list of statutes to be affected by the legislation and the other criteria that the hon. member has identified and suggested be in the bill, it seems to me that with the dynamics of the environment changing so rapidly, with all of us acknowledging that there are new environmental concerns today that we did not quite appreciate last year, it is very important that the Government of Canada be in a position to move swiftly to address those environmental concerns with flexibility and not be inhibited and locked into legislation

that perhaps is too narrow or not comprehensive enough.

With respect to the exemptions from the legislation, the types of projects that are contemplated for exclusion have already been advanced by the minister. These include projects that are carried out during emergencies, projects that have been demonstrated to be environmentally inconsequential, projects where the federal involvement is minimal, projects related to matters of highest national security, physical activities but not physical works for which an environmental assessment would be inappropriate, and physical activities which are not within the definition of a project and falling within the definition of the act.

It seems to me that in the statements and elucidation of this bill that has already been provided by the minister and other speakers in introducing it and by officials of the department, the questions of the hon. member are well answered. The flexibility of regulations are far more effective in terms of environmental assessment development in this case than would locked-in concepts be in legislation.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I wonder if my colleague could provide some information on the funding. We have been told by the Minister of Finance and by the Minister of the Environment in the House that whatever money is necessary to implement a Green Plan, which is intended to be presented some time in October or November, will be available and in fact is available in the budget. Now we are told there is another $100 million. I wonder if the hon. member could tell us where that money is coming from. Is it in the current budget, or are we waiting until next year to have this legislation acted on?

Mr. Bird: Mr. Speaker, I cannot answer that question definitively. I certainly would take it as notice and endeavour to get the precise answer. I would expect that there has been provision made in the 1990 budget for the establishment of the new agency. The introduction of this legislation certainly has been anticipated for quite some time.

I am a member of the committee with the hon. member which has examined the estimates. I do not have them with me so I cannot answer her question, as my memory does not serve me well in that regard. It may well be that supplementary estimates will be required to address this very important and exploding subject of the environment and all that is involved therein. I will take that question as notice and get a more precise answer for the hon. member.

• (1550)

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, in light of the fact that we have just gone through a constitutional process where the major criticism was that the whole process was not transparent enough, that people did not know what was going on, and that too much was done in the backrooms by politicians, and also in light of the commitment during the election campaign that decisions of government would be subject to an open and full environmental review, how can the member rationalize the fact that decisions by cabinet will be escaping that review process and essentially Canadians will be told that we will have to trust the cabinet with respect to the impact of cabinet decisions on the environment.

Mr. Bird: Mr. Speaker, I feel there is no process so clearly accountable than is the cabinet process of government. Frankly, it seems to me that the implications of our environmental assessment activity will be made clear to the public, and will be subject to public examination.

As a matter of fact, the bill conveys a very solid, strong commitment to full public participation. That is one of the principal criteria of the act. I support the democratic principle of responsible government. I believe the cabinet, in its daily exercised responsibilities, is the most responsible and accountable process.

As somebody has said previously, democracy does not seem to work well all the time, but it is certainly the best system we have.

Mr. Rex Crawford (Kent): Mr. Speaker, I am very pleased to be able to speak today on Bill C-78, an act to establish the federal environmental assessment process.

It has been a long time coming, Mr. Speaker, and the Minister of the Environment has certainly produced a document of great effort, with the best of intentions, but I am afraid that it has clearly fallen short of the expectations of most Canadians who have been making demands for decisive environmental assessment legislation.

The Minister of the Environment is taking Canadians for fools if he thinks he is going to pacify us with yet another generalized framework of legislation. After three years of study and 15 drafts, the minister has provided us with environmental assessment legislation that is skeletal and without solidity, not what this country needs at this crucial point in the environmental health of our nation.

Canadians have been waiting for new environmental legislation that will replace the old informal guidelines we have been following aimlessly since 1984. This legislation had previously given the Tory cabinet broad latitude in which it has woven a tangled web of misused and ignored guidelines.

Once again, the government has cleverly slipped out of making any real decisions by simply deferring the bulk of the legislation, to be drafted at a later date. This could be two years down the road. This is time that we do not have in our battle to prevent the environmental destruction that is plaguing our country.

As I read through Bill C–78, I noted that it might strengthen guidelines that allow environmental impact studies on projects such as dams, pulp mills, navigable waters or nuclear power plants. I had hoped it might give force to the idea of sustainable development, taking into consideration perhaps industry studied depletion of our renewable resources and the cumulative effect of many concentrated industries.

I am left realizing, however, that there are several weaknesses inherent in this environmental assessment bill and there are many questions that are not strategically answered within. This bill has been purposely designed to avoid telling the public the critical and most important detail of how the government will go about regulating a project. The scope and essence of this bill have been lost because no clear regulations have been set out for us within the legislation.

Once again, we have a loose framework with regulations to be decided upon later in the game by public policy bureaucrats. Does it not make sense that these regulations should be made clear to everyone from the outset? What kind of game is the government playing with the environment when upcoming and developing projects have to deal with random regulations? The rules are being made up as we go along and that is not playing fair with Canadians.

The Minister of the Environment hails this bill "as powerful in its impact on decision making". I question this line of thinking. The legislation will be worth nothing if cabinet fails to pass regulations listing all specific federal jurisdictions and legislation under which it can be used. Surely the people of Canada cannot be expected to blindly trust the cabinet to establish powers which will only be made public after the bill passes through the House of Commons, any time in the next two years or more.

There is a lack of strength of the environmental assessment agency process within the legislation. After reviewing a study of a particular project and the board finds it to present a risk, the agency can advise the environment minister to direct a panel of outside experts to assess that scheme.

The process starts off with good intentions, but then weakens. This panel could only make recommendations. It could not order a stop to any project. On top of there being a set of regulations to implement, the panel must make its recommendations, not to the environment minister or to the cabinet, but to the minister who wanted the project built in the first place. I see this as a waste of valuable study time. It is a process which seems to be defeating its own original purpose.

One of the government's own officials who helped draw up the bill, openly admits to this weakness, saying that the sponsoring minister may ignore the appointed panel and go ahead with the project. The only mechanism in place to prevent this from happening would be a mere appeal to the cabinet from the environment minister.

We have seen a similar process take place over the past 15 months in the case of the Green Plan. What did we end up with after an appeal from the former environmental minister? Nothing but a paltry framework for discussion. There is no solidity to the Green Plan, and now it seems there is no solidity to Bill C–78.

This legislation is not precise enough. It does not say how extensive the cabinet assessment must be, what standards for environmental protection must be followed, or how much of the cabinet assessment must be made public. Canadians must be wary of the existence of strong forces which we all know are pushing hard to

weaken any guidelines, so that the courts cannot intervene in federal projects.

This bill lacks strong enough mechanisms to ensure compliance with the rules that government sets out to ensure the proper quality of assessment be given within the project assessment of the bill. For a policy assessment to succeed, a mechanism with teeth needs to be entrenched within the project assessment, that being the part which is entrenched in the law. Right now, we do not have this.

Perhaps the government could consider appointing a commissioner of the environment who would act in a similar manner as the Office of the Commissioner of Official Languages and the Office of the Commissioner of Human Rights. This environment commissioner could act in an automous fashion, being directly responsible to Parliament and directly independent of Parliament.

Passing a law would create such an office to audit policy and project assessment which signified forward thinking in the area of the environment. Within Bill C–78 itself, regulations outlined in section 55 are to be subject to the free discretion of the Governor in Council.

• (1600)

With direct reference to section 55(b) and (d), I feel that it is of utmost importance to define a list of projects that are to be excluded from the legislation and define a list of projects that are mandatory under the proposed assessment law.

The lists should be appended to the bill as soon as possible and before it is passed so that the rules will not be changed in cabinet later. If left to the discretion of the Governor in Council, the regulations risk not being defined as may be necessary.

The hon. minister should be more forthcoming and up front with the people of Canada by indicating early on in this bill a third list which relates to section 55(g): Acts of Parliament.

I am pleased that the hon. minister has included eight federal regular Tory statutes, and I quote: "Some provisions may warrant being covered with Canadian Environmental Assessment Act." The word "may" and not "shall". Once again, however, these are merely suggested in the act, and are not defined as concrete regulations.

The federal areas which are to come under environmental assessment must be clearly laid out and regulated.

These lists, I am sure Mr. Speaker, will become the subject of much heated debate within numerous departments, so for the sake of Canada's environment, they must be established within Bill C–78 from the very beginning.

We are now beginning to see the initial moves on behalf of several provincial governments to set up their own environmental legislation in which to counter any federal power and authority they may perceive to be a threat to their own interests.

The Minister of the Environment from Quebec, for example, has said that his province will be forced to enact its own dormant legislation. He feels that it must move quickly, before federal legislation is in force, to enact an idle section of the Environmental Quality Act.

This federal environmental assessment proposal, which will screen industrial projects for their environmental impacts, will however force the provinces to occupy their field of jurisdiction. Quebec perceives this to be a threat to its projects that involve, for example, the export of its electricity.

With the form of this legislation, we are going to see a scramble by provinces to set up their own environmental impact assessment legislation for large projects like aluminum smelters, pulp and paper plants and hydro dams.

The design of these provincial assessment legislations could over–ride the benefit of federal legislation. The provinces see an urgency to protect their own industrial development and will not hesitate to assert their control of their interests.

Other provinces have jealously condemned the loss of jurisdiction by taking pains to ensure that their environmental assessment legislation is comparable to the federal government. This government will lose the strong position it held with the court decisions.

Therefore, within this legislation, there is an absence of a mechanism which will ensure compliance to Bill C–78.

This thorny question of federal-provincial jurisdiction has been largely sidestepped in this bill. The hon. minister promises that the jurisdiction will be spelled out once again in the regulations yet to be proclaimed. The hon. minister is offering us promises with potentially wide range negative impact.

As an example, I will refer to the D'Arcy McKeough dam and diversion which is in the riding of the hon. member for Lambton—Middlesex and of which he will be well aware. This project was to save the town of Wallaceburg from spring flooding.

The politicians and bureaucrats decided to expropriate the area required without due respect for the owners. Now no one likes the idea of losing his or her property to expropriation, but if fairly compensated and to help neighbours, there are no problems.

Common sense did not prevail, as the government wanted the land for nothing. Those affected by this expropriation formed a committee referred to as SOS, Save our Sydenham. The battle was on. At the examination for discovery, after many days of hearing witnesses, the judge ruled in favour of the SOS committee. To make a long story longer, a project that originally was to cost approximately $7.3 million ended up costing the provincial and federal governments in excess of $40 million.

At that time I sat on both the SOS committee and on the St. Clair Conservation Authority. You can imagine my frustration, due to a conflict of interest, in not being involved when the dam and diversion topic was discussed and watching millions being wasted every year. In the end the dam and diversion were built. The owners were properly compensated and the town of Wallaceburg was saved from flooding in the spring. In the process of not having guidelines, the government blew over $30 million. This is only on a small project.

In discussing Bill C-78, it is also important to draw attention to the fact that Canadian foreign aid, Crown corporations and support for Canadian exports abroad, will be subject to special rules still to be determined within the legislation. Again, it is important to the substance of this bill that policies with international implications be a part of the immediate act.

To close, I would like to point out one final weakness in Bill C-78. I question whether this bill entails the most efficient and effective method in which to utilize the additional $100 million in allotted government funding. The government has reached the point where it must really turn things around as far as its efforts toward the environment go. This environmental assessment bill could become a cornerstone for Canada if only the government would take a few larger steps further to create a more dynamic piece of legislation.

[*Translation*]

The Acting Speaker (Mr. Paproski): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Prince Albert—Churchill River (Mr. Funk)—The Goods and Services Tax; the Hon. Member for Nanaïmo—Cowichan (Mr. Stupich)—The Fisheries; the Hon. Member for Burin—St. George's (Mr. Simmons)—The Fisheries.

[*English*]

Mr. A. H. Harry Brightwell (Perth—Wellington—Waterloo): Mr. Speaker, I am delighted to participate in debate on Bill C-78, the Canadian Environmental Assessment Act.

I must say I am a little bit surprised at the order because, indeed, I thought my colleague across the floor would speak first. I was looking forward to hearing what she might say.

The concern of the people of Canada for the environment was very evident last year when we came back to this House as a new government, newly elected and set up new committees. I noted that every committee was working on environmental issues involved with their particular interest. Out of that concern grew my work on parliamentary reform and global climate change. It emphasized to me that everyone in all aspects of life is getting more and more concerned, and I am delighted that this government is demonstrating its concern and interest by introducing Bill C-78.

Bill C-78 outlines a legal process, establishes ground rules and creates an efficient balanced approach for the environmental assessment process. In addition, this bill guarantees the public that they can participate in the process and be able to influence government decision-making. In this way, this legislation provides the most fair and open environmental assessment process in Canada and, indeed, in the world. This government is acting on the concerns of Canadians and the recommendations of the World Commission on Environment and

Development, the Brundtland commission. The World Commission added new impetus and focused growing public demand for reforming environmental assessment processes. In its report, "Our Common Future", the commission concluded that the environmental assessment processes would be more effective if they were mandatory and entrenched in legislation; this is what we have done.

• (1610)

This reform package that we have introduced will ensure that all decisions of the federal government fully integrate environmental considerations where these are relevant to ensure protection of our natural environment and for future generations of Canadians. We believe, indeed we know, that many of the environmental problems we are forced to deal with today could have been avoided if we had simply improved the way in which we have planned in the past and we will do that by planning better in the future. Before we begin a project, it is just as important to know if a project is environmentally viable as it is to know what capital and labour resources are required to make it viable in economic terms.

It is not the intent of this government to use this legislation to stop projects, but rather to ensure that environmental impacts are considered before a project proceeds. This is the only sensible and fair thing to do, to protect the rights of future generations of Canadians to an environment equal or better to the environment we inherited from our parents. This government has gone to great lengths to make sure this legislation is the most fair legislation possible.

Let me start by showing this House how the whole process we have introduced is a fair one. For example, it would not be fair to the Canadian taxpayer to conduct environmental assessments of projects we know would not damage the environment. For this reason, we have proposed an exclusion list to be compiled through public consultation. The list will include projects known not to pose any risk of harm to the environment or where environmental effects are negligible. Projects such as simple renovations, routine operations, purchasing supplies or minor construction would be exempt from this review. However, we also believe it would be unfair not to conduct assessments on projects we know will impact on the environment, so we have proposed a mandatory study list. Projects on the mandatory study list will be large-scale projects that often generate considerable public concern, such as large oil and gas developments, uranium mines, major hydroelectric developments and large industrial plants.

Perhaps I could add here that I was astonished recently to learn that dams which we have in the past always felt were not harmful insofar as the hydroelectric generation aspects are particularly difficult to manage from the standpoint of mercury contamination of the water for a few years after they are put into operation. Another major part of dam construction that I had never considered before is that of methane generation and the impact of the methane on the warming trend. New information seems to be coming forward and putting different perspectives on things that we thought before were not harmful. To ensure that the lists are acceptable to the widest number of Canadians possible, we have proposed an equal and fair opportunity to any interested individual to play a role in the development of the exclusion and mandatory lists.

Further, it would not be fair to expect industry, environmental groups and communities to spend time and money participating in environmental assessments of projects similar to ones already assessed for environmental impacts. For this reason, we have proposed a process to assign projects of a similar nature to classes for review. We have proposed that projects could be assigned to classes if they are routine, repetitive and known not to cause significant or unmitigable effects. Such projects could include dredging, highway maintenance or rebuilding of facilities on the same site. Further, it would not be fair to ask Canadians to accommodate unnecessary delay because of environmental assessments. We recognize that many projects requiring a federal decision may also require decisions from other interests, including provincial governments, foreign states or other federal authorities with similar review processes. We believe co-operation can ensure the environmental assessment process is efficient and reduces duplication of work and cost to all parties and stakeholders.

The act offers a number of mechanisms designed to overcome such duplication and inefficiency to achieve closer co-operation and co-ordination between interested parties having responsibilities in relation to the same project.

The act enables a responsible authority to co-operate in the preparation of environmental assessments with another party or jurisdiction in the case of a screening or a mandatory study. It requires the responsible authority to exercise the appropriate quality control for any assessments so undertaken. It does not, however, allow the responsible authority to delegate any of its decision-making powers.

This feature will enable federal authorities to work closely with other parties and jurisdictions to minimize duplication and confusion without sacrificing environmental values. Not only is the process fair, but the opportunities for participation are fairer than ever before. The Government of Canada believes public participation is essential to achieving an appropriate integration of economic development and environmental protection.

The Canadian Environmental Assessment Act will provide a fairer opportunity for public input at all stages of the assessment process. Under the act public participation will be encouraged in a number of ways.

For instance, public participation will be enhanced through early notification. Responsible authorities will be required to inform the public through public registries and newspaper ads of major project proposals at an early stage of the assessment process. Public comments will be invited at that time. Time periods for the receipt of comments and information will be established by the agency.

Also a public registry will be established for each project, containing reports and supporting documents and information used in the assessment of the projects and the course of action following completion of the assessment. The public will have full access to the registries. The Access to Information Act will apply with respect to any restricted information.

Mediation will also enhance public participation. It will involve representatives of public groups which have a direct interest in or are directly affected by a proposed project.

Mediation is fair on two counts. First, it provides a fair opportunity for interested parties, opponents, and supporters to participate in an environmental assessment. Second, it reduces the time and money required for full assessments in cases where it appears all stakeholders are willing to participate and consensus is considered to be possible.

To maintain neutrality the Minister of the Environment, rather than the proponent or the responsible authority, will appoint the mediator. The mediator will assist and advise participants, not make decisions for them.

Panel reviews will also provide equal and fair opportunities for stakeholders to participate in developing recommendations on a project for the Minister of the Environment. Review panels will conduct their deliberations independently of the government. Review panels will be required to hold public hearings to allow the public to present its views and recommendations.

To assist public participation, the reform package includes a participant funding program to ensure that stakeholders have the opportunity to participate and play a full role in panel reviews and mediation.

The purpose of the financial assistance program is to improve the fairness and effectiveness of public reviews by increasing the equality of participation. It will help achieve balance and objectivity of decision making by supporting the preparation and presentation of informed views for decision makers that might otherwise not be available.

Further, Canadians will have the opportunity to comment on each individual act regulated under the Canadian Environmental Assessment Act. This government could have included a list of acts in the actual legislation. This would have provided Canadians with only one opportunity to comment on their inclusion, but the process that we have proposed will allow Canadians to comment on each regulatory statute to be included. Indeed, I believe it gives the government greater latitude to include other acts than it would if we had to choose them all at the present time.

Finally this government recognizes that it is only fair to lead by example. For this reason, while debate continues on the proposed legislation and Canadians make submissions to the legislative committee with regard to this legislation, we will begin immediately to consider the environmental implications of all proposed policy.

• (1620)

The results of the environmental assessment of policies will be integrated into the analysis supporting the policy proposal and will be incorporated into the memoranda to cabinet.

For the first time there will be routine environmental assessments of all federal policy proposals coming before the cabinet. This is a very important element of the reform package which accompanied the introduction of Bill C–78.

In summary, we are debating a bill in which everyone in this House can take pride. I am certain that we are examining a bill which will be a cornerstone of Canadian environmental policy for years and generations to come.

Mr. Jim Fulton (Skeena): Mr. Speaker, I wonder if the hon. member could respond to a very deep concern that there is in much of Canada about the 1984 cabinet guidelines order.

As the member knows, in Saskatchewan the Rafferty–Alameda project is proceeding even though the Government of Canada is paying Saskatchewan $1 million a month not to proceed. Supposedly it is proceeding on the basis that this is safety related work. I do not think anyone would dispute in relation to any large project where there is such a scrambled jurisdictional omelette as the Rafferty–Alameda that safety related work should be completed.

There does not seem to be a distinction between safety related work and completion construction. The same is true in Alberta with the Oldman development despite a unanimous ruling of the federal Court of Appeal that the project should not proceed until an environmental assessment has been done, both on transport matters in relation to the Navigable Waters Act and in relation to the Department of Fisheries and Oceans.

My question to the hon. member is this: How can Canadians trust a piece of legislation which does not either include the statutes, the exemption list or many other things the government says it will put in it, like intervener funding at some point? We have the Rafferty–Alameda project running contrary to a Federal Court ruling and the Oldman proceeding despite a unanimous ruling of the federal court of appeal.

What should be done on those two, and should the other statutes not be included?

Mr. Brightwell: Mr. Speaker, obviously I cannot answer all the hon. member's questions. My involvement in environmental affairs is more recent than his own. Indeed he knows all the background to the particular questions he has asked.

It would seem to me that under this act, with the ability to review projects before they get going and before they are put in place, any of the problems he is signifying seem to be occurring with the Oldman dam and the other dam out west would be avoided.

He should be applauding the government for taking action and presenting a bill today that could avoid such problems in the future.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I think it is unfortunate when an hon. member rises, delivers a speech, and is not as familiar as one might be with the subject matter, or he would know that the answer he just gave the House does not really reflect reality.

The courts have been quite clear that the government has not only the power but the obligation under the existing legislation to conduct an environmental assessment in any area of federal responsibility. This obligation which I will be speaking to shortly is in fact weakened by this legislation and not strengthened.

The government asks us to take a great deal under this legislation on faith. I wonder if the hon. member would tell us how the government intends to demonstrate that faith by complying with the orders of the court in the Oldman River Dam in carrying out, as directed by the court, an environmental assessment by the Minister of Transport and by the Minister of Fisheries and Oceans to ensure that the project is not further proceeding as it is now, totally illegally and without the required permit from the Government of Canada under the Navigable Waters Act.

Mr. Brightwell: Mr. Speaker, I do not know whether I should be very annoyed, just a little annoyed, or quite what my reaction should be to the member's elitist. Because the member is very informed with her background in environmental processes, she feels that I as a newcomer to the field with an interest and a deep

concern for my family, for my grandchildren, should not be able to comment on a bill before the House. I believe that is narrow in perspective and totally unfair to the process. Indeed I am learning about the process as I go on. I believe that is a right and a privilege that I should have freely in this House.

Mr. Len Gustafson (Parliamentary Secretary to Prime Minister): Mr. Speaker, on the very important matter of the environment and as a member who serves the area wherein the Rafferty–Alameda dam is located, one of the very disturbing factors is that we get many comments and many opinions cast before people understand the project.

If we are truly to have a good environmental approach, which we all want to see, I think that the opposition and government people will have to take some responsibility in terms of knowing what they are talking about.

I will give you an example. One of the people who has been most outspoken on this issue said that there were 2,400 acres of trees in the valley. There is one little grove of trees in the valley. There are people passing comment without even seeing the project.

It is safe to say that 90 per cent or more of the people there, whether they are Liberal, NDP, or Conservative, say that we need water in that area. This matter has been studied since 1905, and this type of approach does not help provide a good direction for environmental concerns and issues.

If we are to have sustainable environmental development, we have to take a balanced approach and we must know what we are talking about in dealing with individual projects.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I am pleased to see this bill before the House. We have been anxiously awaiting it for a long time. Other members who have been in the House longer than I have been here were awaiting it long before I was. It is indeed a pleasure to have it before the House and to have an opportunity to have it referred to a committee for detailed study and, I would hope, some substantial strengthening and improvement.

As I see the bill, it is in fact a step backward from what we now have in place. The courts have been very clear as to the strength of the guideline orders that are currently in place and have been since 1984.

They have been very clear that the guideline order places on the government and on every agent of the government, specifically on every minister, not the possibility but the responsibility to do a full environmental assessment of any project that touches on a minister's area of responsibility.

The courts have been very clear that the effect of the guideline orders is all inclusive and pervasive. It is therefore very disappointing to see before us in this long awaited legislation a bill that is intended to exclude more than to include, a bill that sets up a framework for the government to do the least possible rather than the best possible.

We have a situation where in fact how good this legislation is or how effective it is in protecting our environment depends very much on how the government chooses to use it. The guideline orders show that the government has chosen in most cases to get away with the minimum it can rather than do the most it can do. It is disappointing. At this stage, particularly with the level of public awareness of a new approach to the environment that is much broader than simply not dirtying the water and not fouling the air, the legislation does not deal with the concept of sustainable development. In fact, it specifically excludes those factors from being taken into consideration. They are important issues such as the unwarranted waste of resources, especially non-renewable resources. The whole purpose of preserving our environment for future generations and changing the way we behave and operate is so that that objective is achieved. A good part of that is based on, not temporary damage to certain aspects of our environment, but whether we even will have enough resources left in the future on which to survive and thrive.

• (1630)

One other major issue that I feel is excluded from the bill and that I hope we will be able to consider in amendments to the bill when it is before committee is aboriginal rights. It is a shame that a small country such as New Zealand can, at this stage in its history, ensure the preservation and protection of aboriginal traditions and cultures in its comprehensive environmental legislation and a country such as Canada has not chosen to include that as a factor to be considered in carrying out environmental assessments. I do hope members of the House, particularly members of the government, are prepared to consider favourably amendments that will no doubt be brought forward to ensure that aboriginal

traditions and cultures are part of the environmental assessment that comes with any project.

A third major point that will need a great deal more attention when the committee addresses the bill in greater detail is the international factor. The bill very specifically excludes the Export Development Corporation. The Export Development Corporation is responsible for assessing those projects which Canada will fund to develop exports particularly to developing countries. It is irrelevant to include CIDA and CIDA projects abroad, which are overseas development aid projects, in the requirement for environmental assessment and yet not include the Export Development Corporation through which major goods and services are exported to developing countries.

The Environment Committee, through its hearings, has become increasingly aware of the importance of what we do internationally to the point where, if our concern is our global commons—our global atmosphere, our global water supply, our global supply of lands and natural areas—then we have to look very seriously at balancing what we choose to invest in Canada and elsewhere in the world in terms of protecting the environment.

It makes absolutely no sense for us to cut back on environment-destroying technologies in our own country while, through the Export Development Corporation and its assessment of projects, continuing to finance the export of projects to developing countries without any consideration whatsoever as to the environmental impacts of those exports that we have chosen to subsidize or to finance. It simply is a truism to say that anything that goes up into the air over China, India, or Indonesia, comes down in Ottawa, Toronto, Vancouver, or Rimouski.

I want to speak about the assessment of cabinet policy. I understand very well the tradition of cabinet secrecy and confidentiality and the reasons why material that goes to cabinet cannot be public. However, given the statements of the government and the concern of the public, I am shocked to find that an environmental statement or consideration is not already a required item on material going to cabinet. I believe that this is an extremely important weakness in the bill in that cabinet decides on the spending of many billions of dollars. It decides on significant expenditures on physical projects that have great potential to damage the environment. It decides on energy policies which have significant potential either to help or harm the environment.

In my view, the public is entitled to know on which considerations those decisions have been made, what their impact on the environment will be, and whether or not they are good policies from the point of view of the environment. The legislation does absolutely nothing to give the public that assurance. One can achieve that quite easily, respecting cabinet secrecy and at the same time respecting the public's right to know, by simply guaranteeing in the legislation that, once determined by cabinet, every policy will be subject to an environmental assessment review as any other project of any other private sector individual. The results of that assessment will be made known to the public and they will have opportunity for input and comment.

I want to speak about some of the loopholes in the legislation which I certainly hope we will be able to do something about when we come to deal with this and report back to Parliament on the legislation.

First, we start with projects on federal lands. However, we exempt those lands which the federal government has previously sold or any sale of federal lands unless there is a specific project. The government should, as a public owner of land, assume that it has a public responsibility of public trusteeship and when it disposes of land, for whatever purpose it is disposing of or leasing land, it should be subject to an environmental assessment. The sale in itself constitutes a project or an activity of government that should be subject to an environmental assessment.

I am concerned about weak-kneed wording such as "shall include a consideration of" and "mitigation without definition". I am concerned that the scope of factors to be taken into consideration by any responsible authority, and that includes a minister, shall be determined by the responsible authority. In other words, if I am sitting there as a minister sometime wanting to build some major big project, I have the right under this legislation to decide on what terms and conditions the environmental impact of that project shall be considered. Obviously, that has got to be tightened up.

We have the words "serious environmental impact use" and "significant environmental impact use", without attempting in any way to define those. A minister at any time could assume that, even though he has identified environmental impacts, they are not significant or they are not serious. Obviously, we have to clean up some of that.

In comparison to the guideline orders presently in existence, I notice the legislation does not give due attention to public concern. Currently under the guideline orders, any project about which there is public concern about the environmental impact must be subject to an assessment. That completely disappears from this bill. I do have trouble accepting the words of the hon. member who said earlier that this bill is a step forward and that it leaves behind guidelines that are ineffective and insufficient and puts something stronger in place. On reading the bill, it is evident to me that is not the case. In fact, if the bill cannot be strengthened, we would do better to stick with the guideline orders and the court interpretations that we now have on those guideline orders. They are comprehensive, inclusive, and far more widespread in the kind of projects that need to be assessed.

In bringing forward this legislation, the government has, in essence, given itself a great deal of power to exempt virtually anything from an environmental assessment. That is something that is not acceptable. This is far too important, not only for the future of our country and for the assets we hope to pass on to our children, but for the future of the world. We are on the brink of destroying the ozone layer that protects life on earth from ultraviolet radiation. We are on the brink of massive climatic change if we do not act. Yet, we have wishy-washy legislation before us that is a step backward from where we are now, not a step forward.

• (1640)

There is a great listing on page 33 of the bill of everything the government can do to exempt projects, ministries, or agencies of the government from the requirements of this act. If the government is serious, it will put forward a list now of legislation, act, ministries, and agencies that are subject to the acts. It will make a comprehensive and all-inclusive list and it will agree that there may be additions to that list by that regulation but removals may only be made by Parliament. That is the only thing that protects us and ensures public scrutiny of how the government operates under this legislation.

With all those powers, the government is essentially saying: "Trust me. Trust me to do what I say I am going to do." I think we have had good reason in the last six years not to trust the government, particularly since November, 1988.

I need only remind the public and members of the House of the many sacred trusts that have been violated and of the statements by a minister in Newfoundland that the government would not touch unemployment insurance and within months we were slammed by a retrograde UI bill. We have had statements by the Prime Minister himself, pledging his loyalty to his mother and swearing he would not touch old age security. We have had a number of bills before us that do exactly that. They touch pension plans in a detrimental way.

We are being asked to trust the government that decimated its investment in alternative energy from $500 million down to $50 million. It did this at a time when it is going to international conferences and talking about the importance of alternative energy and reducing the dependence on non-renewable fossil fuels. Yet, its actions speak louder than its words.

This is the first year the Department of the Environment itself has recovered from the massive slashing of its funds that has taken place over the years that this government has been in power.

There is the Oldman River dam where, despite a unanimous court decision, the Minister of Transport states it is okay for him to let this project go ahead without a permit required for safety reasons. If he is sincere about that, he should issue a revised permit that sets out clearly what is allowed to be done at that project and that establishes clearly that the works to be done are those related to safety and safety alone. Not having done that, he and his colleagues have shown clearly that they are ignoring the order of the courts and ignoring the environmental assessments required to be done. He has abandoned any control over that project that he is required—not able but required—to exercise under the Navigable Waters Protection Act. This is the government we are being asked to trust.

I spent the best part of yesterday and today at Green Plan consultations. I heard a great deal of scepticism in a roomful of primarily business people and business organizations, not environmental groups. I heard scepticism about the intentions of the government, because, again,

this is the government we are being asked to trust. It had a green strategy that was ready to be brought forward last February.

We, who are members of the environment committee, put ourselves under a great deal of pressure to try to produce recommendations for the minister at a time that would have supported provisions in the budget to implement the green strategy. That was last February. Now, here we are into summer and we are back to an amorphous, meaningless discussion document that lays out no options, gives no costs and gives no analysis of the pros and cons so that thousands of people who participated in these consultations can sit down and, rationally, in a well informed manner, give the government their advice. That is the kind of frustration I was listening to this morning and all day yesterday.

Businesses are saying what businesses have always said: "Tell us the environment in which we have to operate and we will operate in that environment." They want to know the rules, they want to know the regulations, and they want to know that these rules and regulations are not going to change from moment to moment, from month to month or from fiscal year to fiscal year. This bill does absolutely nothing to give them the security that the environment will be protected. It is not only non-governmental organizations and environmental groups that are concerned about the environment. They want to do their part in protecting it but how can they? How can they, when the government can prescribe a list of projects for which an assessment is not required, prescribe a list of classes of projects for which no assessment is required, prescribe anybody to be a federal authority or not to be a federal authority? How can the citizens of this country know what they can expect from this government if it is not prepared to put it into legislation? How can our provinces know what they can expect and what requirements they have to meet if the legislation is not clear, is not immutable and not subject to the political convenience or the whims of a government?

We have already seen how the Ministry of Industry, Science and Technology considers the environment. The environment that provides for things that are not immediately of tangible value but have some higher value, poetry, music, what have you, as if care for the environment is something we can do without. We know that this legislation has been weakened. It has been weakened by a cabinet that is weak-kneed and unprepared to do what the Canadian public wants it to do. I challenge members of the government, as we go into committee with this, to please be prepared to make it clear, precise and strong.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the hon. member for Ottawa West has given us a very thorough and interesting analysis of the bill before us. She has put forward some interesting views about aboriginal rights and about the international dimension of this bill. She has reviewed the performance of this government in relation to the Oldman River dam. We know that the hon. member for Ottawa West has been quite active in this House on the question of the Rafferty-Alameda project. In view of the intervention made just a few minutes earlier by the member for Souris—Moose Mountain, I would like very much to hear the views of the member for Ottawa West as to the performance of this government in relation to the Rafferty-Alameda situation.

Mrs. Catterall: Mr. Speaker, I really do not have to comment on it, the courts have done that adequately and fully. The courts have said that the government failed miserably and completely to accept and to exercise the responsibility it had under the existing guideline orders and that it has failed since then to act as it should act.

The courts have made it clear that on any project under federal authority, not limited as this bill is to projects on federal land or funded by the federal government, the federal government and the federal minister under whose authority it comes, can and must act to carry out an environmental assessment to protect the interests of the public of Canada and to protect the natural heritage of Canada.

Mr. Ross Stevenson (Durham): Mr. Speaker, I am very pleased to have this opportunity to join in this debate. Following the previous speaker, it is very good to have an opportunity to put some facts forward. It is tempting to go through the comments that the previous speaker made one at a time and answer some of the rhetoric that was put forward. This particular government does not have to take any lessons from the previous Liberal administration. Being a member in Queen's Park in Ontario for a number of years, I am aware that the province of Ontario has had an Environmental Assessment Act since, I believe, 1977 or 1978. From that period of time through to 1984 the government that was in power during federally was a Liberal government. Did that Liberal government act to bring forward environ-

mental assessment legislation? Very clearly the answer is no.

• (1650)

Just prior to the federal election in 1984 it brought in guidelines which it hastily threw together in the form of an Order in Council. These guidelines were intended to be just guidelines. They were never intended to come under the microscope of the courts. Clearly, although some of the members have stated that this act is not a step forward, I think the facts speak quite differently. I do believe that this is a major step forward. The bill has been under public consideration for some period of time has been put together as a result of that public consideration and I am very pleased to have an opportunity to speak to this bill.

It is the view of the government, and certainly my view, that the environmental assessment act is a major step forward in our nation's campaign to preserve and enhance our environment. The bill is central to the over-all goal of the government's Green Plan, to make Canada the industrial world's most environmentally friendly country by the year 2000.

Certainly this act has the power in its impact of decision-making that it is the most significant environmental assessment legislation anywhere in the world. The bill will, for the first time, entrench in legislation the federal government's obligation to integrate environmental considerations into its project planning and implementation processes.

Given the immense importance of this legislation, I wish to briefly outline the four key principles used in designing the Canadian Environmental Assessment Act.

First, the government wanted an environmental assessment process that is clear, consistent and effective. There should be no uncertainty in the environmental assessment process.

Second, the process should be efficient and fair. Each project should receive the amount of time and the kind of assessment that it requires.

Third, the government wanted the legislation to anticipate and to prevent problems rather than adopt the less effective and more expensive approach of react and cure.

Fourth, the legislation must encourage open decision-making and provide opportunities for the public to play a role in the final decision.

It is this final point, the openness and the increased public participation which I want to spend a few brief moments talking about. I believe that public participation in the environmental assessment process is central, and indeed essential, to achieving both a strong economy and a healthy environment.

I am pleased to say that the Canadian Environmental Assessment Act will provide greater opportunities for all Canadians to participate at every stage of the environmental assessment of individual projects. Further, the act strengthens the public participation in assessment of major projects. The act outlines several ways in which public participation will be improved. It stipulates that the public must be notified early in the assessment process of all major project proposals.

Canadians will be invited to comment on the project proposals at this time. Similarly, the bill stipulates that the public must be notified when the Minister of the Environment receives an assessment report.

As well, for the first time open public registries must be established for all assessed projects. These registries will be a holding tank for reports and documents used in the assessment of the project. Decisions taken on proposed projects, including any mitigating measures and follow-up programs required, must also be kept in the public registries.

I think it is important that we make this very clear. All submissions, anything relating to a project, is in this open public file. Any correspondence, any materials that relate to that project are available for the public to read and they can use that material in formulating their own ideas and their own submissions for those projects. I think this is one of the most significant advancements here and it is on all projects.

The establishment of open public registries is a significant improvement in the Canadian environmental assessment process. Registries currently exist for some projects. However, they are maintained on a voluntary *ad hoc* basis.

Of course there will be many opportunities for Canadians to participate directly in the assessment process through the public review of major projects. Public reviews will generally be held on major projects which pose significant risks to the environment and about which the public has serious concerns.

The act introduces mediation as a new option for public review. Mediation will involve representatives of public groups which have a direct interest in, or are directly affected by, a proposed project. Through mediation, representatives will attempt to reach consensus on the potential environmental effects and measures for mitigating these effects.

Mediation is the preferred choice whenever all stakeholders are willing to participate and a consensus is considered possible. A major advantage to mediation is that Canadians who are most involved with, and most concerned about, a proposal can communicate directly with one another.

Major projects which are not suitable for mediation will be subject to public hearings by review panels. These hearings will allow all interested Canadians to present their views and recommendations.

It is important to note that under the Canadian Environmental Assessment Act, the Minister of the Environment will decide on the need for public review. Under the current Order in Council guidelines, only the minister responsible for the project had the authority to order a public review.

Now it is in the hands of the Minister of the Environment alone, not in the hands of the various ministers who are responsible for those projects in the past.

I am pleased to remind the House that this government has established a formal participant funding program to ensure that all stakeholders have the opportunity to participate in these mediations and public hearings.

This multimillion dollar financial assistance program will open the environmental assessment process to Canadians who might not have had the financial resources to otherwise participate in public reviews.

• (1700)

The Acting Speaker (Mr. Paproski): The hon. member will have 10 minutes remaining in his debate, plus 10 minutes for questions and comments, should we proceed with this bill tomorrow.

[*Translation*]

It being 5 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*Translation*]

FAMILY ALLOWANCES ACT

MODIFICATION OF THE BENEFITS PAYMENT METHOD

Mr. Guy Saint-Julien (Abitibi) moved:

That, in the opinion of this House, the government should consider the advisability of amending the regulations made under the Family Allowances Act to allow monthly benefits for the month of September of each year to be paid for each eligible child after the first but before the sixteenth day of September, in order to help Canadian families financially at the start of the new school year.

He said: Mr. Speaker, I have the honour to rise today in this House on behalf of all Canadians so that, from now on, they receive their family allowance payments for the month of September at the beginning of the month in order to help them financially at the start of the new school year.

I wish to remind the hon. members that the federal Family allowance program is aimed principally at providing financial assistance to parents with dependent children, to help them with the cost of raising their children. This program aimed at complementing the income of Canadian families provides for monthly benefits for children under the age of 18.

At the end of 1988, Mrs. Claire Lecault of Amos, asked me to make representations to the Canadian government so that family allowances be paid at the beginning of September each year, before the return to school.

Other people in my riding came to see me several times to discuss the project, at the beginning of 1989. I have received a petition signed by people from

Senneterre, Val-d'Or, Hull, Ottawa, Saint-Jérôme, Gatineau and Obaska, asking the federal government to pay family allowances at the beginning of September each year before a new school year in Canada, to help families who have one child or more in school.

I presented that petition numbered 342-0007 in the House on April 4, 1989 and got the following response from the Minister of National Health and Welfare: "The Family Allowances Act provides that monthly allowances be paid for every eligible child. Regulations (section 8) require that allowances be paid after the ninth, but before the twenty-fifth day of each month."

The Income Security Programs Branch processes approximately 9 million cheques monthly, and is responsible for the administration of family allowances (Section 3,6), old age security payments (section 3,0) and Canada Pension Plan payments (Section 2,4). The present computerized systems are not flexible. Radical changes are under way for the family allowances system and the old age security system.

Changing the date of issue of the September family allowance cheque, for the first or the second day of the month, would require amendments in the regulations. It would also require a change in the expiry dates, and the period of time during which changes can be made in the accounts would be shorter. For instance, there would be less time to change the address on a cheque between August and September.

The addresses on the September family allowances are used by Revenue Canada for the anticipated allocation of the child tax credit. If an earlier date in September was settled on, Revenue Canada would end up with a greater number of no longer valid addresses.

The minister answered my petition: "This suggestion is not unreasonnable *per se* and the Department's officials will assess it carefully during the computer systems review. However, considering the significance of the required changes and the inter-relationship of these programs, the Minister of Health and Welfare cannot guarantee that this suggestion will be implemented".

On June 20, 1989 I introduced motion M-502 now under consideration, as follows:

That, in the opinion of this House, the government should consider the advisability of amending the regulations made under the Family Allowances Act to allow monthly benefits for the month of September of each year to be paid for each eligible child after the first but before the sixteenth day of September, in order to help Canadian families financially at the start of a new school year.

Mr. Speaker, from the correspondence I exchanged with the Minister of National Health and Welfare in early 1989 concerning the payment of family allowances, I should like to read the following sentence in the minister's response: "Still I am always prepared to entertain the suggestions of our recipients because, as a rule, they help to bring about major amendments to our laws". My constituents of the riding of Abitibi did make a suggestion, that is, change the date to early September.

I have another letter. I wrote to the minister on February 8 to ask him for the findings of a study on the feasibility of paying family allowances at an earlier date. On May 2, 1990, he answered back that the Income Security Programs Branch of his department was in the process of entirely reorganizing the family allowance computerized system and of putting into place a direct funds transfer service that should be operational later this year. He also made this very clear: "As interesting as your proposal may be, it would take several years before it obtain the full attention it deserves from the government, that is all the time required to complete the reorganization of the family allowances.

Meanwhile, your proposal was analysed on a preliminary basis. According to that analysis, if we were to deliver the family allowance for September cheques earlier, it could create some administrative and operational difficulties in a system which was designed to steadily distribute some 3.7 million benefits to 6.6 million children. The time required to issue the August and September cheques and to make the necessary changes of addresses or recipients for these months would be reduced by half. Moreover, recipients should be notified in advance of the new payment date of family allowances to prevent cheques from remaining in mail boxes for several days.

Finally, your suggestion implies some costs. The simple fact of paying some $220 million in benefits two weeks ahead of time could cost Canadian taxpayers about half a million dollars in interest charges alone.

In spite of these problems, as the minister himself indicated in his letter, the idea of paying family allowances early in September is interesting and deserves to be explored further within the family allowance reform project. "

Mr. Speaker, I am convinced it would be quite easy to recover these interest charges from other governmental departments.

I am sure some hon. members will suggest to the government various means for the recovery of such costs.

When dealing with family allowances, Mr. Speaker, the House should be reminded that they mean $21.31 for a first child, $53.08 per month for a second child, about $133.08 for a third child, and $213.08 for a fourth child. We know that low-income families must spend an average of $70 per child to send their children to school, to buy them books, clothes etc.

As the minister indicated, thorough changes are being implemented both in the family allowance and old age security Pension schemes. Mr. Speaker, this would be the perfect opportunity to make the changes which many low-income families in this country have asked me to suggest.

Mr. Speaker, I would ask all ministers and all hon. members to support this motion, so that the necessary change may be made this summer to the regulations, so that family allowance cheques for September may be issued on the first or second day of the month, to help Canadian families send their children back to school.

• (1710)

To conclude, Mr. Speaker, I want to thank the hon. member for Kamouraska—Rivière-du-Loup for supporting my motion.

[*English*]

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, it is an honour to rise and speak in favour of the motion which reads:

> That, in the opinion of this House, the government should consider the advisability of amending the regulations made under the Family Allowances Act to allow monthly benefits for the month of September of each year to be paid for each eligible child after the first but before the sixteenth day of September, in order to help Canadian families financially at the start of a new school year.

I congratulate the hon. member for Abitibi for putting forward this very thoughtful motion.

Many expenses are incurred by parents at the beginning of the school year in September. There are new clothes to be bought, new school supplies to be had and bus passes to be purchased. At some schools there are school uniforms to be bought and tuition fees to be paid.

For these and other reasons it is necessary that we as legislators do what we can to alleviate the financial burden with which parents are confronted at that time of the year.

I therefore fully support this motion which would have the effect of expediting receipt of family allowance benefits by parents for the month of September each year. Receipt of the cheques at the very beginning of the month would make a positive difference for families whose cash flow at that time of the year is low. Families who may have experienced the need for borrowing to meet these expenses will have additional funds available when they are most needed, and not two weeks later.

Indeed, I believe that it will make a substantial difference for those families most in need, for those families with several children who are living below the poverty line. It is precisely families such as these which will benefit most from this progressive measure. To them we, as parliamentarians, have a duty and an obligation to act.

The motion being proposed has, I submit, a high benefit/cost ratio. Thousands of low-income families will experience less financial pressure in September, rendering the expenses associated with education not a disincentive to pursuit of learning.

Today there is in Canada a great need for a comprehensive policy on family issues which will have the effect of making life easier for families which experience difficulty in making ends meet. Such a policy would consider the social as well as the financial needs of Canadian families and do what can be done to reduce and eventually eliminate the scourge of child poverty, a very real problem in Canada despite our nation's great wealth. The measure before us, taken together with other measures which consider the plight of the less privileged, will improve the social fabric of our country.

Therefore, I congratulate the hon. member for bringing this thoughtful motion before the House, and in the interest of those families most in need and of their school children's education, I urge all colleagues, particularly those on the government side which controls the majority, to allow speedy passage of this private members' motion in order to help Canadian families at the start of a new school year.

Mr. Ross Stevenson (Durham): Mr. Speaker, I welcome this opportunity to respond to the motion by the hon. member for Abitibi which suggests that the government consider amending the Family Allowances Act to allow for the payment of family allowances in September of each year between the first and sixteenth day of the month. The government appreciates and shares the hon. member's concern that Canadian parents have access to their family allowances in time to help cover the costs which come at the start of a new school year. At the present time, from January to November, the family allowance cheques are delivered by the twentieth day of each month. The only exception is December, when the family allowance cheques are delivered by the fifteenth of the month to help parents with holiday season expenses on behalf of their children.

We have had a universal program of monthly allowances for parents with children which has served generations of Canadians for over 40 years. The government recognizes that the objective of the family allowance program is to help families with the cost of raising the nation's children. Our children are our most important resource. They are our future. Thus the family allowance program benefits all our society as it is an investment in the future of Canada.

Over the years, modifications and improvements have been made to the program culminating in the new Family Allowances Act which came into effect in 1974. Today, universal family allowances are payable each month on behalf of all dependent children under the age of 18. The amount of the 1990 monthly benefit is $33.33 for each dependent child. In Alberta and Quebec, the rate is different as those provinces have chosen to vary this rate according to the number of children in the family and/or their ages. In each month of 1990 the government is distributing 3.7 million cheques to families across Canada on behalf of approximately 6.6 million children.

In light of current socio-economic changes the government believes that the system of delivering child benefits must be reviewed periodically to ensure that the needs of Canadian families and their children be met. In 1984 the government began restructuring the over-all system for child benefits so that the greatest benefits go to children in low and middle income families. Effective January 1986 the family allowances were partially deindexed to the annual increase in the Consumer Price Index in excess of 3 per cent.

As a means of offsetting the impact of partial deindexation of family allowances on low and middle income families, the government substantially enriched the child tax credit. In 1990 the child tax credit provides a maximum benefit of $575 per child. The credit is payable to low and middle income family allowance recipients on behalf of dependent children under the age of 19. Beginning with the 1988 tax year, the child tax credit is available for children in the taxation year during which they turn 18. Prior to tax reform, the last year for which a credit was claimable was the tax year in which the child reached 17.

As part of the national strategy on child care, the child tax credit was increased for lower and middle income parents who care for their children at home or who may have non-registered child care expenses. The supplement, which is payable for a child age 6 and under, is $203 for the 1989 tax year. This new supplement represents an increase of nearly 40 per cent in the over-all value of the child tax credit for these children.

In November, 1986 the federal government began making an annual prepayment of, the child tax credit for low income families in order to assist with expenses during the winter months and to discourage use of tax discounters. In November, 1990 the prepayment of $383 or the basic credit and $135 for the supplement will be sent automatically to persons whose net family income for the 1989 tax year was $16,513 or less. In the 1990 budget the government proposes to extend the prepayment to families with three or more children, provided their income does not exceed $24,769 in 1990. This measure would affect 70,000 families with a total of 236,000 children.

• (1720)

Taken as a whole, the changes to child benefit have reduced benefits of higher income families but substantially increased the benefits for lower income families.

Thus the government is meeting its objective of directing more assistance to low income families through the child benefit system.

In addition to these improvements to the child benefit system, the government believes that the system of delivering child benefits must be reviewed to ensure that the system is keeping pace with new technology and that the system is adequately serving the changing needs of Canadian families and their children.

Thus, in 1989, the government initiated the income security programs branch redesign project. Within the broad scope of the project, family allowance processes and procedures are being redeveloped to make use of the new technology and improve program delivery to family allowance recipients. It is expected that the redesigned family allowance system will be in operation nationally later this summer.

I am pleased to inform the hon. member for Abitibi that his motion will be examined within the context of this redesign project.

There are, however, several important factors which should be given careful consideration before any action is taken on the hon. member's motion. First, the August and October cheques would be delivered at the usual time, the twentieth day of these months. Thus the family allowance recipients would in August and September receive two family allowance cheques within a three-week period and then have to wait approximately six weeks before receiving the October family allowance cheque. It is possible that the long delay between receipt of the September and October cheques could create financial hardship in some families. Given this and other concerns, as well as administrative and operational changes that would be required, the government will proceed with a detailed analysis of the motion.

Since I have the attention of the House, I appreciate the opportunity to inform hon. members that the government is taking advantage of advanced technology, as well as responding to the wishes of a significant number of Canadians, by introducing a direct deposit service for persons receiving a federal government benefit. In 1990 persons receiving federal income security benefits such as old age security pension, Canada Pension Plan benefits, and family allowances can use the direct deposit service. Because some Canadians prefer to receive a cheque in hand, the direct deposit service is voluntary. Those who do not use the direct deposit service can have their family allowances cheque deposited with the financial institution of their choice.

There are many direct and indirect advantages to the direct deposit service. We all know how difficult it can be at times to get to our financial institution of choice to cash or deposit a cheque. With the direct deposit service such concerns are eliminated.

For example, the family allowances cheque is deposited on the due date directly to the recipient's account, thus eliminating a trip to the financial institution. Another important factor is that the funds begin to earn interest immediately. With a customer card, withdrawals can be made at the recipient's convenience.

Direct deposit eliminates the possibility of a family allowances cheque being lost, stolen, or misdirected. The direct deposit service also ensures that family allowance cheques are deposited during periods of illness—

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

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, I rise today in support of the member's attempt to have regulations as they relate to the Family Allowances Act amended.

I want to read very carefully the substance of the motion because I think it ought to draw to the attention of many members some of the underlying concerns of Canadians with regard to the public policies that this government has been pursuing.

The second part of the motion states:

> —to allow monthly benefits for the month of September of each year to be paid for each eligible child after the first but before the sixteenth day of September, in order to help Canadian families financially at the start of a new school year.

I would think most members would want to concur with anything that can be done to assist in a meaningful way families in terms of raising their children and in providing the necessities for life. We have to ask what the fundamental concerns that we on this side of the House, as well as government members, have toward

some of the public policies being initiated by the government and/or the lack of good public policies.

I make mention of one policy for which I am the critic responsible, namely child care. We have heard over and over again by this government in throne speeches in 1984 and 1988, in statements by the Prime Minister, in subsequent statements by the Minister of National Health and Welfare, and by almost every conceivable agent of the Government of Canada that they were very concerned with child care, only to find that those statements were not acted upon.

In point of fact the concerns with regard to child care have been pushed aside. As a result many Canadian families do not have appropriate, high quality child care, nor do they have access to it.

The substance of the motion put forward by my colleague, the member for Abitibi, should be clear to all of us. Yes, we can change regulations. It may be helpful. I do not doubt that it would be helpful to those individuals. We ought to draw to the attention of Canadians, particularly ministers opposite on the front bench, that there are far-reaching and important concerns which must be addressed in addition to changing a particular regulation.

It should be noted that the number of one-parent families has increased significantly over the last 25 years. The majority are headed by women, and increasingly young women. Canada is on a steady course toward more single heads of families. By 1991, almost 15 per cent of families will be headed by one parent. Of these, 80 per cent will be women.

There are more than one million Canadian children living in poverty, up 120,000 since 1980, and over 60 per cent of these children are led by single parent families, most of whom are women.

It should be noted that this motion hopes to change a regulation in order that family allowances be paid at the start of the school year. I have no difficulties with that, but would it not be nicer and more beneficial to Canadian families if the government to which the hon. member belongs were to stop immediately the proliferation of taxes on families? Mr. Speaker, you are going to say: "Well, you know you cannot stop all taxes". Let us recall that this is the government that preached fiscal responsibility and to date has introduced no less than 37 tax increases, many of which have affected low and middle income Canadians in an extremely negative way.

• (1730)

I bring to the attention of the House, as has been done on previous occasions, particularly by my colleague from New Brunswick who has alluded to and provided empirical evidence for the Minister of Finance, that the proposed goods and services tax which is to take effect in 1991 will have a disastrous effect on Canadian families.

Yes, members opposite will be quick to stand in their place and say: "Oh, yes, but there are tax credits for some of the poor people," et cetera. The fact of the matter is the goods and services tax is a mean, discriminatory tax which will affect Canadian families, one-parent families, in a most drastic and negative way. I stand here before you, Mr. Speaker, and I know that you concur with me, because many times you have alluded to in this House and have demonstrated your keen ability for good judgment, sound basic economic principles and objectivity.

This regulation is good and I support the regulation. Surely members opposite ought to take their responsibility seriously and question the Prime Minister and members of their own cabinet on some of the most discriminatory, negative economic policies affecting Canadian families today in the history of this country.

They have an obligation not only to stand in their places as the hon. member for Abitibi is doing. They ought to support that. Equally so, I would urge them to join with us in pointing out to the government that some of their economic measures are not acceptable to Canadian families.

The Established Programs Financing Act—

Mrs. Dobbie: Tell us about it.

Mr. Dingwall: I will tell the hon. member about it if she would like to hear about it. Perhaps, the hon. member will become enlightened and thereafter make some positive contribution to the public policy debate in this country, namely the following.

The hon. member sits in her place in the Chamber at $62,000 a year, $18,000 in tax-free allowance or $20,000, the same as I, and has the unmitigated gall to question those poor souls in those poor provinces who will be

receiving less from the Government of Canada respectively.

Maybe the concerns of the hon. member opposite are not for the poor janitor who works in a hospital, who is a single parent and has to provide sneakers and drugs for his or her children. That is not a concern of members of the Conservative government, not at all.

Therefore, when they slash us back on transfer payments, albeit in the provinces of Nova Scotia, Manitoba, Saskatchewan, and Newfoundland, it is not a great concern to hon. members opposite. It is a great concern to the individual Canadian who has been receiving less as a result of those policies made opposite and who will continue to receive less as a result of the proliferation of taxes and cut-backs instituted by the government opposite.

There are many, many instances where this government has singled out one-parent families, young families, and low to middle income Canadians. As a result of those policies it has been very negative in terms of the economic and social outlook to which those people have to look forward.

As I stand in my place and support the pith and substance of what the hon. member is suggesting, I would hope that it would give due consideration to the many unrelenting attacks of the Prime Minister and the Conservative government against families in this country.

The Acting Speaker (Mr. Paproski): The hon. member's time has expired.

Mr. Dingwall: Mr. Speaker, I rise on a point of order. Perhaps there might be a disposition in the House or unanimous consent for me to continue.

Some hon. members: Agreed.

An hon. member: No.

The Acting Speaker (Mr. Paproski): There is not unanimous consent.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am quite surprised at the comments of the last member who just spoke.

I have been here since 1980. I do not know how many years he has been here, but I know he was here and had an opportunity to sit in government. It is very easy to sit here today and criticize the initiatives of the government, but at least we are taking action and doing something by providing programs for the people of this great country. From children of all ages, right through to our seniors; every aspect of livelihood is assisted in this country. This member sat here in government. I do not recall his party bringing in one initiative to help young people or seniors in the period of time that I was here from 1980 to 1984. I am surprised to hear him criticize the government.

I want to go back and deal with the amendment that my hon. colleague has brought before us today. I compliment him on what he has already done. He has brought forward an opportunity for discussion and to take a good look at the cheques being mailed and the family services being provided to young people and parents to help them at a very needy time.

In the context of this interesting and thoughtful suggestion, I would like to discuss some of the current initiatives of the federal government in the area of improvements and delivery of social benefits to Canadians.

As hon. members are aware, family allowances are administered by the Income Security Programs Branch of the Department of National Health and Welfare. The ISP Branch, which also operates the old age security program and the Canada Pension Plan, is the government's major agency for issuing benefit cheques to millions of Canadians every year.

Indeed there are few Canadians whose lives are not somehow touched by the ISP. There are, of course, the mothers who receive family allowances on behalf of their children, the workers and employers who make regular contributions to the Canada Pension Plan, the seniors who receive CPP retirement pensions, as well as old age security benefits, the lower income pensioners who receive payments under the guaranteed income supplement and spouses allowance programs, the surviving spouses who receive CPP survivor benefits, and the disabled Canadians who receive disability pensions from the CPP.

Most Canadians would be less aware of the vigorous client services, delivery and redesign initiatives currently under way at the Income Security Programs Branch. These have been specifically undertaken to streamline and fully modernize the branch's over-all operations. I do not believe we have to take a back seat to anyone or

any country in the world in the support of these programs.

The focus and commitment of the ISP redesign project is to implement the optimum level of service for clients in terms of accurate, timely and regular delivery of benefits.

The ISP redesign project is being undertaken as a joint enterprise between the Departments of Health and Welfare and Supply and Services, with additional participation from Revenue Canada Taxation, Veterans Affairs and Treasury Board. Now just look at the changes, Mr. Speaker. We will get into that some day when we talk about changes we have made to veterans programs.

Treasury Board has now allocated $7.9 million for resources to develop a comprehensive business strategy expressly for the redevelopment of the delivery processes for income security programs.

This redevelopment is now well under way. Following a rigorous evaluation, the federal government selected KPMG Peat Marwick to develop several key components in the new ISP business strategy. Among these components are a business solution which deals with how income security programs should be delivered in the future, the business change plans which deal with how to arrive at this future and at what cost, and the related business case documents and impact assessments.

In addition to the business strategy, resources have been made available to develop a comprehensive communications strategy, which will directly prepare ISP for future change, will assess and validate emerging details of the business strategy, and will provide additional support as required. The business strategy phase is expected to be completed by March, 1991, that is by the end of the current fiscal year. This will be followed by a general design phase to be carried out at the same time as preparation of the Treasury Board submission for the final detailed design, development and implementation phases.

• (1740)

In order to establish the general direction and philosophy for the redesign of the income security client services delivery processes, the Department of National Health and Welfare has completed a vision for income security programs. This was done in consultation and co-operation with other federal departments involved in the policy for and delivery of income security benefits of all kinds for Canadians.

The vision will guide all subsequent developmental work and will explicitly and intimately shape the eventual business solution and business change plans. These will be concerned with such specific dimensions as human resources organization, work processes and functions, management processes, technical support systems, facilities infrastructure, and of course actual legislation, policy and regulations. Copies of this vision document are available for review by members.

I realize that some hon. members may ask: Can this wide-ranging exercise translate into real progress and tangible improvements that are directly helpful to ordinary Canadians in all walks of life?

In the vision for ISP it is emphasized that within Canada's over-all system of social programs the mandate of the ISP branch directly encompasses a strong leadership role in the evolution and delivery of the entire nation's social security policies, reflecting the spirit of democracy at its most vigorous and salutary. The income security programs branch provides benefits to Canadians in the form of direct income and thereby illustrates Canada's elemental respect for each individual's rights to exercise personal discretion in determining the most appropriate use of such income to enhance his or her life or the lives of others.

You will see in the vision a strong recognition that clients are the reason for income security programs' existence. The administration of the programs must always be seen by clients as accessible and knowledgeable, respectful and efficient, and the delivery of the benefits must meet client expectations.

In summary, I wish to assure the hon. member for Abitibi that his motion for earlier family allowance payments during September is of direct interest to the government. We will be pleased to examine his proposal in the broader context of income security programs and redesign initiatives.

As I have been discussing, the federal government fully recognizes its direct, active commitment to the people of Canada to ensure sensitive, timely and efficient delivery of their benefits, not only under family allowances but under all income security programs which play a major role in the economic well-being of all Canadians.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have listened attentively to the remarks of some of our colleagues today. I want to take a moment to congratulate the member for Abitibi for having proposed this motion. Of course I would be remiss if I did not mention the excellent remarks of my colleague from Cape Breton only a few moments ago as well.

I listened to the member who just spoke and gave his remarks my undivided attention. I listened to him spell out all the acronyms of the different subdepartments of the Department of National Health and Welfare which is administering this program.

He told us about how the department administered this, how the officials of the department were doing such a great job, and what department administered old age pensions as well as family allowances and so on. After listening to him for the 10 minutes allotted to him, I still do not know whether he was in favour or against the idea. After all, most of us listened to the hon. member's words of wisdom in order to figure out whether he liked or disliked the proposition set forth by our colleague.

Let us review for a moment what it is that our colleague wants. He said in his motion:

> That, in the opinion of this House, the government should consider the advisability of amending the regulations made under the Family Allowances Act to allow monthly benefits for the month of September of each year to be paid for each eligible child after the first but before the sixteenth day of September, in order to help Canadian families financially at the start of a new school year.

To some people, perhaps the amount that is derived from family allowances would be considered small. It is not a very big cheque. But for many of the constituents whom I represent, it makes quite a difference to be able to receive that cheque. It would make quite a difference during the month of September particularly when parents are struggling, single parent families and others, who are trying to make ends meet. They are trying to send the children to school.

I am sure that to be able to get that cheque earlier in September would be of tremendous significance.

[*Translation*]

Mr. Speaker, there is also a precedent. We know that, in the month of December, family allowances cheques are sent earlier to help parents, particularly mothers since the cheques are generally made out to them, buy what they need for the Christmas season.

The same thing applies to September with the start of the school year. I think that for some of my constituents who do not have as much money as some others, it would make a big difference if they were to receive that cheque at the beginning of the month. That would allow them to buy a new pair of shoes, a new schoolbag or anything else the children need to start the school year.

So I personnally congratulate my colleague for his initiative. I could also say a few words about this government's policy and orientation regarding family allowances and the fact that we are now faced with the deindexing of these benefits.

However, I will not get into that today, for two reasons: First, I do not want to diminish the excellent suggestion made by the hon. member opposite, and second, I think you will understand that because of this bad cold, I would rather not speak any longer than I have to. That is probably partly why the rest of my comments will be brief.

Suffice it to say, Mr. Speaker, that I support this motion, and I can inform you that as far as the people of Glengarry—Prescott—Russell are concerned, in areas of high unemployment—that applies to my riding, especially in the eastern part of the riding but also elsewhere—this initiative would make a big difference to our families.

I therefore urge hon. members to think about this proposal and support this motion. Of course, all we want is to see it passed. The motion is in no way binding on the government, and departmental officials who advise the minister on family allowance might consider the excellent ideas put forward by the hon. member and the entire House. If the minister so wishes, a study could be made by a parliamentary committee, but I don't think that will be necessary.

The procedure is quite simple. In fact, it is already being applied, as I said earlier, in December. So let's have it apply to September as well. Let us help young people, mothers and single parent families during the month of September.

In fact, Mr. Speaker, since the people in charge have already been advised of its existence, if this motion is passed today, the system could be in place by this coming September.

[*English*]

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Motion agreed to.

The Acting Speaker (Mr. Paproski): The time provided for the consideration of Private Members' Business has now expired.

PROCEEDINGS ON ADJOURNMENT MOTION

• (1750)

[*English*]

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

FISHERIES

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, my question arose from news that shellfish harvesting had been closed down near a number of pulp mills on the west coast due to the levels of toxic materials found to be in certain sea animals.

Pollution is not a new issue and yet it is relatively new in what people recognize as pollution.

I was a member of the B.C. provincial legislature when the very first legislation in that province was introduced to control pollution. At the time one of my colleagues, the New Democrat member for Mackenzie, Tony Gargrave, asked why the legislation was not dealing with air pollution as well as water pollution.

Of course the government members laughed at him. It was a ridiculous idea that we should be interested in or concerned about air pollution. In the first place it was not important. In the second place nothing could be done about it. That was just some 25 years ago. We have come a long way since.

The chronology of events I want to talk about this afternoon starts with the closure of two pulp mills on the west coast, the Howe Sound pulp mill and one at Prince Rupert. The prawn and shrimp fisheries were closed because of the level of dioxins and furans found to be in those particular shellfish.

There is no word that anything was done to the pulp mills. They continued to throw millions of gallons of effluent containing goodness only knows what kind of chemicals into the ocean.

The belief even at that time was that the ocean had an inexhaustible ability to absorb almost anything that was dumped into it, whether it was industrial pollution, natural pollution, or whether it was human pollution of one kind or another. Human waste, anything like that could be just dumped into the ocean and we could forget about it. We need not worry about it any more. That was the end of it.

By 1988 the realization that we could be hurting ourselves—quite apart from what it was doing to sea life—by continuing to consume prawns and shrimp that were growing too close to pulp mills that were considered to be damaging the environment.

At that time, and perhaps even today, we do not really know how bad any of these chemicals are. Assumptions are made, and there has been some evidence that certain of them are extremely dangerous, but I do not know that the case has really been proven.

However, we are making an attempt to clean up our act. In particular we are trying to force pulp mills to clean up the water they are dumping into the Straits of Georgia. But even beyond that, we want to find out how much damage the effluent is doing and trying to find ways to control and reduce it short of totally shutting down industry.

The Environment Canada report dated July, 1988—it was not revealed publicly until Greenpeace managed to get a copy of it leaked to them—said there were 83 out of 122 pulp mills in Canada that were dumping more toxic waste into the ocean or into the waterways of Canada than was allowed by federal standards.

Again, we should have realized that we had to do something about these federal standards, finding out whether or not they were real standards and whether they should be observed, how dangerous they were, and also obliging the offending pulp mills to do something about it.

November 24, 1989 was when I raised this matter in the House. At that time the minister said that "new and tough regulations would be enacted this year and letters would be sent to all the companies across Canada notifying them" of the new regulations.

That was 1989. To the best of my knowledge, if it has happened I have not seen it. These new tough regulations have yet to be issued. Nevertheless there have been some moves to tighten up on procedures.

On December 5, 1989 there was a leaked memo from the Department of Fisheries and Oceans, from their own staff saying, among other things, that the Department of Fisheries and Oceans was closing its eyes to flagrant disobedience of regulations. It stated, "We have determined that DFO friendly corporations are parties with provincial permits, as well as the B.C. agency issuing the permit that allowed the offence will enjoy relative immunity from the Fisheries Act."

Mr. Speaker, we have not come very far and we have a long way to go. The Green Plan discussions that are currently under way, are criticized because the regulations have yet to be tabled and the Green Plan does not really have any plan for the future. On June 7, 1990, just this month, we were told, and this is after the two years work on this, that the pollution levels of 14 of B.C.'s 23 pulp mills are still greater than the provincial levels allow. As I said, we do not know how bad they are.

I consume crabs regularly on New Year's Day, it is something that is done in Nanaimo. The longshoremen get together and harvest crabs right at the pulp mill outfall and they grow best and biggest there. But are they safe to eat? No one has told us. When the shellfish harvesting was closed on the west coast, no one said how dangerous this food was. We were not told whether we could continue eating what was on the grocery shelves or what we had in our kitchens. There was no information at all, the beds were closed, no more fishing. What does one do with what you have already fished?

We have a lot to learn about these products and about the effect and danger of them. Beyond that, when we suspect there is a problem, then it is up to us to impose regulations and to make sure that the regulations are enforced. As I say, short of shutting down industry—and I know they are spending $1 billion currently to clean up their act—let's keep the pressure on to make sure that we protect ourselves and everyone depending upon us for that kind of protection.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, Environment Canada has recently completed nation-wide consultations with stakeholders on proposed dioxin and furan regulations, the thrust of which is to achieve the virtual elimination of dioxin and furan discharges from pulp and paper mills.

This is an important regulatory proposal which impacts not only on the environment but also on the food chain because marine species such as shellfish can ingest and accumulate contaminants such as dioxins and furans with subsequent public health consequences.

In fact, the Department of National Health and Welfare has, from time to time, issued advisory statements concerning dioxin and furan levels in shellfish from certain locations in Canada, notably in British Columbia. In light of the proposed regulations, it is important for people to know some facts about these substances so that they can appreciate the potential impact of proposed Environment Canada regulations.

The term dioxin, for example, does not refer to one compound but rather, to a whole family of 75 related chemical compounds. These 75 compounds are also often associated with another family of organochlorine compounds known as furans. There are an additional 135 related, yet individual, compounds in the furan family.

In test animals, dioxins and furans have produced a number of adverse health effects including cancer and birth defects. Impacts vary widely from species to species. In humans who have been accidentally exposed to these compounds, only one adverse health effect has been consistently observed; a skin condition called chloracne. This condition, which resembles acne, usually disappears soon after the affected person ceases to be in contact with the contaminant.

Nevertheless, the lack of evidence that dioxins and furans contribute to human health problems does not eliminate the need for further study and control of these undesirable substances. Our aim is to reduce the potential for exposure to the lowest level achievable. The proposed regulation by Environment Canada to reduce the presence of dioxins and furans to non-measurable quantities in final effluents will certainly add rigour to this aim and we will see that the new regulations are strictly enforced. In fact, the Minister of the

Environment announced last week in Edmonton that $50 million and 200 person-years would be added to his department's enforcement program.

By way of background, one might ask how scientists assessed the potential health risks associated with exposure to such compounds. An example using the food supply might be illustrative of the process.

• (1800)

The first step is to determine the quantity of the chemicals that humans can consume on a daily basis over a lifetime, with reasonable assurance that their health will not be threatened. This quantity, which is called the tolerable daily intake, or TDI, is based on studies carried out on laboratory animals, and takes into account data from human exposure incidents and is determined using appropriate safety factors.

The Acting Speaker (Mr. Paproski): I regret the hon. parliamentary secretary's time has expired. The hon. member for Prince Albert—Churchill River.

GOODS AND SERVICES TAX

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I am happy to be able to deal again with the question that I raised on Monday, June 18. That question had to do with the whole issue arising from the treatment of co-operatives under the GST.

It is becoming obvious to all Canadians and probably to the government as well that the GST, if nothing else, is a big can of worms and that the more the government attempts to scoop up the worms, the more they seem to be crawling away. One of the big worms that seems to have crawled away is the whole question of how the GST will be applied to the share capital of co-operative organizations in this country. Will co-ops be placed at a serious competitive disadvantage *vis-à-vis* other businesses, or will they have a level playing field to operate on?

Twelve million Canadians belong to approximately 60,000 co-ops across this country. The co-ops differ in size, in their nature, and in the things they do. There are consumer co-ops, housing co-ops, farm product, marketing and worker co-ops, health co-ops, and co-ops in many other sectors of the economy. They have been a very important factor in building up some of the regions of the country which often do not enjoy the economic benefits that other parts of the country do and often they are the last business organizations to stay in those communities.

The common denominator of co-ops is twofold: One is that it is one member, one vote and it is democratically controlled; second, the equity that runs these co-ops that makes it possible for them to operate comes from the members. In other words, co-ops are grassroots people pooling their resources in order to help do something for themselves, something even the hardest Tory heart should be able to welcome.

With respect to the GST, the co-operative system has the normal concerns that any business organization has regarding that tax, the difficulties in applying it, what would be included, and the accounting nightmares. However, it recently seemed to surface, somehow or other they communicated with the gnomes in the Department of Finance, that in fact there might be a much more serious implication for co-operative organizations. That was the Department of Finance's threat to treat the equity, the investment that people had in their co-operatives, as if it were a membership fee, as if it were the equivalent of taking out a membership in a golf club, fitness club, a cosmopolitan club, or whatever, and that these were not to be treated as equity investments, but rather as memberships.

This creates a very serious disadvantage to co-operative organizations because no other businesses have their equity investment taxed in this kind of way.

These investments take many different forms. They range from initial investments which people make in their co-operatives. In some co-operatives it is an initial $5 investment, all the way to tens of thousands of dollars in worker co-ops where a group of workers are getting together to set up a business which they themselves will run.

There are ongoing investments of several dollars a month that take place in direct charge to co-ops which gradually builds up equity. Then there is the whole business of the dividend that people enjoy from the profits of their co-operatives being reinvested in share capital in those co-ops. This can amount to huge sums of

money. Even in my own case, it was not a huge sum of money, but $600 was enjoyed by our family in dividend from our co-op. With what the government is proposing, that $600 would now be subject to the GST. If we invested that $600 in any other business, it would not be taxed. It obviously puts a co-operative at an automatic 7 per cent disadvantage *vis-à-vis* its competition.

Nation-wide, the numbers are actually quite staggering. The co-op system enjoys approximately $1 billion in dividends every year in direct equity investment which would mean that there would be a $70 million loss under the GST.

The co-op sectors had a number of meetings with the Department of Finance and the government, making three arguments essentially. First of all, that dividends are taxed as if they are investment, they are not taxed as membership. There is no tax on membership actually, but dividends are taxed as an investment.

Second, they are treated as investment on the balance sheets of co-operatives under standard accounting practices. Third, the Canadian Co-operatives Associations Act very clearly defines the share capital as being similar in nature to a financial transaction like any other share purchase. These are all very clear in the law. It seems that the people who are defining these things in the government have not yet realized that.

Furthermore, there are several other problems. Obviously, they do not understand the bottom-up nature of co-operatives. Co-op Atlantic, which raised this issue with me, says it will cost them $640,000 for the bottom-up structural problems. Together with the other problems, it is going to cost them $1.6 million, 40 per cent of their equity.

The government must deal with this immediately, because if it does not it means one of two things. Either it does not understand how the co-op structure works, or it is actively discouraging the formation of co-operatives as a matter of public policy. Either one of those is unacceptable. The co-ops are asking for a level playing field and the government needs to respond quickly so that the co-ops can get on with dealing with the other problems that the GST causes them.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, Canadian co-operatives maintain their membership as a source of share capital and, as such, should not be subject to GST.

As you know, my colleague the Minister of State (Privatization and Regulatory Affairs) stated in the House on June 18 that the Department of Finance would discuss implementation of the GST with co-op members as soon as representations on their positions were received. The Department received the briefs only a week ago, and in fact, one of the key representations, the brief by the Atlantic Co-operative, did not arrive until yesterday.

Departmental officials—and I am sure the hon. member will be glad to hear this—have started a study of these various documents and are to continue their discussions with the co-ops in the very near future.

* * *

[*English*]

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I rise one more time. I would think that this means that on 40, 50, probably 60 different occasions, I have raised this very same issue. It is an issue that I have raised in Question Period on dozens of occasions, in so-called late shows such as we are involved in right now, in committees, and in this chamber alone 40 or 50 times. You know what it is, Mr. Speaker. It is fish, or more to the point, it is the devastation and the havoc that the lack of fish is creating in the inshore fishery, what we call the hook and line fishery along the southwest coast of Newfoundland, in Fortune Bay, in the Port-au-Port Peninsula, Baie St. George area and to a degree in Placentia Bay, insofar as my riding is concerned. That is where the havoc is most complete. That is where the people are suffering the most.

Why are they suffering? Because they are too lazy to get up in the morning and go fishing? Not quite. Each day during the winter fishery and during the summer fishery these people have done what they have done and their people before them, literally, for five centuries.

The night before they get their baited gear ready and early in the morning while most of us are still in the middle of a night's nap, at three o'clock in the morning, they get out of bed. Men with their wives in many cases both go fishing, or two brothers or two neighbours or three or four people. Anywhere from one to three or four people go out in those small, open boats. They go anywhere from a couple of miles to 10, 12 or 15 miles offshore. For several hours they catch fish, or that is what they used to do. Now they go out and they put down their baited gear and they do not catch any fish, because the fish are not there. You cannot catch it twice. If the French, for example, in 3PS, in the area of Fortune Bay near the St. Pierre and Miquelon Islands, have already caught the fish because they have been over-fishing, with the silent blessing of this government over the past five or six years, it cannot be caught a second time.

• (1810)

That is only part of the problem. In part of that coast the problem is foreign over-fishing. There are other problems on other parts of the coast. But let me bring you, Mr. Speaker, to the result of those problems. Let me tell you something about the havoc that is being created by the shortage of fish and, as I say, a problem not created by the fishermen themselves. They, with good intention and with deliberate effort and much sacrifice still go out in the morning, still bait their gear, still spend their scarce money to buy gas and bait. Indeed, they are now spending more to prepare for the fishery than they are taking in in terms of the number of fish they are catching.

I gave you previously, Mr. Speaker, an example. It is one of many dozens of examples I could quote but because this one is so graphic and in such simple terms it drives home the magnitude of the problem.

In the community of Rose Blanche on the south west coast of Newfoundland there are 147 licensed inshore hook and line fishermen. In the winter fishery, the three-month period, January, February, March, 1987, these people landed four million pounds. This year, during the same period, the same number of people landed fewer that 200 pounds of fish. Not enough to pay their expenses let alone to pay the mortgage, the loan on the boat, buy groceries and to meet other family financial commitments.

That is not an isolated case. That story can be repeated in La Poile, Grand Bruit, Petites, Isle aux Morts, Burnt Islands, Fox Roost and Margaree. I could mention literally dozens of other communities up around the Codroy Valley, Bay St. George, down the coast from Burgeo east into Hermitage Bay, Fortune Bay, Placentia Bay. The story is the same everywhere.

For months we have been calling on this government to respond to that particular need. Lest there be confusion, the government has responded on another matter, the matter of the offshore fishery as it relates to places like Gaultois, Grand Bank in my riding, and Trepassey in the riding of the Minister for International Trade.

There is another need that has been completely ignored and nothing has been done about it. People do not have income. They have run out of UI and cannot qualify for more UI. They are hurting down there, I say to the minister. They are hurting, and you cannot buy groceries on hurt, on pain. If they could, their larders, their kitchens, their refrigerators, their cupboards would be full.

So far the minister is turning a deaf ear. If the minister responsible for UI, the minister of Employment and Immigration, had her way it would seem to me that every single community would be shut down and they would all be moved to Toronto. Well that is not what they want. They need some assistance from her and from him to tide them over until the stocks rebuild.

These people are part of and contributors to a way of life that has existed for many years, a culture all its own. Help them preserve it. Help them keep body and soul together. Help them keep their families together. Help them to cling to their communities until the stocks rebuild, if we are to believe the Minister of Fisheries, until the good times come back again. Help them bridge the gap. That is all we are asking the Minister of Fisheries. Not to wave magic wands. To do what his government has already done for the farmers of western Canada many times over, to do what his government has already done for the deep sea people, the trawler people and the people who work in those deep sea plants and come up with that kind of a program or, failing that, an extension of UI benefits, some *ad hoc* arrangement that will get these people over the hump. I tell you, it is quite a hump for those people and you would know how big a hump it is, Mr. Speaker, if you were there.

They are hurting. They cannot keep body and soul together. They are calling on this government to prove it has some soul, some compassion. I ask the minister now, will he not take this case back to cabinet one more time and make the case of the people of Rose Blanche and those other communities that I could mention throughout my riding. These people, through no fault of their own, are having one very rough time as my letters, telephone calls and people in my riding tell me literally every day of the week.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I would just like first to say that the Government of Canada shares the concern of the various communities which have recently experienced the closure of their fish processing plants. As the hon. member has indicated, why they have closed is because of the lack of fish.

We also know that many resource industries in this country have had to experience cycles and there are ups and downs in the prices of their products. We know that from September to December, 1989 a large number of workers were laid off in the mining, forestry and petroleum industries in Canada as well.

We know that the fishing industry is also subject to cycles, as well as to market fluctuations. It is an unpredictable business to be in as well because the nature of the resource base itself makes it unpredictable. The fish companies can only partially cope with this instability through diversification of fish supply.

In periods of severe downturn, fish companies have to close plants just to survive, which is very unfortunate. When a fish plant is closed, the lack of economic alternatives in many coastal communities in Atlantic Canada makes the impact of these decisions especially difficult.

We know that sometimes plant closures allow companies to save operating costs by diverting the production to another plant that they might have somewhere else in the area, which can help them because they know that in all these plants they have fixed costs such as hydro, maintenance, insurance. Those are incurred regardless of the volume of fish that is received at that plant.

The alternative of keeping all the plants open would result in a lower standard of living for many of those people in those areas. That is not a picture of an industry which could be self-sustaining if that happened.

To wind up, Mr. Speaker, for these reasons, and what the hon. member has just brought to our attention again, as I will agree he has done many times, the government recently announced a $584 million adjustment package for the Atlantic fisheries. More specifically, it contains a Plant Workers Adjustment Program to provide further benefits to plant workers and trawlermen who have lost their jobs.

Furthermore, $146 million is being provided to foster the economic diversification within the fisheries and promote alternate employment in the areas affected by reductions in quotas and stock depletion.

As the hon. member has said, what we have often done for agriculture in Canada, we hope we can assist fisheries in the same fashion.

[*Translation*]

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

The House adjourned at 6.17 p.m.

HOUSE OF COMMONS

Wednesday, June 27, 1990

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

LIEUTENANT GOVERNOR OF QUEBEC

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, yesterday, Conservative Senator Martial Asselin was appointed Lieutenant Governor of Quebec by Prime Minister Brian Mulroney.

Mr. Asselin is from La Malbaie. A lawyer by training, he was educated at Laval University. He was elected member of Parliament for Charlevoix in the general elections of 1958, 1965 and 1968, and was appointed to the Senate in 1972.

He has represented Canada at a number of international conferences. In 1988, he was elected President of the International Association of French-Speaking Parliamentarians. He was Minister of Forestry under John Diefenbaker in 1963 and was appointed Minister of State for the Canadian International Development Agency and La Francophonie in 1979. He was Mayor of La Malbaie from 1957 to 1963.

Mr. Speaker, we are all proud of this appointment. When he was member of Parliament for the riding of Charlevoix, Mr. Asselin defended most effectively both the interests of his constituents and the demands of Quebec.

[*English*]

DUBIN INQUIRY

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, the previous Minister of State for Fitness and Amateur Sport said in April, 1989 that only "the federal government will decide whether to allow Ben Johnson to run for Canada again". Conversely, Recommendation 7 in Justice Dubin's report states: "Decisions on eligibility for competition remain a function of the sport governing bodies themselves. While the federal government can and should reserve the right to determine what individuals and bodies receive government funding, it is not appropriate for the Government of Canada to determine who is eligible to compete in either domestic or international competition".

[*Translation*]

I hope the minister responsible will accept Chief Justice Charles Dubin's recommendation that decisions on eligibility for competition remain a function of the sport-governing bodies themselves. While the federal government can and should reserve the right to determine what individuals and bodies receive government funding, it is not appropriate for the Government of Canada to determine who is eligible to compete in either domestic or international competition.

[*English*]

Our athletes and sport organizations are now waiting to see if the new Minister of Fitness and Amateur Sport will follow Justice Dubin's recommendations.

* * *

HIBERNIA DEVELOPMENT PROJECT

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, yesterday in the House I raised questions with respect to the Hibernia bill. Later I left the House and in the lobby made remarks which, upon reflection, are totally unnecessary, unacceptable and I want to withdraw them completely.

I made reference to members of the government and specifically to the Prime Minister. I mentioned other times and other politics in the history of the world which no member of this House should be associated with. I

refer specifically to the word "Nazi" and other references.

The emotion that I feel with respect to the issue yesterday is genuine, but no amount of emotion warrants those kinds of words. I want to withdraw them totally and to apologize completely and absolutely and without reservation to the Prime Minister or anybody else who felt offended by those words.

* * *

GUN CONTROL

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, I want to commend the Minister of Justice for her action yesterday in introducing a comprehensive package to strengthen control of guns in Canada.

The new laws will make it tougher to obtain a firearm licence and will provide tighter screening for people who want to own guns. Also, applicants will be required to pass a firearm's safety exam.

The import and possession of fully automatic firearms converted to fire in a semi-automatic mode will be banned in Canada and anyone convicted will face up to five years in prison.

Stiffer sentencing is essential to reduce attacks and murders by criminals because, in the past, sentencing was very poor and minimal.

The consultation process will continue. A committee of Parliament will meet this summer to hear recommendations for improvements from all interested parties.

This summer I will be convening a town hall meeting to hear the views of the residents of Markham and Whitchurch—Stouffville to ensure a balanced approach, an approach that recognizes the rights of responsible and legitimate firearm owners, while at the same time deals harshly with criminals, gun dealers and others using or trading illegal or unauthorized firearms.

* * *

• (1410)

HOUSING

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, misleading media statements, echoed by the Minister of State for Housing who ought to know better, have implied that co-operatives are the only type of housing subsidized by the federal government. That is not true.

The great majority of subsidized housing starts in the past 20 years were for owner-occupied homes or for apartments built for private profit.

Since 1969, home owners have received exemption from capital gains tax when selling their principal residence. This costs the government four times as much in one year as did all public, non-profit, co-op and private housing.

Developers of hundreds of thousands of luxury apartments received a total of $4 billion or $5 billion subsidy. On one Bay Street building, Cadillac received over $4 million subsidy, on another, Tridel received over $7 million in interest free loans for 15 years.

Compared to this, the 62,500 co-op units built in Canada are modest buildings providing a friendly community of affordable housing for all classes of people.

* * *

[*Translation*]

TRIBUTE TO PRIME MINISTER

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for Science): Mr. Speaker, although the demise of Meech Lake leaves a bitter after-taste, I feel very strongly that I must take this opportunity to reaffirm my steadfast support for my Prime Minister who, since 1984, has worked unceasingly to promote the interests of Quebec and Canada. As the tireless artisan of reconciliation, he has earned the respect and admiration of all Quebecers.

More than ever before, nationalist Quebec members have their place in this government, a government that is tolerant and open to Quebec. They are needed to protect Quebec's higher interests and to explain Quebec to Canadians.

* * *

[*English*]

CORPORATE TAXATION

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, today I would like to announce a new feature in the corporate welfare bum of the week award.

This week a special presentation is being made to Edgar and Peter Bronfmann and their many holdings. Mr. Speaker, you have heard of frequent fliers. Well, the Bronfmann's have the special honour of being frequent corporate welfare bum winners.

Not only did they have such runners-up as Trizec and Bramalea, but they also have taken top honours with Brascan and Edpar Limited.

Today, we add their sister holding company, Brascade Limited. It made $64 million in profit in 1988 and, like its sibling companies, did not pay a penny in taxes.

Let's show our appreciation to the Bronfmanns for their frequent appearance in the corporate welfare bum of the week awards.

Some hon. members: Hear, hear.

* * *

JUSTICE

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, barring any last minute snags, we parliamentarians may be beginning our summer recess in just a matter of hours from now.

I want to take this opportunity to urge the Minister of Justice to come to grips with the David Milgaard case. This man has been behind bars for 21 years for a murder that he possibly never committed. For 21 years he has not confessed to the murder and for 21 years he has been denied parole.

About 18 months ago, the Milgaard family lawyer made an application to the justice department to reopen the case, and for 18 months the Minister of Justice has done more or less nothing. In that time, star witnesses for the Crown have changed their stories and there have been two prominent forensic reports casting doubt on the only physical evidence that linked Mr. Milgaard with the crime scene.

I urge the Minister of Justice to take action now. No more stalling. Do not try our patience any more. This case screams out for action and it screams out for action now.

* * *

NATIONAL UNITY

Mr. Stan Keyes (Hamilton West): "Let us avoid living in or falling into over-narrow provincialism; let us work for the good functioning of the federal system, and let us gain confidence by sharing in our common government. Let us preach by our acts more than by our words".

Mr. Speaker, those patriotic words were spoken almost a century ago by an illustrious proponent of federalism, Henri Bourassa.

Today, let it be said that Liberals are committed to building a united country, and we have taken the first step by electing Jean Chrétien as our leader.

As a federalist, Mr. Chrétien represents the vision of other Liberal leaders who have brought together our founding nations through understanding and accommodating their mutual aspirations by the balancing of interests of individuals and society, regions and the nation.

Now is the time for members of Parliament to look to the future and a united Canada in which our children can grow in the knowledge that their leaders have the best interests of the nation at heart.

To the Prime Minister I say, faults are the easiest things to find. Answers are the true test of leadership.

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VETERANS AFFAIRS

Mr. John A. MacDougall (Timiskaming): Mr. Speaker, with the high unemployment in the riding of Timiskaming, the people of Kirkland Lake have been given a second chance. The Minister of Veterans Affairs announced earlier this year that the Ontario regional office would be relocated to Kirkland Lake, creating 180 new positions. Many spin-off jobs will result and they are welcome to the area.

Other initiatives have recently been announced to assist veterans throughout Canada: an agreement for 200 new long-term hospital beds in British Columbia; services under the Veterans Independence Program for one year for spouses of deceased veterans; increased income protection for spouses of veterans in long-term care institutions; the payment of interest for the first time on trust funds administered by Veterans Affairs; a special trust fund for needy veterans; payment of attendance allowance for one year to spouses of certain veterans; and, finally, the raising of the ceiling for funeral assistance.

This government recognizes the sacrifices of its veterans and places their need for program enhancements as a top priority to maintain what we all recognize as the delivery of benefits second to none in the world.

* * *

MINING

Mr. Maurice Foster (Algoma): Mr. Speaker, over the past year, 1,500 jobs have been lost in the mining industry in several communities in northeastern Ontario. During the next 12 months, we face the loss of over 2,400 mining jobs in Elliot Lake with the closure of the Quirke and Panel Mines and the cut-backs at Denison Mines.

It is essential that the federal government put in place a new system of incentives to promote mine exploration to ensure the future viability of the mining industry in northeastern Ontario.

More important is the desperate need of the federal government to put in place a comprehensive action plan to assist the community of Elliot Lake and the north shore communities to reduce the adverse impacts of the massive lay-offs planned to start in a month's time.

There must be early approval of the budget of the Community Futures Committee of $15 million needed for industrial and community adjustment, job retraining, manpower mobility and job search assistance. We need a comprehensive program to create jobs in the private sector and the decentralization of government departments and agencies to the Elliot Lake area.

It is urgent that the federal government make a commitment immediately to help the town of Elliot Lake at this time of desperate need.

* * *

GOODS AND SERVICES TAX

Mr. Peter L. McCreath (South Shore): Mr. Speaker, with each passing week, more and more Canadians are coming to recognize the GST as an important reform for Canada.

As the proprietors of small businesses register each day, they are discovering the benefits that the GST reform will mean to them and that administering the tax will not be nearly as complicated as they initially thought. In this regard, the recently announced quick method alternative for tax calculation was a most welcome modification. Unfortunately, the $200,000 threshold leaves many businesses above the line and not able to take advantage.

Many business people who support the GST are concerned about whether they can meet the current compliance requirements by January, 1991. My suggestion, and one which I convey to the government for its consideration, is that the threshold for access to the quick method be increased to $1 million for 1991, phasing down thereafter over three years to the targeted $200,000 mark.

This modification would provide the flexibility to assist many more businesses to comply on time and without undue trauma.

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[*Translation*]

THE CONSTITUTION

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, despite the defeat of Meech Lake, the Parliament of Canada and the Legislative Assembly of New Brunswick—according to our amending formula—can amend the Canadian Constitution and enshrine in that Constitution the equality of the province's francophone and anglophone communities.

The First Ministers' communiqué on June 9 contained an understanding regarding a constitutional amendment for New Brunswick that would provide that New Brunswick's francophone and anglophone communities have equal status and equal rights and privileges.

Furthermore, Mr. Speaker, this understanding affirms the role of the Legislative Assembly and the Government of New Brunswick in preserving and promoting those rights and privileges.

Mr. Speaker, I therefore urge the Prime Minister of Canada to communicate with Premier McKenna of New Brunswick and set a date as soon as possible to thus amend the Constitution, since under our Constitution, this amendment only requires the approval of the Parliament of Canada and the Legislative Assembly of New Brunswick.

ORAL QUESTION PERIOD

• (1420)

[*English*]

THE ECONOMY

Mr. Douglas Young (Gloucester): Mr. Speaker, the Minister of Finance will know that the manufacturing and primary resource sectors in Canada are being seriously damaged by the artificially high Canadian dollar. Representatives of the forestry sector, agriculture, fisheries, manufacturing, mining and exporting companies have told the government again and again that the high dollar policy is causing enormous and perhaps irreversible damage to their industries.

Does the Minister of Finance recognize that the time has come to listen to the pleas from business leaders and try to focus on the economy and see if something cannot be done to try to save this haemorrhaging of jobs in the manufacturing and primary resource sectors?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I listened very carefully to what representatives of the resource sector and the manufacturing sector have said to me about various elements of government policy. I would ask my hon. friend to listen to them as well. If he does, he will understand that they say that one of the principal features of government policy which will help them to improve their competitive position is the removal of the existing federal sales tax and the replacement of that tax by the goods and services tax. That will reduce their costs of production, improve their competitive position, improve their ability to gain business in other countries and improve their ability to create jobs here in Canada.

Surely my colleague can get on side with that and tell his friends in the Senate to get on with passing this so that those industries can move ahead and improve their competitive position in the world today.

[*Translation*]

Mr. Douglas Young (Gloucester): Mr. Speaker, the Minister of Finance suggests that we listen to the people who are involved. I would point out to him that Mr. Laurent Beaudoin of Bombardier severely criticized the Conservative government's monetary policy yesterday, saying that interest rates were too high and the value of the Canadian dollar was artificially too high as well, which puts exporting companies like Bombardier at a disadvantage.

So, Mr. Speaker, I would like to ask the finance minister if he admits that he has to listen to people—perhaps he will listen to the spokesman of the Desjardins Movement who tells us that Quebec's economy is on the brink of a recession.

Does the Minister of Finance now admit that the time has come in Canada to address the problems facing the economy of this country?

[*English*]

Hon. Michael Wilson (Minister of Finance): Yes, Mr. Speaker, that is precisely what we are doing. If my hon. friend will look at the national accounts figures that were put out last week, he will see that the underlying cost structure of the economy, as best represented by unit labour costs, increased at a rate of 6.4 per cent in the first quarter of this year.

If that continuing upward pressure on unit labour costs continues, and it will continue if we start to ease monetary policy prematurely, then we will be in real trouble in this country. We will find that we will lose more business and more jobs, and that is surely what my friend and I both agree should not happen. We should be doing things that will help to create jobs.

Mr. Douglas Young (Gloucester): Mr. Speaker, I think it is important that we take the minister's advice and listen to what Canadians are saying.

I want to point out to the minister that the Canadian Exporter's Association, the Canadian Manufacturers' Association, the National Council on Business Issues and the Canadian Labour Congress are all suggesting very forcefully to the Minister of Finance and to the Conservative government that they are in a situation where thousands of jobs in the manufacturing and the primary resource sector of this country are being lost.

How many of these high-paying jobs in manufacturing and in the primary resource sector are we going to lose? The inflation battle that you are fighting is against that sector of the economy which creates the best jobs in Canada. When is the government going to recognize that

its wrong-headed monetary policy is going to cause irreparable damage to the Canadian economy?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I understand fully what representatives of industry are saying and what representatives of the labour unions are saying. I understand that they would like to see the dollar down and they would like to see interest rates down.

What I have said on many occasions in this House is that we are in government to anticipate problems. If we do not get this cost structure under control, we will have much more serious problems down the road. The job loss down the road will be much greater than the job loss that those industries are enduring today.

That is why we have said that until we can address and get the underlying increases in the cost structure of the economy under control, we have to continue with the policies that we are following now. Once we see that we have those under control, then certainly we will be able to see some reduction in interest rates, but we are not there yet.

* * *

HIBERNIA

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources.

Could the minister give me the latest, up-to-date status of the Hibernia oil project? If he could, would he do so today, please.

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I thank the hon. member for his question. As the hon. member knows, over the last number of days there has been some debate as to the status of the legislation.

The hon. member will recall that when we were in legislative committee, and he was a very helpful and co-operative member and I thank him for that, that I mentioned at that time that if the legislation was not completed before the House would rise, I had every indication that we could complete the work on Hibernia in the summer of 1990, this summer.

I should also say to the hon. member that there have been meetings today in Calgary at which the government of Newfoundland, namely the premier, has been represented and there have been federal officials at that meeting.

I just had a report before coming into the House for Question Period. I believe that those meetings are progressing well, and I think with that type of progress, we can keep on the schedule that we had originally announced.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I thank the minister for his answer. I would seek some clarification because at the legislative committee, I think the minister suggested that he would prefer to have the enabling legislation before he went ahead with spending any money.

Yesterday, apparently, he was at least quoted in the media as saying that without the bill we might be able to go ahead and sign something by this summer between the consortium and the government of Newfoundland and construction may start this fall. Then I just heard on the wires that Mr. Crosbie said that if the deal is not signed by August, it may be delayed a year, which is a completely new thing to me.

Is it possible for the minister to give us any indication of a date so that the people of Canada would have some indication of when they are finally going to derive some benefits from this megaproject?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I said in committee and I repeated it here in the House yesterday that that was my preferred option, namely, to see legislation passed.

I think all of us are mature enough to recognize that it is possibly best to proceed in the manner in which I described in my first answer.

That being the case, we also knew, and I said this at the time the committee met, that there would be some slippage beyond the mid year, beyond June 30, relating to the lender-risk sharing, the LRS, as well as some of the benefit issues and the financing issues. I think we made some progress on that this morning.

I think it was the understanding of all the parties concerned this morning that the outstanding issues, including the legal drafting, should be completed this summer and that is what we are working toward.

[*Translation*]

INTEREST RATES

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I also have a question for the Minister of Finance.

For a long time, the Minister of Finance said that our interest rates were too high because of the constitutional crisis and our high rate of inflation.

But now, Mr. Speaker, in spite of last week's events, the Canadian dollar is stable and the inflation rate is down to 4.2 per cent. The finance minister has no more excuses now.

Will he now say, Mr. Speaker, whether he will make a commitment to lower interest rates starting today for all Canadians?

• (1430)

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think I have answered the question quite fully in response to the member for Gloucester.

I would like to respond to the point the hon. member has just made. He said that the Consumer Price Index is 4.5 per cent, but I do want to draw to the hon. member's attention that the unit labour cost increase in the first quarter was 6.4 per cent.

The reason that 6.4 per cent has not been reflected in the Consumer Price Index is that corporate profits are now at the lowest levels as a percentage of sales that they have been since 1983 and that the Canadian dollar has been higher this past year than a year ago.

For those two reasons, costs at the retail level are less than the cost increases at the corporate level. If we do not get the cost increases under control at the corporate level, that will flow through into the retail level very quickly. That is why we are concerned.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, the minister knows full well that the unit labour costs in this country are higher because net exports are down and because we have a high Canadian dollar.

In light of the possibility of a budget later this year, as he indicated yesterday to Canadians, can the minister assure the House that there will not be any new tax increases? What we have seen in the last five years are taxes, taxes, taxes, a GST, and a high interest rate policy where real interest rates are now at the highest level in the history of Canada.

In light of that, and if we have a budget later on this fall, can he assure the country that there will be no more Tory tax increases for ordinary people in Canada?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me comment on the remarks of the hon. member about a possible budget later this fall. That is something which I think has been taken out of proportion from the comments I made in a scrum yesterday outside the House.

I was asked questions following my response to the member for Gloucester as to what I meant by an adjustment, if that is appropriate. I said that we are always making adjustments. These adjustments are internal and external. In 1986 we made adjustments externally when we found that we were a little off track from our budget projections.

The principal feature of this government's management of the fiscal policy of this country is that it is hands-on management. We are following things aggressively on a day to day basis, and that is precisely why we have been able to come in under budget for the deficit number, four years in a row.

Whether or not we have a mid-term correction in the fall is something that we will know later on in the year if it is appropriate, and that is when it will be announced.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, the minister has not answered the question which concerned what might happen during his mid-term correction.

One might suggest, too, that the economy might be in a good deal better shape if, instead of a hands-on philosophy, it was a hands-off philosophy on the part of this government.

I want to put the question directly to the minister once more. If he is going to make corrections as he says he is considering in the fall, will he make a commitment to this country and to this House that he is not going to give us yet another massive tax increase that will damage this economy just as his high interest rates are doing right across the country?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me make it clear. What I was referring to is a hands-on management of the operations of government.

If my hon. friend is suggesting that we should not have hands-on management, that we should just set our course at the beginning of the year, put our feet up and watch the world go by, that is not the way that this government does business. The reason we have been able to keep our budget under control to control government spending is that we do have hands-on management and we are committed to continuing that hands-on management.

My hon. friend wonders what might happen in the fall. I ask my hon. friend what might happen if there is blue cheese on the moon. That is something that we will find out in the fall when things are far more precise than is the case today.

* * *

ABORIGINAL PEOPLES

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, my question is for the Deputy Prime Minister.

Yesterday, I asked the Prime Minister to assure Canadians that aboriginal people will not be punished for exercising their democratic rights. He typically avoided the question and provided members with a non-answer. This is a serious situation.

I want to ask the Deputy Prime Minister today to be specific and to assure members of this House that there will be no retribution to Canada's aboriginal people for exercising their legitimate rights in the Manitoba legislature. We need to know.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the government firmly believes that with passage of the Meech Lake Accord the aboriginal issues could have been advanced in a very comprehensive fashion, having regard to the fact that all governments in Canada would have then been committed to that process.

However, the government continues to remain committed to improving conditions for aboriginal peoples in Canada in the area of pursuing land claims negotiations, encouraging economic development for aboriginal communities, advancing self-government, and providing assistance to improve their ability to handle their own affairs within their own treaties and within their own reserves and the resolution of treaty issues, such as the thorough work of the treaty commissioner in Saskatchewan. On all those things, I am sure my hon. friend would agree, there has been progress made in those areas. There will continue to be progress and we will continue to work in that regard.

I repeat that I believe and the government believes that we missed a golden opportunity to advance the cause of aboriginal peoples as a result of the conditions that were laid out and that would have been inherent in the Meech Lake Accord. For that, we sincerely regret the fact that the Meech Lake Accord was not adopted.

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, there would not have been the reaction from the aboriginal community if the government was willing to allow aboriginal people to participate equitably. People like Elijah Harper were forced to be obstructionists and find their way into history books as obstructionists because you would not allow them to participate.

Mr. Kempling: What is your question?

Ms. Blondin: The question is this. Yesterday, the Prime Minister tried in vain to divide and pit against one another the aboriginal people by using the 80,000 Manitoba Métis, but we know in our hearts we will never be divided. He will not succeed.

I ask the Deputy Prime Minister today to take the first step of honour, to extend his hand to the First Nations of this country and to assure Canada that the First Nations will not be subjected to punitive actions by the government.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am sure my hon. friend would agree that we missed a golden opportunity in terms of advancing the cause of self-government in the constitutional process, primarily because Quebec was not at the constitutional table at that particular time. I am sure my hon. friend would agree with me.

It was the unanimous decision of 10 premiers and the Prime Minister that in order to bring Quebec into the Constitution, to advance this process, the Meech Lake Accord was fundamental.

I do not want to be argumentative with the hon. member, but it seems to me that some aboriginal leaders were only interested in one thing—and I think that is unfortunate—and that is killing Meech Lake. Phil Fontaine was quoted on CBC as follows: "The strategy here is to kill Meech Lake". He said: "We are prepared to live with the consequences". I could go on and quote Mr. Erasmus. He said: "If it means that there is no constitutional change for some time, we will live with it the way it is". I think that one has really to question the sincerity of some of those leaders, because quite frankly I think they did a disservice to the aboriginal people of Canada.

* * *

• (1440)

[*Translation*]

THE CONSTITUTION

Hon. Bob Kaplan (York Centre): Mr. Speaker, my question is directed to the Minister of Justice. Yesterday, the Prime Minister refused to explain the legal gimmick found at the very last moment last week to extend the time frame for the ratification of the constitutional Accord, a gimmick which he said would apply only to Manitoba. Yesterday, in the other place, Senator Murray stated, and I quote:

[*English*]

"The view of the federal Department of Justice is that we would have a strong case to make".

[*Translation*]

If the case then is as strong as her department claims, could the minister responsible for this legal opinion tell us why she does not appeal now to the courts to obtain additional time for the two provinces which need it?

[*English*]

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am pleased to have an opportunity to address this issue.

If the hon. member will hark back to the circumstances of that Friday, the expectation was that a vote would be held in the Newfoundland legislature but that for reasons of procedural problems and not for a lack of commitment on the part of all party leaders in Manitoba it might be the situation that Manitoba, while wanting to ratify, could not do so within the time frame.

Therefore we were faced with the question of having all provinces in a sense ratifying but outside the time frame set down in the provisions of the Constitution which says—and I am paraphrasing but I think I have the words fairly close—that no proclamation shall be given more than three years after the date of the initiating resolution.

Therefore there was some suggestion that we should be looking for ways around the time frame and I know the Charest committee considered this possibility. The question arose as to whether, if there was a clear indication of a desire to ratify on the part of all provinces, it would be possible by having that initiating resolution repeated to come within the terms of the amending formula. I do not know whether the court would have found that the case or not, but only the federal government has the statutory power to go directly to the Supreme Court of Canada with a reference.

The government indicated at that time that if that commitment was there, if Newfoundland ratified and if Manitoba indicated its commitment to ratify and perhaps went ahead and ratified even outside the time frame, we were more than willing to seek an opinion from the Supreme Court of Canada as to whether that would bring the resolutions within the time frame.

It is perfectly clear that the opinion of the Department of Justice is that if there was that clear commitment on the part of all 10 provincial governments and the Government of Canada we would have a strong case to argue in the Supreme Court of Canada.

One cannot anticipate what the result would be, but if there was a desire on the part of all governments of Canada to have the Meech Lake Accord ratified it seemed to me perfectly responsible and in fact would have been abdicating our responsibility not to seek whatever measures were within our power to make sure that that happened. As a result it became an academic question.

Hon. Bob Kaplan (York Centre): Mr. Speaker, as the minister indicated, the Charest committee did look at that argument, but what the minister has not explained—and I press her on this—is if the interpretation of Section 39(2) would possibly allow a later ratification, bringing it up to the second date, what difference does it

make whether there was one province still to ratify, two provinces still to ratify or more?

It was important, the legal argument on which the Government of Canada relied, a legal argument which to the disgrace of the federal government was never made known to first ministers when they were meeting in Ottawa.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, it does not take a law professor to construct that argument as something that one might take before the court.

I remind the hon. member that the question is both a legal and a political question. At the time, and I am quoting from *Winnipeg Free Press* of Friday, June 22, it was said: "Premier Gary Filmon has opened the door to continuing Manitoba's Meech Lake debate beyond tomorrow's deadline but made it clear yesterday that the next step is up to Ottawa". The headline is "It's PM's move, Filmon said".

The Manitoba government was seeking some kind of assistance. The point is that in order to make the scenario work there was a possibility of resetting the time for the amending formula. It would require that the initiating resolution, the resolution of the Quebec legislature, be made again.

I do not think it is politically unrealistic to suggest that the province of Quebec, given its feelings about Meech Lake, its commitment about Meech Lake, and the political position it had taken, was unlikely to agree to re-enact its ratification resolution—it has a great deal to do with the legal situation—unless there was an existing commitment on the part of all of the provinces to ratify.

I think it was an extraordinary suggestion that you would ask Quebec, on spec, to do it.

If there was not a willingness to do that, then the opinion, of itself, would have been academic. If the provinces now come forward and say they are prepared to ratify then the hon. member's question becomes a very interesting one.

ABORIGINAL PEOPLES

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is directed to the Deputy Prime Minister. The government seems to be taking a two-track system to healing in this country. One is to call for healing after the Meech Lake decision fell apart last week. At the same time it is pointing fingers.

We want a clear answer from the Deputy Prime Minister. Will the government live up to its word to native people and will it say today that it will have a joint definition on treaty rights and a royal commission on native affairs?

Will it live up to that commitment and will it start the healing process now by stating this in the House?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I think the hon. member was in the House yesterday when the hon. member's leader asked the Prime Minister a question that was similar. The Prime Minister said he would take the suggestions of the hon. leader of the NDP into consideration.

Mr. Rod Murphy (Churchill): Mr. Speaker, if the Prime Minister thought that a royal commission on native affairs was a good idea a week ago, it is certainly a good idea now and it is time we start the healing process.

The Deputy Prime Minister, earlier in Question Period, pointed fingers at various native leaders. He should realize that there are native people in northern Manitoba who will not be going to university this fall because the federal government has cut off funding for federal-provincial programs, the BUNTEP program and the ACCESS program?

How can he expect those native people to have any faith in this government when they cannot go to university in two month's time?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, to the latter part of the hon. member's question, may I simply say to him that on a per capita basis spending on behalf of native people in this country has risen by 38 per cent over 1985-86.

With respect to the question regarding healing, I simply quote from the hon. the Prime Minister's statement at Baie-St-Paul, Quebec, on June 24: "Everything that was in the Meech Lake Accord has, because of the failure of its ratification, fallen, as a result of which all of the meetings that were scheduled. And the ones that I particularly regret were the ones involving the aboriginal peoples because, as I indicated today, we came so close in the past. I was absolutely in my heart convinced that if we had Quebec back at the table we could have done the deal that would have brought aboriginal justice about. That is a great tragedy for the aboriginal peoples and for Canada that this was and has been lost, but we will try and work as best we can."

That is the commitment of the Prime Minister on behalf of the government of Canada.

* * *

[*Translation*]

RIGHT TO SELF-DETERMINATION

Mr. François Gérin (Mégantic—Compton—Stanstead): In the absence of the Prime Minister, Mr. Speaker, my question is directed to the Deputy Prime Minister.

Now that most Quebec men and women favour Quebec sovereignty and that even the leader of the New Democratic Party was quoted as saying that she could live with a Quebec sovereignty which she found ineluctable, it is surprising that Canada has not yet broken its colonial ties with England and the Queen, thereby demonstrating a complete lack of understanding of a modern and free Canada.

If English Canada cannot get rid of its old colonial ties and become an independent state, is it still the policy of this government to recognize the right of Quebecers to self-determination, to full sovereignty and complete freedom?

• (1450)

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am not sure what the question is. If it is seeking clarification on the position of the New Democratic Party, he had better pose his question to the leader.

[*Translation*]

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, perhaps the Deputy Prime Minister could pay attention and he would understand that this is an issue of extreme significance for Quebec men and women.

Is it still this government's policy to recognize the right of Quebecers to self-determination as well as full sovereignty and freedom? If the government replied in the affirmative, I should like to ask, by way of a supplementary question, whether the government recognizes that this right to self-determination could be exercised either through a Quebec referendum or a vote of the National Assembly?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, if the hon. member is asking me whether I am a federalist and believe in Canada, the answer is yes.

* * *

GUN CONTROL

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, my question is for the Minister of Justice. Yesterday the government proposed amendments to gun control legislation in Bill C-80. These proposals leave at least two holes in the gun control safety net. They do absolutely nothing to advance safety training requirements beyond those passed in 1978, and still not proclaimed in force, and in relation to converted fully automatics, allow continued acquisition of these guns under a grandfather provision up to June 30, 1991.

Why has the minister failed to deal with these two important elements of gun control legislation and why is she proposing to allow acquisition of these so-called converted fully automatics for another full year?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am pleased to answer the hon. member's question. Notwithstanding his criticisms, I do appreciate his constructive comments yesterday, as do I appreciate those of his colleague of the NDP.

To take the second part of the question first, in respect of the question of grandfathering converted fully-automatic rifles which are now in a semi-automatic mode, they will not be available for acquisition up until the time of the legislation coming into force because, as the hon. member will recall from yesterday, the importation of

such weapons is already now being restricted by Canada Customs.

The decision as to whether or not in rendering these prohibited weapons to have a grandfathering provision, was a decision that was made as a policy decision. Certainly the legislative committee may want to discuss it and make other recommendations.

Following the practice that was set out in 1978, where prohibited weapons were grandfathered, that process worked very well. When those weapons are grandfathered, in order to be held legally they must be registered. They do give law enforcement authorities a much better idea of where those firearms are, who has them, and it is much easier to promote the gradual reduction of their numbers than when one simply prohibits them, creates an amnesty period for turning them in and hopes that all of those that are out there get turned in. It is a better way of keeping control but I would welcome suggestions from the legislative committee.

In respect of the provisions for training, I would like to advise the hon. member that the provisions in the Criminal Code—

Mr. Milliken: Come on. That's not an answer; it's a filibuster.

Ms. Campbell (Vancouver Centre): I am answering his question. The provisions in the Criminal Code do not set out any particular details as to the training proposals. I have indicated that I will be forming a Canadian advisory council on firearms. Its first mandate will be to provide a blueprint to implement those proposals that I hope will be in effect by the beginning of the next fiscal year.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, a supplementary question to the Justice Minister. It is clear that we have a way to go with this particular bill. We in the opposition are prepared to look at expediting consideration of the legislation in order to accommodate real consideration with responsible gun users and groups.

Is the minister ready to agree to move this bill speedily through to second reading and a legislative committee so that Parliament can quickly receive submissions and consultations and make real improvements in this bill?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): I thank the hon. member. Yes, indeed I am. I am very grateful for his co-operation. I think that is precisely the way we would go and I would hope that perhaps we can get agreement among the House leaders to do that today. I think it is an excellent suggestion and I appreciate the good will and co-operation of the hon. member.

* * *

TRUCKING

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, my question is directed to the Minister of Transport. Over one month ago in Windsor, the minister met with the Ontario and Canadian trucking industry. He said he would address their concerns and level the playing field with their U.S. counterparts.

In a meeting this morning with industry representatives, the minister took the government's usual tactic and promised yet another task force, a task force that is not even going to start until mid-August.

When will the government do something concrete to assist the Canadian trucking industry?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I am rather surprised that my hon. friend would suggest that I reject the suggestion of the Canadian conference of teamsters, the Canadian Brotherhood of Railway, Transport & General Workers, and the transportation and communications international union, representing some 150,000 Canadians who asked me if I would form a task force made up of representatives of the trucking unions, from the industry and from government at the federal and provincial levels. I thought it was a good suggestion and I accepted their suggestion. We came up with a date which suited everybody, the week of August 13, for the first meeting. If my hon. friend is suggesting I reject that suggestion, what alternative would he have?

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, I would like to point out to the minister that it was 34 days ago that he made a similar promise to those people and he has not done one thing about it since then until he was further pressured this morning.

I think the minister also knows that he has 24 hours to avert what some people in the trucking industry are going to do. They are saying that at 11.59 tomorrow night, unless there is some concrete action by this government, they are going to shut down the borders and the highways of this country.

I ask the minister again what the government is going to do now to address the concerns of the trucking industry, such as high interest rates, excise tax on fuel and the capital cost allowance that they face? All of these give them a disadvantage to their American competitors. What are you going to do now, before midnight tomorrow night?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, my hon. friend refers to the commitments I made to the independent truckers in Windsor some five weeks ago. I committed to explore better enforcement of the laws against cabotage. That is done. I committed to see if there was any way in which we could get more evidence on unfair competition. The independent truckers gave us no evidence in the intervening five weeks. I committed to explain the situation on the federal excise tax on fuel. That was done to their satisfaction. I have met all of the commitments I made in Windsor, and they will tell you I have.

I have also said to the organized truckers, some 150,000 Canadians who do not want a blockade, who want to obey the law, that I would meet with them in August.

I suggest to my hon. friend that he not counsel breaking the law as he is now.

* * *

DUBIN INQUIRY REPORT

Mr. John Brewin (Victoria): Mr. Speaker, my question is directed to the Minister of State for Fitness and Amateur Sport. Yesterday the Dubin report was made public. The report is an excellent well balanced report which makes a very powerful case for a complete overhaul of the sports system in Canada.

This House, through the Standing Committee, has established a sub-committee on fitness and amateur sport, and I would like to ask the minister if he will confirm in the House for the record that it is his intention to refer the Dubin report to the sub-committee on fitness and amateur sport?

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, I welcome the opportunity of a question from my hon. friend to thank Mr. Justice Dubin and his staff on behalf of all members of the House for the excellent work he has done on the report.

Some hon. members: Hear, hear!

Mr. Danis: As far as the process goes from now on, it is the intention of the government to consult. We will, in fact, ask the sub-committee, of which the hon. member for Victoria is a member, to give us opinions on the report. It is our intention to make a decision with regard to those people named in the recommendation by Mr. Justice Dubin by the end of the summer. In phase two, it would be the intention of the government to have a global response by the fall.

• (1500)

Mr. John Brewin (Victoria): Mr. Speaker, in his comments yesterday the minister said that he accepts the thrust of the report. The report describes a global disgrace in the area of sports and talks about the unethical and immoral conduct of organizations, some of which are funded by the government.

Will the minister assure the House that in his review of sports policies in the future we will no longer have to accept government funding of immoral and unethical activities?

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): As I said, Mr. Speaker, the government will give a full response to the report in the fall.

I would love to answer all questions concerning the report now. However, I am sure my colleague understands that it would be done in a more proper and more orderly way if it were done in the way I suggested a minute ago.

* * *

AIRPORTS

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, my question is directed to the

Minister of Transport. After many discussions I am pleased that he is going to visit Buttonville Airport.

The environmental assessment panel's recent review of air transportation proposals in the Toronto area recognizes the value of regional airports such as Buttonville. The including paragraph of the report states: "If there is a possibility that any of these airports may be included in the long-term aviation strategy for southern Ontario, the panel suggests that Transport Canada consider protecting its range of future options".

Is the minister prepared to make a comprehensive review of this excellent facility and its capacity to ease the chaos at Pearson Airport, particularly the large volume of small business aircraft?

Some hon. members: Yes!

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I am tempted to say simply, yes, as my hon. friends opposite suggest.

I would tell my hon. friend that we are in fact in the middle of a comprehensive review of all the airports in southern Ontario. Pearson, Hamilton, Buttonville, and Oshawa are all included in our plans. We expect to visit Buttonville in the summer.

[*Translation*]

Mr. Speaker: The hon. member for Richmond—Wolfe (Mr. Côté) wishes to raise a question of privilege.

* * *

PRIVILEGE

CONFIRMATION OF POLITICAL AFFILIATION

Mr. Yvon Côté (Richmond—Wolfe): Mr. Speaker, further to rumours that were circulating this morning to the effect that I was going to leave the government benches and no longer sit as the Conservative member for Richmond—Wolfe, I wish to deny outright what was said in the media.

Some hon. members: Hear, hear.

Mr. Côté: I may add, Mr. Speaker, that my decision had already been announced and confirmed in my own riding on Monday morning, and I am sorry these rumours should have disturbed my constituents.

In concluding, Mr. Speaker, I want to add that I see only the Prime Minister of Canada, Brian Mulroney and the Conservative Government as genuine defenders of the interests of Quebec in general and the interests of my constituency. Without this government, Mr. Speaker, we might have to rely on Jean Chrétien, which could only lead to sabotage and the destruction of—

Some hon. members: Hear, hear!

[*English*]

COMMENTS DURING QUESTION PERIOD

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, I rise on a question of privilege. I can do so because I am not leaving my caucus either.

When the Minister of Transport responded to my supplementary question he made a very serious accusation, one which I take very seriously. He accused me of counselling an illegal activity.

I can tell the House that I have not been doing that, and I am not doing that. I was simply pointing out to the minister a serious problem that might arise so that he can take care of it and look after it as he should.

I ask the minister to withdraw that accusation.

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, my hon. friend made several allegations in the preamble to his questions as to what I had done and had not done. I take offence at the suggestion that I have not met my commitments, because I have. My hon. friend should know full well that we have.

I have the representations of 150,000 unionized workers who have agreed that they will participate in this task force that we have created at their request. I am pleased to have their acceptance.

Some hon. members: Oh, oh.

Mr. Lewis: I welcome the comments of my hon. friends opposite. If they want to join the task force too, they are welcome.

If I inadvertently suggested that, by threatening the Canadian people with a walk-out tomorrow at midnight, my hon. friend was counselling the breaking of the law, and if I inadvertently suggested, when he suggested that there is going to be a blockade brought about by those independent truckers, that he was breaking the law—something which I think is unfortunate for him to suggest—then I withdraw it.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to eight petitions.

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

[*Translation*]

TABLING OF DUBIN REPORT

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, I would like to table copies of the Dubin report, in both official languages.

* * *

[*English*]

COMMITTEES OF THE HOUSE

JUSTICE AND THE SOLICITOR GENERAL—THIRD REPORT OF STANDING COMMITTEE

Mr. Bob Horner (Mississauga West): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Justice and the Solicitor General.

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

[*Translation*]

STRIKING COMMITTEE—PRESENTATION OF FORTY-SEVENTH REPORT

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I have the honour to present the forty-seventh report of the Striking Committee.

[*English*]

Mr. Speaker, this report deals with the membership of legislative committees. Pursuant to Standing Order 113(1), upon presentation such reports are deemed adopted.

EXCISE TAX ACT

MEASURE TO AMEND

Mrs. Beryl Gaffney (Nepean) moved for leave to introduce Bill C-324, an act to amend the Excise Tax Act (extremity pumps).

The Acting Speaker (Mr. Paproski): Shall the the hon. member have leave to introduce the bill?

Some hon. members: Agreed.

Mrs. Gaffney: Mr. Speaker, I am pleased to rise in the House today to introduce a Private Members' Bill entitled an act to amend the Excise Tax Act (extremity pumps).

The purpose of this bill is to exempt extremity pumps from the application of the federal sales tax. These pumps are used to reduce swelling caused by lymphedema.

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

• (1510)

The Acting Speaker (Mr. Paproski): Is there unanimous consent for the hon. member to introduce a second bill?

Some hon. members: Agreed.

* * *

FOOD AND DRUGS ACT

MEASURE TO AMEND

Mrs. Beryl Gaffney (Nepean) moved for leave to introduce Bill C-325, an act to amend the Food and Drugs Act (breast prostheses).

The Acting Speaker (Mr. Paproski): Shall the hon. member have leave to introduce the said bill?

Some hon. members: Agreed.

Mrs. Gaffney: Mr. Speaker, again, I am pleased to stand in this House and introduce a bill entitled an act to amend the Food and Drugs Act (breast prostheses).

The purpose of this bill is to ensure that people are protected from dangerous and potentially dangerous breast prostheses.

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

CRIMINAL CODE

MEASURE TO AMEND

Mr. Svend J. Robinson (Burnaby—Kingsway) moved for leave to introduce Bill C-326, an act to amend the Criminal Code (hate propaganda).

The Acting Speaker (Mr. Paproski): Shall the hon. member have leave to introduce the said bill?

Some hon. members: Agreed.

Mr. Robinson: Mr. Speaker, under the current provisions of the Criminal Code, hate literature which is directed at women or which is directed at lesbians or gay men is not illegal.

The purpose of this bill is to ensure that these sections of the code be brought into conformity with the Charter of Rights which prohibits discrimination based on sex or on sexual orientation.

There has been an increasing amount of material promoting hatred and violence against lesbians and gay men and against women in Canada. The purpose of this bill is to send out a clear message from Parliament, despite the Neanderthals in some sections of the Conservative Party, that this hate literature will not be tolerated in Canada.

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

The Acting Speaker (Mr. Paproski): Is there unanimous consent for the the hon. member for Thunder Bay—Atikokan to introduce two bills?

Some hon. members: Agreed.

* * *

CANADA ELECTIONS ACT

MEASURE TO AMEND

Mr. Iain Angus (Thunder Bay—Atikokan) moved for leave to introduce Bill C-327, an act to amend the Canada Elections Act.

The Acting Speaker (Mr. Paproski): Shall the hon. member have leave to introduce the bill?

Some hon. members: Agreed.

Mr. Angus: Mr. Speaker, very briefly, the amendments to the Canada Elections Act are designed to deal with a number of administrative matters regarding the establishment of the election day operation in terms of where people live and how they can vote, as well as dealing with the whole question of election expenses.

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

* * *

NATIONAL TRANSPORTATION ACT, 1987

MEASURE TO AMEND

Mr. Iain Angus (Thunder Bay—Atikokan) moved for leave to introduce Bill C-328, an act to amend the National Transportation Act, 1987 and the Criminal Code (overbooking).

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House that the hon. member shall have leave to introduce the bill?

Some hon. members: Agreed.

Mr. Angus: Mr. Speaker, this bill is designed to deal with the frustration of those people who show up at an airport to find that their seat has been sold out from under them. It would make it illegal to oversell these seats, but would also require passengers to give a certain cancellation notice.

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

* * *

INDUSTRY, SCIENCE AND TECHNOLOGY, REGIONAL AND NORTHERN DEVELOPMENT

REFERENCE OF REPORT OF DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT TO STANDING COMMITTEE

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, I have three motions which require consent. The first one is the following:

[*Translation*]

> That notwithstanding any order or practice of the House, the report of the Department of Indian Affairs and Northern Development entitled: *Report of the Canada Oil and Gas Lands Administration for the year 1989* and deemed referred to the Standing Committee on Energy, Mines and Resources, be also deemed referred to the Standing Committee on Industry, Science and Technology Regional and Northern Development.

[*English*]

The Acting Speaker (Mr. Paproski): The House has heard the terms of the motion. Is it the pleasure of the House to accept the motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

[*Translation*]

PARLIAMENT OF CANADA ACT

REFERENCE TO SPECIAL COMMITTEE

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, the second motion, which requires unanimous consent, is as follows:

> That notwithstanding Standing Order 73(2), Bill C-79, an Act to amend the Parliament of Canada Act, not be referred upon second reading of the bill to a legislative committee but to the Special Committee on the Review of the Parliament of Canada Act.

[*English*]

The Acting Speaker (Mr. Paproski): The House has heard the terms of the motion. Is it agreed?

Some hon. members: Agreed.

Motion agreed to.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, yes, there have been consultations and we are prepared to give unanimous consent.

I am just wondering if the minister can indicate that once the committee has been established, it will not meet during July and August, and that there may be a short meeting in September to deal with the agenda. The purpose of establishing the committee now is to let people know that the committee is available to receive briefs and that it will be looking for information.

Second, can the minister indicate that the 1984 cabinet guidelines dealing with the environmental assessment review process will not be modified unless the Minister of the Environment has met with the committee?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I can confirm with respect to the motion that should any changes be contemplated to the regulations as established in 1984, the minister would appear before the committee and consult with it to discuss those changes.

It is not our intention to have the committee sit during the months of July and August. I just want to confirm that.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, on the motion which is before the House which deals with the Parliament of Canada Act, could the deputy government House leader indicate whether it is the intention of the government to call this bill for debate this afternoon, and if so, at what point?

Mr. Danis: It is our intention to call the bill sometime later this afternoon. If the hon. member would allow me to put my third motion, I could probably answer some questions after.

* * *

HOUSE OF COMMONS

MOTION TO ADJOURN FOR SUMMER RECESS

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): My third motion reads as follows:

> That, when the House has disposed this day of the second reading stage of Bill C-79, an Act to amend the Parliament of Canada Act, and the Government Notice of Motion dated June 26, 1990 respecting Bill C-78, an Act to establish a federal environmental assessment process, it stand adjourned until Monday, September 24, 1990, provided that:
>
> (1) the provisions of Standing Order 28(3) respecting recall of the House be recognized as in force during such period of adjournment; and
>
> (2) if, at any time following the adoption of this Order until Friday, September 21, 1990, the House is not sitting and a Bill or Bills be ready for the granting of Royal Assent, the Speaker may, after consultation with the Government, fix a time at which the House shall meet for that sole purpose, after which the House shall once again stand adjourned in accordance with this Order.

Mr. Angus: Mr. Speaker, my apologies for asking the question during the wrong motion. There were probably two bill numbers side by side.

The government is aware, of course, that there have been serious questions raised about a particular clause in the Parliament of Canada Act, clause 52.8(1). Some members have clearly indicated that they want that clause changed. Can the government advise if it is

prepared to modify or even eliminate that clause during committee consideration?

Mr. Danis: Mr. Speaker, I would like to make these comments as chairman of the committee, if my hon. friend would agree.

The members for Thunder Bay—Atikokan and Churchill are members of the committee. We presented a unanimous report to the House.

I have read the bill very carefully, as have my friend from Thunder Bay—Atikokan and members of the Official Opposition, and understand and share their concern with clause 52.8(1) of the proposed legislation.

That is why I hope that over the course of the summer, if there is a unanimous decision by all members to meet, and it will have to be unanimous, the government will certainly look into it. As chairman of the committee, I certainly would be willing to review that clause.

• (1520)

I fully share the concerns that members of the New Democratic Party, as well as members of the Official Opposition and members on this side of the House have with that clause.

To my knowledge it is the only clause in the whole bill which members have serious reservations about. As chairman of the committee, I can assure members of this House that we will look into it.

If members of the committee will support me in this, I am willing to write to the members of the House asking for their opinion of that clause. I would send each member a copy of that particular clause asking them for their comments. Then each member from each political party could make representations at that time.

It would also be my intention to suggest to members of the committee that we hear witnesses concerning this clause. Members are aware that the committee has been working now for over seven months on the bill.

There are approximately 50 clauses in this bill. Yet there is only one that causes some problems. That is why I hope that we could agree this afternoon to proceed quickly with second reading and have a careful look at the particular clause mentioned by my friend from Thunder Bay—Atikokan.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to say a few words on this matter.

As a member of the special committee of the House that looked into the Canada clause, and speaking for this caucus and in particular for my colleague, the member for Saint-Denis, we expect hearings to be held later this summer. We expect witnesses to be called from civil libertarian groups and from police forces, to have input from everybody, on clause 52.8(1).

I can assure the House that we also have some reservations with the clause itself, but that we would like to have some public discussions on it so that people are very informed about what we are trying to do here.

Mr. Rod Murphy (Churchill): Mr. Speaker, we had discussions in caucus about this very clause.

I want to make it very clear that the problem we have is that we are going into second reading later this afternoon. There is no way that we can accept the principle of that clause. We do not want to be pre-empted in the process that takes place this afternoon.

We do not want to see the House of Commons give second reading to the bill and then the government later on getting up and saying that we agreed to it in principle by giving it second reading.

We want to state very clearly on the record now on behalf of our caucus that when the bill comes up later this afternoon that we cannot accept that clause. If it passes in the House later on today, it is certainly our intention to remove that clause and to make sure that it is not there in the final bill after the committee studies it this summer.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I appreciate the undertaking of the deputy government House leader with respect to this bill. However, I am concerned in that the deputy government House leader made reference to the committee report.

The committee report in question, while I understand it was adopted on a Friday afternoon, has not yet been the subject of study by the House. Certainly I would not want our agreement to this particular procedure to be

taken to mean agreement to a bill which in that particular area reflects the report of the committee.

The reality is that there are deep concerns about the suggestion that there might be in effect a screening device and one law for Canadians and another for parliamentarians. That is the nature of the concerns. I think the deputy government House leader recognizes that that is the nature of the concerns.

I would hope that it would be clearly recognized. I understand my colleague from Churchill will be speaking to this bill at second reading. At that point we will be able to clarify our concerns, but I hope that it could be very clearly understood that we will oppose this bill at second reading.

A legislative attempt to ensure that the police of this country are forced to go to any body, whether it be the Board of Internal Economy or any other body, before they undertake a search warrant or an authorization for a wire-tap, would be fundamentally—

The Acting Speaker (Mr. Paproski): Members have heard the terms of the motion. Is it agreed?

Some hon. members: Agreed.

Motion agreed to.

* * *

[*Translation*]

PETITIONS

OPPOSITION TO GST

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I have here a number of petitions concerning the new tax that will come into force on January 1, 1991.

Several hundred people in my riding and the Montreal area, Mr. Speaker, signed this petition to indicate that they object to a tax that is discrimatory and will put an additional burden on Canadian families. Your petitioners ask us, the Liberal Party, and all Canadians who vigorously object to this new tax on goods and services that constitutes an unprecedented attack on the incomes of Canadians and will force them not only to pay higher taxes but also to cope with higher inflation, higher interest rates and higher unemployment to ask the government to withdraw this terrible tax.

VETERANS

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, I have the honour to present a petition on behalf of veterans and their supporters concerning a government decision.

[*English*]

The petition concerns the fact that the Government of Canada has introduced charges which will reduce home-keeping services to veterans and substantially increase the cost of long-term care.

Our veterans have already given service to this country and should not be targeted by these measures.

I call upon Parliament to reject measures that deprive veterans of proper services and increase their financial hardships.

This petition has been signed by over 300 veterans and their friends.

FISHERIES

Hon. William Rompkey (Labrador): Mr. Speaker, I have the honour to present a petition from quite a number of people in the area of Labrador City and Wabush dealing with the crisis that now hits our province in the fishery.

The petitioners call upon Parliament to have the Government of Canada immediately extend Canada's jurisdiction to the edge of our continental shelf, as is consistent with international law, so that Canada can protect and regulate the fish stock so vital to Atlantic fishermen and all Canadians.

GOODS AND SERVICES TAX

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I am pleased to rise today to present a petition with another 300-plus names of people to add to the many thousands of names I have already tabled in this House. They are in opposition to the goods and services tax and ask that Parliament reject this tax.

RAIL PASSENGER SERVICE

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I have a further petition in opposition to the cuts to rail passenger service in Canada. There are several dozen signatures to be added to the many thousands that have already been presented in this House on this subject.

GOODS AND SERVICES TAX

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to rise to present a petition in the House today concerning the goods and services tax. This petition contains the signatures of 252 residents of Hamilton which were collected through the good offices of my very distinguished colleague, the member for Hamilton Mountain.

These petitioners call upon Parliament to reject this tax which they perceive as unfair after a string of Conservative tax increases.

Mr. Harvey (Edmonton East): The Liberals like the GST.

Mr. Milliken: I appreciate the comments of the hon. member for Edmonton East. I know he is supporting the Senate, and I am delighted to hear it.

This petition is addressed to Parliament in both its constituent elements and calls upon this House to reject the goods and services tax.

I know the hon. member for Edmonton East is going to want to get an appointment to the Senate in due course so that he can express his concerns and views there.

IMMIGRATION

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, pursuant to Standing Order 36, it is my duty and honour to table petitions.

The petition of these Canadians states that thousands of east Europeans who entered Canada in good faith subsequently applied as self-exiles in good faith, that there are no full service immigration offices anywhere in eastern Europe and that the processing time for many of these self-exiled applicants takes up to two years and even more. Whereas these people are well established in Canada as required by the self-exile regulations, the petitioners call upon Parliament to request the Minister of Employment and Immigration to reciprocate on their good faith and to extend the expiry date of Canadian visas until the cases have been completely processed.

• (1530)

In fairness, I do want to add that the minister and deputy minister have already taken action to address this problem and I thank them for their positive interventions to my early representations in this matter.

GERMANY

Mr. Jesse Flis (Parkdale—High Park): I have a second petition, Mr. Speaker, signed by thousands of Canadians pertaining to the unification of Germany and the impact it might have on the security of the Polish borders. The petitioners call upon Parliament to recognize the present borders between Poland and the German Democratic Republic as the boundary between Poland and any future unified German state as final and inviolable. They call upon Parliament to support the demand of the Polish government to be an active participant in any gathering and deliberation where any matters affecting Poland's interests will be discussed and resolved.

[*Translation*]

OPPOSITION TO GST

Mr. Sergio Marchi (York West): Mr. Speaker, I have the honour to present to the House two petitions against the new GST signed by my constituents in York West.

They say that the Conservative federal government has imposed at least 31 new taxes or tax increases on Canadian taxpayers.

Mr. Speaker, the imposition of this new universal goods and services tax will cause serious difficulties and injustices for Canadians throughout the country. So on behalf of all these people, I ask the government to withdraw this new goods and services tax right away.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

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

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

Some hon. members: Agreed.

MOTIONS FOR PAPERS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I ask that all notices of motion for the production of papers be allowed to stand.

The Acting Speaker (Mr. Paproski): Shall all motions for papers stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

MEASURE TO ENACT

The House resumed from Tuesday, June 26, consideration of the motion of Mr. de Cotret that Bill C-78, an act to establish a federal environmental assessment process, be read the second time and referred to a legislative committee.

The Acting Speaker (Mr. Paproski): I would just like to bring to the attention of hon. members that the hon. Speaker would like to see them in Room 16 at 4.45 p.m. this day.

Resuming debate. The hon. member for Durham has 10 minutes remaining in his speech, plus 10 minutes questions and comments. The hon. member for Durham.

Mr. Ross Stevenson (Durham): Mr. Speaker, as you will recall, yesterday as I was supporting the government bill, Bill C-78, the proposed Canadian Environmental Assessment Act, the main thrust of my presentation related to the openness of the process and the significant steps that have been made in this bill to allow for public participation throughout the process. As I finished yesterday, I had just mentioned that as part of the bill there is a clause that has established a formal participant funding program to ensure that all stakeholders have the opportunity to participate in the mediation and public hearings that will occur under this bill.

This multi-million financial assistance program will open the environmental assessment process to Canadians who might not have had the financial resources to otherwise participate in public reviews.

This includes both opponents and proponents and applicants reflecting both sides of the issue will be equally considered for participant funding.

The Canadian Environmental Assessment Act even legislates the requirement that public comments aired in the environmental assessment must be considered before a decision is made on a major project. As well, public concerns must be reflected in mandatory study, mediation and panel reports.

The act also establishes the Canadian Environmental Assessment Agency. The new agency, which will be fully independent of all departments, including Environment Canada, has a mandate to examine and report on the implementation of the environmental assessment process across government. Each year the agency will be required to table in the House an annual report on this subject which will be open for public scrutiny.

There are also additional opportunities for public involvement in the development of exclusion and mandatory study lists, and other regulations under the Canadian Environmental Assessment Act. The Canadian Environmental Assessment Act states that the government-wide exclusion list must be developed with public input and review. This list will include projects known not to pose any risk of harm to the environment and those with negligible environmental effects. Such projects could include simple renovations, routine operations, minor construction and controlled scientific experiments. Projects on the exclusion list will not require assessment.

A mandatory study list will be compiled for projects that pose a potentially significant risk of harm to the environment. In general, these projects will tend to be large-scale projects that often generate considerable public concern. For example, large oil and gas developments, uranium mines, major hydroelectric developments and large industrial plants, could be subject to mandatory study. There will also be major opportunities for public consultation and input in the identification of other statutes and regulations that should trigger an environmental assessment under the Canadian Environmental Assessment Act.

The act gives authority to the Governor in Council to regulate which provisions of other federal acts will fall within this category. A preliminary review of the federal regulatory statutes suggests that some provisions of the Fisheries Act, the National Energy Board Act and the Atomic Energy Control Act may warrant being considered by the proposed legislation.

Identifying these regulatory acts in regulation, and not in the legislation itself, will provide extensive opportunity for public consultation. It will also allow the Canadian Environmental Assessment Act to remain dynamic.

Mr. Speaker, I have been talking today of the opportunities for increased and more open participation in the environmental assessment of projects. This government has, however, also introduced another major initiative that will increase public participation in the assessment of policies. For the first time ever the government is establishing a progressive environmental review process for all new policies and programs. This review process is virtually unique in the world. Under the new process, ministers have decided that the environmental implications of all proposed policy and program initiatives must be considered before decisions are taken.

The government has decided that a statement of the environmental implications of each policy and program will be released when the new policy or program is announced. Canadians will be invited at that time to scrutinize these public statements. A further opportunity for public scrutiny exists. The House of Commons Standing Committee on the Environment can request any minister to appear before it to explain the environmental implications of any new policy or program.

• (1540)

I remind the hon. members that this legislation is the product of considerable public consultation. The Canadian Environmental Assessment Act reflects closely the views and recommendations of Canadians gathered over the past two years on country-wide consultations.

To date the government has heard from a wide spectrum of Canadians, including governments, the private sector, native people, environment and other special interest groups, the bar, and environmental assessment professionals.

I encourage these and other Canadians to make their views known to the House of Commons committee when it studies the Canadian Environmental Assessment Act later this year.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, having listened to the speech of the hon. member for Durham yesterday in particular, and today, I would like to ask him a question. Considering the fact that he was not yet politically born in 1984, and speaking so authoritatively as to what happened, in his opinion, hastily in 1984, he should perhaps be aware of the fact that the guidelines produced in 1984 were the result of considerable thoughtful work and not hastily produced as he is quoted as having said on page 13141 of *Hansard*.

The guidelines were intended of course to trigger all federal departments to conform with such guidelines after 1984. So the fault is not with the guidelines, but with the government not living up to the guidelines which have existed since then.

Therefore, the question to the member for Durham is could he explain why, despite the guidelines, and subsequently despite the two court orders, this government is still allowing construction of both the Rafferty-Alameda and the Oldman River dam today?

Mr. Stevenson: Mr. Speaker, as I stated yesterday, and obviously I expected some comment on this because I am sure the member is quite sensitive, in the provinces of Canada, and I gave one example, that being Ontario, and I must admit that since yesterday I have not checked the exact date, but I know in Ontario the Environmental Assessment Act was brought into being either in 1977 or 1978.

That is a very extensive and quite thorough legalistic type act. During most of that period of time federally, from 1977 to 1984, a Liberal government was in power. During part of that time the hon. member was in cabinet. Certainly they had ample opportunity to bring in an Environmental Assessment Act.

Regardless of what the member says, I think if you look at the timing of the bringing into effect of the guidelines in 1984 they were in fact brought in just prior to the federal election and my comments from yesterday stand.

The member speaks quite eloquently on the situation that exists now, on the various environmental questions that are in place, and on the two dams. I think the government has stated its position. A court decision has

been made, and the government has given consideration to those court decisions. That information is in the public forum and I think I will leave my comments at that.

We had some discussion in the House yesterday on those two projects from members on both sides of the House and I do not know that I can add much to those arguments.

Mr. Caccia: Mr. Speaker, do I take it, then, from the non-answer of the hon. member for Durham that he cannot justify the behaviour of his government on both Rafferty-Alameda and the Oldman River dam?

In other words, he has no answer to offer for the behaviour of the government which has disregarded until now two court orders.

Mr. Stevenson: Mr. Speaker, it is very clear that the guidelines were just that. They were brought in as guidelines. They were never intended to stand up to the microscope of court proceedings.

I certainly congratulate the minister and the government for bringing forward this very significant piece of legislation, which I think is arguably one of the most advanced pieces of environmental assessment legislation in the world, and for making sure that adequate legislation is in place in Canada so that projects are thoroughly reviewed and there is no misunderstanding of what are the responsibilities of various jurisdictions. This bill is a significant step forward. It is unfortunate that it was not in place some years ago.

Mr. Jim Fulton (Skeena): Mr. Speaker, I have a very short question. The member seems to be very knowledgeable of Bill C-78, so I would just like to get his perspective for the record regarding what he described just a moment ago as large hydro projects, nuclear projects, oil and gas projects—projects of that magnitude.

Is it the member's reading of this legislation and his understanding of government policy that this legislation means there would be full environmental assessment and review of those kinds of megaprojects? Is that how he understands this legislation?

Mr. Stevenson: Mr. Speaker, there is a clause in the bill under which there will be mandatory hearings. I do not have the clause in front of me right now, but as I understand it, it does not precisely delineate exactly what projects will be in that section. That will come forward in further discussions. I am sure it will come forward in the public hearings.

As a member of the House of Commons I have no problem that these individual areas are not named in the bill, but I certainly as a member of the House of Commons I would like to see prior to the passage of the bill a fairly complete list of projects which would be put into the regulations immediately after the passage of the bill.

It is important that the bill be flexible and dynamic. I do not doubt that over a period of years items will have to be added to that mandatory list. In fact I would be quite disappointed if items were not added to that list. Any future government that tried to take any significant project areas off that list would be dealt with quite harshly by the Canadian public, and I have no problems with that.

As I understand the bill there will be a mandatory list created involving public consultation. As I understand it, I have no great problem with that particular aspect of it. As I say, I would like to see a fairly extensive list clearly spelled out by the government before the time of passage.

Mr. Fretz: Mr. Speaker, I rise on just a brief point of order to interrupt the proceedings. We hope this House will soon rise, if not today, then certainly this week.

However, I want to pay tribute to the pages who have worked so hard for us as members of Parliament throughout this past year. We have an energetic, enthusiastic, intelligent, and marvellous looking group of pages who have served us so well in this House. This is one of the brief times we come together as partisan members of Parliament to pay tribute to the pages who have served us so well. We want to say thank you to each one of you. We wish you well in all your endeavours as you continue your education, return to your homes this summer, or whatever. I want the rest of the House to join with me in thanking you for serving us so well this year.

• (1550)

Some hon. members: Hear, hear.

The Acting Speaker (Mr. Paproski): The Chair concurs.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I am pleased to rise today to contribute to the debate on Bill C-78, the environmental assessment review process legislation, the long awaited legislation.

However I must confess to being disappointed in the bill. I want to make it clear from the outset that our party will vote against it at second reading. I want to say why.

The New Democratic Party is clearly on record as being a leader in the whole environmental issue. I am sure viewers will wonder why we oppose a bill that purports to assist in the process of environmental protection. It is clear that this bill is totally inadequate. We have been waiting for months, in fact since the last election. The government has said that the environment would be an issue of this government. This bill causes disappointment because it is inadequate. It is much narrower in scope than the existing 1984 guidelines.

Yesterday my hon. colleague from Skeena outlined the history of this bill, and I refer members to his speech because I think it was a very concise rendering of the history and increases our disappointment in this bill.

It does not include federal legislation such as the Fisheries Act and other environmental statutes. It provides for exemptions but does not list them. It provides for mandatory studies but does not list them either.

The Minister of the Environment offered intervener funding at his press conference, but the bill does not include it. It is a just policy assessment, but the legislation does not do it. This bill is shot full of holes. It appears to be something when it is not. The whole expectation that this was going to be the lead for the government to take in environmental action is yet to be seen. That is why the NDP will vote against it at second reading.

After all the government's promises for a strong environmental assessment process entrenched in law, we are left with a hollow piece of legislation which is weaker than the rules now in place. Cabinet decisions are exempt from this legislation. The government has promised that all cabinet documents will have an environmental assessment attached but that only summaries of them will be made public. That is not good enough.

We have heard a lot about process over the last couple of weeks. The government should know that the process in this legislation is just not good enough. We are expected to trust cabinet to do the right thing. There are no safeguards or means of assuring that environmental considerations are given proper weight in cabinet decisions.

The government says that public opinion will be the enforcement mechanism. I know public opinion. People talk about how it relates to the GST. Did public opinion have any impact on that? No. We have already found out that in the employment equity legislation, using public pressure, is not an effective way to enforce the aims of legislation. This legislation is discretionary. This is a step backward from the current guidelines which were ruled as binding on the government by the Rafferty-Alameda decision.

Important sections of this bill have been left to regulations yet to be drafted. It is not even clear what federal legislation comes under this new law or what type of projects will be excluded. This bill leaves important questions unanswered. Some of them are: Which projects will be covered? Which will be exempted? What criteria will be used to review cabinet decisions? What federal legislation will come under this act? Will foreign aid and development be covered? How will Crown corporations be affected?

This was the bill that had such expectations, and yet it fails to address these crucial questions. The new Canadian Environmental Assessment Agency, CEAA, is basically the old federal environmental assessment and review office, FEARO, beefed up a bit. The NDP and environmentalists have called for an independent agency that would report to Parliament, but this agency like FEARO only reports to the environment minister. There were a number of reports including the NDP task force report entitled *Towards a Sustainable Future*. I had the honour to sit on that task force.

Mr. Fulton: It was an excellent report.

Ms. Hunter: It has been well circulated across Canada. The greenprint for Canada recommended the creation of an environmental auditor to review government operations independently. This was in the original drafts of this bill but was axed in the final version. When we

talk about having faith in the cabinet and then we see what it did to this bill, I have little faith in the cabinet.

Mr. Fulton: Shame, Tory hackery.

Ms. Hunter: It is clear that this legislation has been drastically watered down from the original draft. It is now, in the government's words, only an advisory process. The legislation does nothing to clear up the uncertainties over the Rafferty–Alameda and the Oldman River dam projects. The government has admitted that it is currently impossible to assess the full scope of the bill. In the words of our environment critic, the hon. member for Skeena: "The bill is a giant Swiss cheese. It is full of holes." That is why we are opposing it at second reading.

I also want to focus on the bill itself and the language of the bill in the preamble. I think it demonstrates that the government's approach to the environment is wrong-headed. In part the bill says in the preamble:

> Whereas the Government of Canada seeks to achieve an appropriate balance between economic development and the preservation and enhancement of environmental quality;

Even that language points to the flaws in the government's thinking.

What we had hoped would appear in this legislation was an understanding that the economy and the environment were not something to be balanced. They are interlinked and that should be acknowledged. There should be a mechanism for full cost accounting.

I sit on the environment committee and I heard very interesting testimony from David Runnals of the Institute for Research on Public Policy when he appeared before the committee. When I speak about full cost accounting, the system we have now essentially counts only the flow of resources. It does not count the stock of resources. As a result we can have some quite idiotic circumstances like the *Exxon Valdez* spill in which the costs of clean-up are added to the U.S. Gross National Product and the costs of the destruction of the natural resource base of Prince William Sound are not counted anywhere. The Gross National Product of the state of Alaska grows quite significantly as a result of the oil spill. This is crazy. This was referred to by an economist of the World Bank, Herman Daly, as akin to running the world as if it were a company in liquidation. This is where this government had an opportunity to make a real impact on the environment, to merge the economy and the environment, and it has missed that opportunity.

• (1600)

It should be in this legislation. It should at least be in the preamble. If we are not successful in defeating this bill at second reading, I hope that the committee that is going to be reviewing this bill will certainly make that fundamental change at the very beginning.

I want to turn now to that part of the bill dealing with foreign aid and the Export Development Corporation, Clause 4. It does not say, as I stated earlier in my remarks, whether these are even covered in this legislation. That is why my colleague compared this bill to Swiss cheese. This is one of the holes.

This bill raises expectations, and as my colleague describes in his usual colourful way, it is like a game of snakes and ladders; you get up the ladder and you expect something to be there at the top but then slip down the slope because there is nothing there.

The environment committee had the opportunity to hear from representatives of the Export Development Corporation. They made it very clear what their mandate was. It was to facilitate and develop export trade by providing insurance, guarantees, loans and related financial services, fostering Canada's international competitiveness. It sounds wonderful, but the philosophy behind that action means that the EDC has to conduct its affairs in accordance with commercial principles and disciplines, similar to those followed by the commercial banking sector.

These are Canadian taxpayers' dollars that are going to assist Canadian exports, often going into developing countries, and they are not subject to environmental assessment? How can we as a country that has an international reputation, which sometimes exceeds what it is worth, carry on its affairs this way? We are a wealthy country. Certainly, we have a large deficit, but when we talk about it in relation to the rest of the world, we have a responsibility to act with environmental responsibility that exceeds other countries because of our relative wealth. It certainly is not right to allow the Export Development Corporation to be exempt from environmental legislation.

It is unclear as to where CIDA is in this environmental legislation. I am the critic for CIDA for my party and I have to give credit to CIDA. Often, they use a lot of scrutiny in their projects and their increasing environmental conscience does my heart good. They are doing some very good work and I give them credit for that. I

hope that the Export Development Corporation will set aside its commercial principles and look at environmental projects in the same way as CIDA does.

The environment does not distinguish between foreign aid money and export credit. It is crucial that we have an understanding that if taxpayers' dollars are involved we expect environmental assessments to be up to Canadian standards. We obviously have a responsibility for projects in Canada, but we also have a responsibility for those overseas. There is no way we can take any short-cuts with that.

This bill also gives an opportunity for the government to do as the Bruntland Commission recommended and set the new agenda to deal with the causes of environmental problems rather than dealing with the effects. This is what I speak of when talking about the narrow mind-set of this bill. It is with a great deal of disappointment that we read the bill.

I know I have only a few minutes left, but I want to point out, as my colleague from Skeena said yesterday, that this is an amorphous document; it purports to be something when it is nothing.

I have in my possession a secret document from December, 1989. It is a communications synopsis. It says that the purpose of this bill is, and I quote: "To gain recognition and credit nationally and internationally for the government's leadership in using the environmental assessment review process to help achieve sustainable development".

What they are saying in this document, obviously, is that we want to appear to be doing something and to get the credit for that nationally and internationally. It goes on to mention the possible headlines that would result from this legislation. The possible positive headline is: "Government reforms to aid sustainable development". The possible negative headline is: "Feds back off on environmental promises".

Mr. Speaker, just to give you an understanding of what actually did happen and what the headlines were, I have a clipping file here of what actually happened when this legislation was unveiled. *The Ottawa Sun* of June 9, 1990 states: "The Green Law Unveiled—NDP denounces gutless bill". I wonder whether that was the positive headline or the negative headline. I guess it all depends on whether or not you belong to the NDP.

The Ottawa Citizen, June 19, 1990: "Environmentalists criticize fill-in-the-blanks legislation". I think that fill-in-the-blanks legislation came from a well-known, well-respected environmentalist by the name of Elizabeth May, who many in this House have the privilege of knowing. I think that definitely fits in with the negative headlines.

The next headline is: "The environment protection bill lacks anticipated measures". Environmentalists and the New Democratic Party are very disappointed with this initiative. We are going to be debating this at length, I know, but I want to make it clear that we are opposed to this. The government has fallen far short of its so-called rhetoric on the environment. They have missed this opportunity, and I can only hope that if we can have this bill amended, if it does happen to pass because members have not taken our good advice to defeat it at second reading, we can create a new environmental agenda for Canada and for the world.

The Acting Speaker (Mr. Paproski): Questions or comments? On debate, the hon. member for Nunatsiaq.

Mr. Jack Iyerak Anawak (Nunatsiaq):

[*Editor's note: Member spoke in Inuktituk.*]

Mr. Speaker, I welcome this opportunity to speak on Bill C-78, the Canadian Environmental Assessment Act. Certainly, after several years of promises from the government, the legislation was finally introduced last week. However, although we support it in principle, we have some serious concerns because of some clauses in the act. It is like building a house without the necessary permit or without securing the land underneath. It is nice to look at, but you cannot get into it.

Section 55(2) is really the problem with this whole bill. That clause states:

> The Governor in Council may, on the recommendation of the Minister, make regulations prescribing a list of projects or classes of projects that are physical activities, and for which an environmental assessment is not required, where the Governor in Council is of the opinion that conducting an environmental assessment of such projects would be inappropriate.

Basically, this particular clause states that we could have all sorts of concerns and address all sort of concerns, but if some corporation decides that they do not want to go through that process, all they have to do is go to their friend, the Governor in Council, and ask for permission not to go through the assessment. The bill allows cabinet to exclude, through regulations, any project or class of project it chooses.

• (1610)

This bill does not specify which existing legislation would automatically trigger an environmental assessment.

This bill, furthermore, does not cover actions of Crown corporations. The bill does not bind cabinet to implement the recommendations of the review panel.

The public reaction to this bill has not exactly been ecstatic. Commentators, media and environmentalists have noted that the government's commitment to environmentally sound policies and programs has lacked conviction. One particular incident I would like to note is that during the 1988 international conference, the government wanted to pass a resolution cutting emissions down by 20 per cent by the year 2005. The Government of Canada subsequently did not agree with that. What kind of commitment is that to the environmental cause? Therefore, we have some questions about the government's concern about the environment.

The Green Plan for action has been postponed while the government stalls for time with public hearings. The existing federal environmental regulations have been treated by this government as discretionary and as nuisances to be avoided. The courts have had to tell the government that these regulations are mandatory. The Rafferty–Alameda and the Oldman River dams are still under construction, however, for safety reasons.

The new package the government has introduced includes this bill, and a host of promises of the government's good intentions. Ministers are to include environmental assessments of all their policy proposals. These assessments, however, will not become public. The public will see only a summary of these assessments. We also do not know how extensive the cabinet assessments will be, nor what standards for environmental protection must be followed.

This bill proposes to set up environmental reviews before a project gets under way, but what types of project must be reviewed? What federal laws automatically trigger an environmental assessment? What projects are exempt? What rules apply to aid projects?

The answers to these questions will be found in regulations, rather than in the bill itself. Regulations can be changed easily and frequently. We are concerned that important sections of the bill have been left to regulations which have yet to be drafted. These include special regulations for Canadian foreign aid, Crown corporations, and aboriginal lands.

The list of the various federal statutes the new law will apply to has been left to regulations and is not covered in this bill. A list of the types of projects that will be automatically excluded from the application of the legislation is also not covered in this bill. This exclusion list is left to the regulations which are not yet drafted.

Environmentalists have pointed out that the bill will be toothless if the cabinet fails to pass regulations listing all the specific federal jurisdictions and legislation under which it can be used or if it later changes the regulations.

A spokesperson for the Sierra Club, Elizabeth May, has said the bill is "fill-in-the-blanks legislation." Stephen Hazel of the Canadian Arctic Resources Committee commented, "Too much has been left out. As it stands, it is narrower than what we have now".

The government is not required to follow the recommendations of the environmental assessment panels. The environmental assessment process remains advisory only.

The new legislation does not apply retroactively to any federal project which has already been subject to some form of assessment. No provincial project or private commercial development is covered if it does not involve federal funds, or does not have any impact upon federal authority.

This bill is meant to replace the 1984 environmental guidelines. Until this legislation is in place, what does the government intend to do about the existing guidelines? The guidelines must remain in place to fill the gap until the new law is in effect. It seems some ministers and some provinces are pressing hard to weaken the guidelines so that the courts cannot further intervene in

federal projects. The government must resist this pressure.

As I pointed out earlier, this new legislation is flawed, and some have said it is narrower in scope than the rules which are in place now. There are several questions we want answers to and we will be trying to strengthen this legislation.

The government appears to have recognized that many projects requiring a federal decision also require decisions from other interests, including provincial governments, foreign states, and bodies established under land claims or Indian self-government legislation.

The act enables a responsible authority to co-operate in the preparation of environmental assessments with another party or jurisdiction in the case of a screening or mandatory study. It requires the responsible authority to exercise the appropriate quality control for any assessment so undertaken. The responsible authority, however, cannot delegate any of its decision-making powers. The government believes this feature will enable federal authorities to work closely with other parties and jurisdictions to minimize duplication and confusion without sacrificing environmental values.

Where another party or jurisdiction has the responsibility to undertake a public environmental review of a project, the act provides the Minister of the Environment with the authority to establish a joint review panel.

The other party could be a provincial government, the government of a foreign state, a body set up under a comprehensive land claim agreement or a federal regulatory authority. I assume the government is recognizing here the environmental portions of the Inuvialuit and James Bay land claims agreements.

With respect to panel reviews of projects, the Minister of the Environment may approve the substitution of another federal or aboriginal organization for a review panel under specified conditions. The minister may also establish criteria for substitution.

The act also permits the minister to establish a public review panel to assess the serious transborder and related environmental effects of a project on federal, provincial, foreign, or Indian lands. Such projects include those to be carried out in a province and likely to cause serious adverse environmental effects in another province, on federal or Indian lands or outside the country. Projects also include those to be carried out on reserves, or other Indian lands that are likely to cause serious adverse environmental effects elsewhere.

The government has said all these projects will be subject to environmental assessment in accordance with the stated purpose of the proposed act. Because of special circumstances, however, they will be subject to special procedural regulations.

The government has set out a list of principles to govern the development of these special procedural regulations on Indian lands. I hope the government is also including Inuit lands in its terminology.

The regulation is to be consistent with the principle of devolution of authority to First Nations and, therefore, accountability under these regulations will reflect the accountability outlined in the devolution instrument. The regulation will minimize duplication of process with other jurisdictions.

We will be studying these proposed principles and their impact very carefully. We will be seeking comments and input of the aboriginal peoples and their representative organizations.

I will be examining this bill with the fact in mind that aboriginal rights include the right to pursue a traditional life-style and economy of hunting, fishing and trapping on aboriginal lands.

• (1620)

I will be thinking of the proposed pulp mills in Alberta that have the potential to affect the rivers in the Northwest Territories. I will also be thinking of the proposed Kiggavik mine near Baker Lake, about which an awful lot of people from the Keewatin have very grave concerns with regard to the possible effects of radiation.

Clause 55(2) is an escape clause for government and industry. This clause permits the government to draw up a list of projects or a class of projects for which an environmental assessment is not required. This clause is a gaping hole in the environmental protection regime.

As I said earlier during the opening statements, this particular clause does everything to undermine the principle of the legislation by saying that anybody could go to the Governor in Council and say that they have to

be exempted from this particular bill because of such and such, or some other things.

I think this particular section should be taken out in order to ensure that proper environmental assessment is done on all projects that have the potential to contaminate the environment.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I rise on a point of order. I believe that you will find that there is unanimous consent for the following motions that I want to present to the House.

The first motion is:

That the debate on the motion for second reading of Bill C-78 be now adjourned.

The Acting Speaker (Mr. Paproski): Is it so agreed?

Some hon. members: Agreed.

Motion agreed to.

Mr. Cooper: Mr. Speaker, there have been extensive consultations on all sides of the House and I believe you will find unanimous consent for the following motion which is on page IV of today's *Order Paper and Notice Paper* which reads as follows:

That a Special Committee of the House of Commons be appointed to meet, as it sees fit, to pre-study Bill C-78, an act to establish a federal environmental assessment process, which Committee may organize in June, 1990 and may call witnesses as it sees fit and shall act as the Legislative Committee to which the said Bill is referred after second reading;

That the Committee be empowered to sit when the House is not sitting or when the House is adjourned;

That, notwithstanding any Standing Order, the membership of the said Special Committee be as will be reported by the Striking Committee before the House adjourns on the day of adoption of this Order, and that such report be deemed adopted upon presentation; and

That substitution, if required, be according to provisions for Legislative Committees.

The Acting Speaker (Mr. Paproski): Hon. Members have heard the terms of the motion.

Mr. Jim Fulton (Skeena): Mr. Speaker, just for the clarification of the public, and I am sure this is what the member means and I am sure it is what the Deputy Government House Leader meant when he was speaking earlier, this committee is being set up in this way to allow public interest groups, business, the territorial governments, provincial governments, and others who are interested in the environmental assessment legislation to have an opportunity to look at it and get their views back into this committee during this pre-review period.

There should not be a public expectation out there that this committee, in fact, is travelling somewhere in the country. One might describe it, at least during this point in time, as a bit of a post box that is getting information out and getting information in.

I just want that to be clear to the public.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, before the parliamentary secretary replies, may I also reinforce the intervention by my colleague from Skeena. It is our understanding as well that, because of the complexity of the bill and because of the importance that interested organizations and groups place on the bill and the time they will require to study it carefully to make a meaningful and constructive submission to the committee, the whole purpose of our understanding today is to provide a mailing exchange and facility to inform interested parties about the bill and to receive their input gradually and to be able to start thoughtful examination of this input by the public in September.

Mr. Cooper: Mr. Speaker, I do want to acknowledge that, in fact, is what the government is proposing here and what has been agreed to by the other parties.

I also want to say, if my memory serves me correctly, that it was a procedure recommended by the McGrath task force as part of its reforms. When we get into issues that are of particular significance to the country and of particular importance at a certain time that, as much as possible, we should allow the public to participate in the process and to have an opportunity for input before the House has approved in principle, as would be accomplished with second reading. This would give them that kind of an opportunity.

I congratulate the Minister of the Environment for agreeing to this quite novel approach and also the critics and members of both opposition parties for their consent. It is a novel approach and I hope it is very

successful because it is the kind of approach that we should also be considering for other pieces of legislation.

The Acting Speaker (Mr. Paproski): Hon. members have heard the terms of the motion. Is it agreed?

Some hon. members: Agreed.

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

Motion agreed to.

Mr. Hawkes: Mr. Speaker, I rise on a point of order. I would seek unanimous consent of the House to revert to the presentation of committee reports so I can present a striking committee report which deals with the motion the House has just agreed to.

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

STRIKING COMMITTEE

PRESENTATION OF FORTY-EIGHTH REPORT

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I have the honour to present the forty-eighth report of the striking committee.

This report deals with the membership of a special committee and, pursuant to Standing Order 105, upon presentation such reports are deemed adopted.

GOVERNMENT ORDERS

[*English*]

PARLIAMENT OF CANADA ACT

MEASURE TO AMEND

Hon. Marcel Danis (for the Minister of State and Leader of the Government in the House of Commons) moved that Bill C-79, an act to amend the Parliament of Canada Act, be read the second time and referred to a special committee.

The Acting Speaker (Mr. Paproski): On debate, the hon. member for Churchill.

Mr. Rod Murphy (Churchill): Mr. Speaker, as I indicated earlier, the New Democratic Party wished to put up one speaker on debate at this stage. We do so because of the issue of the clause referring to the reference to the Board of Internal Economy.

As I expressed earlier, we have no complaints with the idea that the RCMP, the Quebec Provincial Police, the Ontario Provincial Police, or others doing investigation should get a clarification from the Board of Internal Economy as to what are acceptable practices within the rules of the House.

We have had some incidents in the past that have shown why this is necessary. For example, we understand that it is quite acceptable behaviour for a member of Parliament to keep a Christmas card list on his computer. If the people on that list happen to be members of his own political party, we do not consider that an offence against the House of Commons or any of its regulations. So, there will be a number of occasions when that clarification must take place.

Our problem with the proposal as it is written is that it would require all law enforcement agencies to come to the Board of Internal Economy before they can ask for a search warrant or a wire-tap and before they can undertake any criminal process. We do not believe that the Board of Internal Economy is the right place for the RCMP or for any law enforcement agency to be going.

We would rather see that particular request for information come before an actual criminal prosecution took place. We believe that those are two very distinct situations. On the one hand, one allows the RCMP and other law enforcement agencies to do their legal duty, to carry out an investigation upon a complaint, but on the other hand, not be in a situation where it could be perceived by the public that members of Parliament have more rights than ordinary citizens.

• (1630)

What the Board of Internal Economy would do, under a proposal that the NDP would accept, would be clarify the rules of the House so the law enforcement agencies and the courts would have benefit of the knowledge of what is allowable.

Other than that provision, of which we have expressed our disapproval and which we will oppose on division later this afternoon, we find that the act itself covers many of the areas to be addressed by the House of Commons. It calls for the Board of Internal Economy to set up by-laws which are available to members of the House, so we know what is acceptable. It also allows members of the House to go to the Board of Internal

Economy for opinions on what is or is not acceptable behaviour.

We believe that is a very useful purpose for the Board of Internal Economy. It helps to ensure that members, who have a questionable act, know who to go to and what process to follow in order to get a clarification about some undertaking they may be considering.

With that and with the recognition that the committee itself will study the act, we are quite willing to let the bill go to committee. As the chairman indicated earlier, he will be writing to members of the House informing them of the study to be undertaken.

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

Some hon. members: On division.

The Acting Speaker (Mr. Paproski): Accordingly the bill stands referred to a special committee on the review of the Parliament of Canada Act.

Motion agreed to, bill read the second time and referred to a special committee.

Mr. Cooper: Mr. Speaker, there are just a couple of housekeeping items that we need to handle. First of all, I am wondering if the House would give its consent to drop from the Order Paper the adjournment motion, which was put there as Motion No. 14, as it is no longer necessary because of the earlier motion we adopted. I would like the consent of the House to drop the motion on page 24 of today's Order Paper.

The Acting Speaker (Mr. Paproski): Is there unanimous consent?

Some hon. members: Agreed.

Mr. Angus: Mr. Speaker, I am concerned. I have not had a chance to be here in the last couple of minutes.

Yes, Mr. Speaker, there is concurrence.

Mr. Cooper: Mr. Speaker, may I say to all members of the House that it has been a long, interesting and often difficult spring session.

On behalf of the government, may I say to all members of the House, no matter on which side they sit, that we wish them all a very happy and restful summer. Perhaps they can enjoy some time with their families and friends as well as the work we know we all have to carry out in our constituencies.

Also, Mr. Speaker, I understand there will likely be Royal Assent at five o'clock. Perhaps what we can do is agree to suspend to the call of the Chair.

The Acting Speaker (Mr. Paproski): We will suspend to the call of the Chair. There should be Royal Assent around 5.45. The hon. government—the hon. member for Ottawa—Vanier.

Mr. Gauthier: Mr. Speaker, call me whatever you want as long as you spell my name right.

[*Translation*]

Mr. Speaker, I would just like to say to all those who have been listening to us for several months that this was a productive session. When the opposition co-operates, things always go well in the House.

[*English*]

I want to especially pay tribute to the co-operation given by the hon. member for Kingston and the Islands, my colleague from the new class of '88, who is showing great understanding of the House and a great love of it. He has negotiated sometimes for us on the opposition side with the hon. member for Peace River, who has also been a great person to work with.

Some hon. members: Hear, hear!

Mr. Gauthier: Mr. Speaker, I think he is well deserving of the applause from his colleagues because of his understanding and his nice attitude and also his very constructive remarks most of the time. I said most of the time.

I just want to wish all my friends and colleagues in the House a pleasant summer with their families, and have a good time.

Mr. Angus: Mr. Speaker, as we all know, this House only works if we work together. We are partisans, because that is what brings us here, because we all have a different vision of the kind of Canada we want and how to get there.

I think we have to recognize that there are some key elements in this House that allows it to function, and they are the roles of the House leaders and their assistants in the House, as well as staff, the Whips and their assistants in the House, as well as staff that allows

us to work with you, Sir, and your colleagues in the chair and the folks at the table, who assist us in operating the House of Commons, the people's court if you like, to do the business of the nation.

I want to express my appreciation to the officers of the governing party, of the Official Opposition and my colleagues for their co-operation over the past six months, in particular for me as the most recently elected Whip to the New Democratic Party caucus, but in years gone past as well. I also want to take this opportunity to say thank you to the young men and women who have served us so well this year. This is their last day. They thought that last week was their last but they have hung on to the bitter end with us. On behalf of all of us, I wish to extend our thanks for the work that these young people have done and wish them well in their years to come. Hopefully, some of them will still decide to choose politics as an occupation.

[*Translation*]

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, I would like to join my colleagues in extending the same wishes to all and to assure you that when Parliament returns on September 24, not only will there be more independent members, but we will be better organized and thus more able to work for Quebec's sovereignty and co-operate in the business of the House.

[*English*]

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I do not wish to prolong the discussion that is under way unduly but I wanted to thank the hon. member for Ottawa—Vanier for his kind remarks.

Also I suggest that perhaps when the House resumes the sitting for Royal Assent, if there is a report of the striking committee that needs to be tabled, perhaps the House could permit, by unanimous consent, that we revert to presenting reports from committees so that that report could be tabled in the House at that time. I think that concurrence is automatic in that particular case.

I wanted to thank the table officers of the House for their assistance during the session, because I think every member knows that they have been particularly helpful. Also I wish to add to the kind words expressed by the hon. member for Erie our thanks to the Pages for their work in the course of the past year.

Mr. Harvey (Edmonton East): Mr. Speaker, in the spirit advanced earlier today by the hon. member for Richmond—Wolfe, I wanted to say that there was a rumour going around Edmonton earlier today that somehow I had been convinced to exit my party and sit in this House as a member of a party that began with an "r". It was "reform" or "rhino" or "regressive contemptibles" or "rip". That is r-i-p, Mr. Speaker, "ripperills". I just want to say that those rumours are absolutely false. It is my intention to continue, when the House reconvenes, to sit with my colleagues who serve the interests of the ordinary Canadians of this country.

The Acting Speaker (Mr. Paproski): I would just like to bring to the attention of hon. members again that the Speaker would like to see their attendance in Room 16. Since this is going to be the last day, I would hope that all members would pay their respects to the Speaker.

On behalf of the chair officers and all members of the House I wish to thank all the wonderful Pages and hope that they take on other professions, other than politics, after they leave here. I wish them well. They have served us well.

SITTING SUSPENDED

The Acting Speaker (Mr. Paproski): The Chair will suspend the sitting until the call of the Chair for Royal Assent. If you would like to join us, it will be at 5.45 p.m. for Royal Assent.

The sitting of the House was suspended at 4.39 p.m.

SITTING RESUMED

The House resumed at 6.46 p.m.

* * *

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Paproski): I have the honour to inform the House that a message has been received from the Senate informing the House that the Senate has passed the following bills, without amendment: Bill C-52, an act to amend the Income Tax Act and related acts; Bill C-55, an act to amend to the Customs Act; and Bill C-77, an act to amend the Immigration Act.

[*Translation*]

THE ROYAL ASSENT

The Acting Speaker (Mr. Paproski): I have the honour to inform the House that a communication has been received as follows:

Rideau Hall
Ottawa

June 27, 1990

Sir,

I have the honour to inform you that the Hon. Charles Gonthier, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 27th day of June, 1990, at 5.45 p.m., for the purpose of giving Royal Assent to certain Bills.

Yours sincerely,
Anthony P. Smyth
Deputy Secretary, Policy

THE ROYAL ASSENT

[*English*]

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

The Royal Assent

Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, the Acting Speaker (Mr. Paproski) with the House went up to the Senate chamber.

And being returned:

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

Bill C-52, an act to amend the Income Tax Act and related acts—Chapter No. 35.

Bill C-55, an act to amend the Customs Act—Chapter No. 36.

Bill C-57, an act to provide for the protection of integrated circuit topographies and to amend certain acts in consequence thereof—Chapter No. 37.

It being seven o'clock, pursuant to order made earlier this day, the House stands adjourned until Monday, September 24, 1990 at one o'clock, pursuant to Standing Order 24(1).

At 6.58 p.m. the House adjourned.

HOUSE OF COMMONS

Monday, September 24, 1990

The House met at 1 p.m.

Prayers

[*Translation*]

HOUSE OF COMMONS

SPECIAL ORDER PAPER

Mr. Speaker: I wish to inform the House that, as asked by the government, pursuant to rule 55(1), the Chair has caused a notice to be published in a special *Order Paper* of two government motions.

[*English*]

The first concerns the invasion of Kuwait by Iraq and the second the situation at Oka and Chateauguay.

I now lay upon the table a letter dated September 21, 1990 from the Government House Leader concerning those two motions.

[*Translation*]

Madam Deputy Speaker: Pursuant to S.O. 30(6), the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—BILLS

[*English*]

CENTENNIAL FLAME RESEARCH AWARD ACT

MEASURE TO ENACT

Mr. Patrick Boyer (Etobicoke—Lakeshore) moved that Bill C-258, an act respecting the establishment of the Centennial Flame Research Award to publicize the contributions to Canadian public life of persons with disabilities.

He said: Madam Speaker, in 1967 as a university student in Ottawa I watched, as a lot of other Canadians did, Prime Minister Lester Pearson light the Centennial Flame on Parliament Hill at the fountain that had been built to symbolize and celebrate Canadian Confederation.

Since that time the Centennial Flame on Parliament Hill truly has become a symbol of many things. The flame itself continues to burn brightly, surrounded by the Coats of Arms of all the provinces and territories of our country and the flowing water. Into that water, as typical with many fountains around the world, people throw coins as a gesture of hope perhaps or as some symbolic gesture.

Twenty years after that first lighting of the flame, I was walking one morning to Parliament Hill and saw the coins being removed from around the flame by a couple of workers from the Department of Public Works. I inquired what happened to those coins.

One of the pledges I had made to my electors in Etobicoke—Lakeshore was that I wanted to be a voice for the voiceless. The needs and the role of people with disabilities ought to be publicized in any way that we can. It was at that moment that the idea for this bill was born and I am very glad that it has been called now for further debate.

I appreciate the support which I have heard from many members for this bill.

First let me explain that the purpose of this bill is to establish a fellowship which will be known as the Centennial Flame Research Award. The purpose of this award is to provide an amount of money to a disabled person to enable that individual to conduct research and to prepare a report on the contribution to Canadian public life or the activities of Parliament of one or more disabled persons. Any Canadian citizen who is disabled is eligible to receive the award and may apply to the parliamentary committee on the status of disabled persons to be considered. The award provided for by this bill would be granted annually. Applications from those interested in receiving the award would be made to the committee itself and the committee will work with the Speaker of the House of Commons in this regard.

The funds for this will be the money collected through the year from the Centennial Flame on Parliament Hill and will represent all of the money collected from that source the previous fiscal year. As soon as possible after the end of the year, when the award has been made and the individual has done his or her research on the contributions to Canadian public and parliamentary life by individuals with disabilities, that will culminate in a report which will be presented to the parliamentary committee and laid before Parliament. The award recipient may prepare that report in whatever medium or format considered appropriate for that individual. It is also contemplated by this bill that at that time the recipient of the award presents the report, he or she could appear as a witness before the parliamentary committee.

• (1310)

The Speaker's office and the Speaker himself, the Hon. John Fraser, have been supportive of this and are looking at ways of implementing and promoting this measure, including the possibility of plaques adjacent to the Centennial Flame on the lamp posts. This will draw to the public's attention the fact that this is going to be the purpose for which any money from the fountain will be used.

It is very important to consider the context in which this is taking place. In 1983, the United Nations adopted the world program of action concerning disabled persons. In that global action plan, under the heading "Information and Public Education", one of the recommendations states: "should encourage a public information program about the contributions of disabled persons that would reach all concerned, including the general public. In this connection, attitude change should be given special importance".

Following that, Prime Minister Mulroney signed the declaration proclaiming that 1983 to 1992 would be the decade of disabled persons in Canada as in other countries, during which the objectives of the world program of action concerning disabled persons, would be implemented in accordance with the principles set out in the declaration. This declaration has been seen by Canadians with disabilities as something of a bill of rights.

The 11th of these principles states: "There shall be action and public education to remedy social attitudes evolving from ignorance, indifference, and fear, which impede the full participation of individuals with disabilities". It is in keeping with that spirit of the United Nations' global plan for action and the declaration of principles here in Canada that we find Bill C–258 playing a modest but, I believe, important role as a part of the over–all approach.

[*Translation*]

Madam Speaker, I should like to comment briefly on the UN Decade for the Handicapped. Enthusiastically supported by Canada when it was officially opened, the Decade for the Handicapped will end in 1992. We can readily sum up its impact on Canadian society as a whole.

In the past ten years we witnessed a new awareness and realized that people were sincerely motivated, even though their approach did smack of paternalism on occasion. In spite of some notable results, over–all progress has been modest.

As for the handicapped, the decade was highlighted by a number of positive changes, especially a renewed will to be independent and a new self–confidence. What stands out however is the resurgence of expectations which give rise to more bitterness and frustration when they outpace lasting realities.

Are we really concerned about the situation of people who have to cope with disabilities? Or are we mainly interested in looking after number one and seeking gratification and self–satisfaction from noncommittal statements we may make? The true answer to this question is perhaps somewhat disturbing.

[*English*]

Within our own country, since 1981 and the adoption of the Canadian Charter of Rights and Freedoms, we have seen a new framework and a new legal foundation for our fellow citizens who have disabilities. Who are we talking about, Madam Speaker? We are talking about 3,300,000 Canadians who have mental and physical disabilities. That is 13.2 per cent of our population.

Under Article 15 of our charter there is a new basis for their equality in law. Article 15 provides that every

individual is entitled to the equal benefit and equal protection of the law without discrimination, including discrimination on the basis of mental or physical disability. That provision in our charter, accompanied by a lot of work by Members of Parliament over the past nine years, has been important as we have evolved a greater awareness in our society about the important role that all Canadians with varying abilities can and must play as full members of our society.

The work of the former Member of Parliament, David Smith, when he chaired the committee on the position of people with disabilities producing the report called *Obstacles* was a very important initial work by parliamentarians in this area. By 1985 many of those recommendations had been implemented but a great many more, including recommendations relating to disabilities of native Canadians, found that they had languished without adequate action or positive response.

In 1985, as chairman of the parliamentary committee on equality rights that I was able to table the report *Equality for All/Equalité pour tous*. It reinforced all of those *Obstacle* recommendations and added about 25 more, including the recommendation that there be a permanent committee of the House to deal with equality issues. Happily, that committee has been formed and, following the time that I was able to chair it, the hon. member for Oxford now chairs that committee. It is very important that that work continues.

The committee decided that we in Parliament should put our own house in order and the report was brought in on the subject of Parliament Hill, federal government facilities, employment accessibility, and so on.

The Speaker of the House of Commons, the Hon. John Fraser, found that he could not answer the committee's questionnaire about what was being done to provide accessibility, employment, outreach and effective communication. He put in place a very active program here on the hill to see that these services were developed and expanded. Whether it is employment for people with disabilities, the shuttle bus, the multi-media presentation of committee reports, and so much more, we are gradually putting our house in order because leadership by example is certainly the best way to show what can and ought to be done.

• (1320)

It is in that spirit that I hope that members will support this bill which I have before the House. It seeks to use the coins thrown in a symbolic gesture by Canadians, from all parts of our country and from all backgrounds, and by those who visit our country, and turn that symbolism into yet another act consistent with the spirit that must pervade all that we do in this House—regardless of party, region, or affiliation. All of us, as Members of Parliament, must see that the 3,300,000 Canadians with disabilities have full recognition.

By this means, I hope that the contributions of those people will now be recognized and publicized as contributions to the Parliament of Canada and to the public life of our country. These things depend very much on those very contributions for their success.

With those words I would like to thank members of the House for listening and supporting this bill. No matter what else may divide us, this can be a common cause for all of us. It is important in this place where many voices are heard, and loudly, that there also be a voice for the voiceless. All of us can play a role in being that voice.

Ms. Beth Phinney (Hamilton Mountain): Madam Speaker, as the opposition critic for the status of the disabled, I would like to commend the hon. member for Etobicoke—Lakeshore on his initiative.

This issue is one that transcends the usual partisan boundaries that we face daily in the House and, regardless of party affiliation, I am certain that we all want to see disabled Canadians lead fuller, more productive lives.

At first glance, Bill C-258 allows parliamentarians to seek the advice of the disabled on how they function in society and how we cannot only aid but improve their way of life. There is none better qualified to speak on an issue than those who have first-hand experience. When one builds a house, one does not hire an auto mechanic. Conversely, when one has one's car repaired, one does not hire a carpenter.

As previously stated, at first glance Bill C-258 has good intentions, but upon closer scrutiny we find that many amendments are needed to meet the stated objective.

Bill C-258 states that the committee should review applications, select the recipients, and deal with matters related to the status of the disabled. Several questions now come to mind. Does the hon. member for Etobicoke—Lakeshore suggest that the existing Standing Committee on Human Rights and the Status of Disabled Persons is not fulfilling its mandate under Standing Order 108.3(c)? Shall this committee replace or run parallel to the existing one? Or is it meant to be the existing committee? If it is to run parallel, what shall its exact mandate be?

Paragraph 4 states that the recipient will be awarded an amount of money. What shall this amount be? The member for Etobicoke—Lakeshore questioned the Minister of Public Works via the Order Paper and learned that the average annual amount collected is only $1,000. Are we to take this as the amount? Who shall set this amount? What if the funds collected do not meet the set amount in a particular year? Will the amount then be reduced or subsidized? If it is to be subsidized, then by whom? By Public Works, which collects the funds; the committee's budget, assuming the Board of Internal Economy grants them one; the Speaker, who administers the fund; or Health and Welfare who are ultimately responsible for the physically challenged? What if the amount collected exceeds the set amount? Will it go into general revenues, be given to the recipient as a bonus, or go toward next year's award?

After all these questions are addressed there is that of timing. Paragraph 6.1 of the bill defines fiscal year as April 1 to March 31 and then states that the award will be made using the proceeds collected during the fiscal year preceding the granting of the award. We must assume then that the award would be made in early April each year.

Paragraph 7.1. states that the committee chair must lay before the House, as soon as possible after the end of the fiscal year, an annual report including the recipient's report. If the moneys are collected from the fund throughout 1990 and awarded in April 1991 and the report is tabled one year later in April 1992, then the purpose of the bill is not being served. Information is one year old before the Parliament even sees it.

Further possible amendments to the bill may include a defined application period, flexibility in the application to allow joint or team projects—at present, as set out in clause 5.1, only single individuals may apply—and a joint committee of both the Speaker of the House and the Senate since Parliament includes both chambers.

As I stated in my preamble, I am all for every valid effort that is made towards helping differently-abled Canadians lead fuller and productive lives, but this bill before us today simply does not provide any tangible net gain. Awarding one applicant out of 3.3 million disabled Canadians is not the kind of initiative we as parliamentarians should be providing. It is simply not substantial enough.

A disabled person would be given $1,000 to write a report. Is it realistic to expect a person to spend much time and effort on a report for which they are paid only a token amount of $1,000? I would like to challenge members of the House to try to hire a research assistant for this amount and see what kind of work they will receive in return.

The cost of administering a program such as the one which Bill C-258 would create far outweighs the benefits, not to mention the cost of our debate here today.

I have to question whether or not this bill should ever have been deemed votable. I refer to Standing Order 92. In the Annotated Standing Orders, under the criteria for consideration we see that:

> The bill or motion should not require obvious amendment because it is substantially redundant with the law, is fundamentally ineffective to implement its own intent, is unclear in its meaning or is otherwise defective in its drafting.

Presently a committee does exist and does administer these funds quite adequately. This group is made up of an official from the Department of the Secretary of State, the Director of State Ceremonial, a Gentleman Usher of the Black Rod, a Sergeant-at-Arms and a senior official with the Department of Public Works. They request a list from Health and Welfare Canada of proposed recipients. Past recipients have included the CNIB, and multiple sclerosis and cystic fibrosis associations.

I suggest that this bill be re-examined and that the member try to solicit support from his caucus and ask his government for substantial measures and programs to help physically-challenged Canadians.

May I also suggest that all members of Parliament contribute to the United Way campaign which has just started in Ottawa.

Mr. Neil Young (Beaches—Woodbine): Madam Speaker, first, I would like to congratulate the hon. member for Etobicoke—Lakeshore for presenting this bill and for giving us an opportunity once again to debate issues affecting Canada's disabled. It arises only very occasionally in the House.

That said, I want to point out to the House once again that when we talk about disabilities among Canadians, we are talking about 20 per cent of the population and that is a rather conservative figure.

I expressed appreciation to the hon. member for Etobicoke—Lakeshore for giving us the opportunity to debate this bill because it would give other members of the House of Commons an opportunity to sit in committee and examine the intent of this bill in greater depth because we cannot talk about money coming from the Centennial Flame in isolation. It would be a nice gesture, perhaps, because the amount of money collected, while it is in excess of $3,000. By the time energy costs appear for natural gas, $1,000 will remain to be handed over to a group of disabled Canadians.

The hon. member for Etobicoke—Lakeshore understands this question as he is a former member of the the House of Commons committee on disabled issues.

• (1330)

What this Parliament and particularly this government have to address is the depth of poverty that exists in the disabled community in Canada.

The House of Commons committee on disabled issues has conducted an in-depth examination of the last 12 months or so. The results of those examinations were produced in a report of the standing committee to the House in June 1990, just prior to the House rising for the summer recess.

The report points out quite clearly that if we are to address poverty among Canada's disabled, it has to be a concerted effort using political will, which has been absent to this point, and an exercise of political will to do something about this very severe and extreme problem.

The first thing the government has to address is the means by which to accomplish the economic integration of disabled people into the mainstream of Canadian society.

One of the first issues in doing this has to be the question of unemployment within the disabled population. For example, for those Canadians who are blind, and a high percentage of the population that falls into that category, there is an unemployment rate in excess of 90 per cent.

There are those who have suffered spinal cord injuries and have become immobile. Many still manage to live productive lives even though they are confined by their injuries. The unemployment rate among all groups that we have looked at is totally unacceptable.

The first key that has to be addressed is the employment issue. One way to go about that is to bring in employment equity measures that have teeth and that can be enforced. At the present time our employment equity legislation is, to say the least and without exaggeration, one of the weakest pieces of legislation in this country. It relies solely on voluntary assistance from the private sector and, indeed, from government.

To show how weak this legislation is, although it is federal government legislation, the government has exempted itself from its application. The employment equity legislation does not even apply to this government although it is expected to apply, albeit on a voluntary basis, to the private sector.

In my view and, I think it is the view of the entire House of Commons Standing Committee on Disabled Issues, this is totally inadequate. Our committee travelled to Washington earlier this year to look at the Americans With Disability Act.

That act was brought in by the present United States administration to deal effectively with unemployment among the disabled population. That legislation not only has the support of the disabled community in the United States, it has wide support among large, medium and small employers.

If the United States can bring in legislation whereby all discrimination against the disabled, subtle or otherwise, will be prohibited within the next three-year period, why can Canadians not do the same? Why can Canadians not be as good as if not better, as the Prime Minister is fond of telling the country, than the Americans?

All that is required is the political will on the part of the government to allow disabled Canadians to live within the mainstream of Canadian society with some assistance. I do not think that is too much to ask.

In fact, what brought about the apparent need for that legislation in the United States was the recognition that there would be severe labour shortages over the next 20 to 25 year period. They told us that the corporations decided that they had to be able to tap into that large group of Americans who were unemployed. In doing so, they are quite prepared to look at not only employment, which you cannot do in isolation, but other regions which were denying disabled Americans the opportunity of entering the workforce. That included looking at access to education, transportation, recreational facilities, all that is synonymous with the problems facing the disabled community, not only in the United States but in Canada.

I say again that I support this bill, if only from the point of view that it will give us another avenue to discuss these issues that affect Canada's disabled outside of the House of Commons Standing Committee on Disabled Issues and Human Rights. That is the reason I support the bill. I think it should be referred to a committee. As the hon. member for Etobicoke—Lakeshore said, it does not require an awful lot of debate.

There have been studies and studies and studies. In fact, we have got studies coming out of our ears. Since I came here in 1980, I would bet there have been no less than 15 studies on issues affecting the disabled. Parliament knows what the issues and the solutions are. The disabled community has told us.

The House of Commons standing committee has repeated the solutions *ad nauseam*. It would not take an awful lot of money to address those solutions. In fact, at one point our committee estimated it would take about 1 per cent of the total Health and Welfare budget to address those issues in a concrete way. For that reason, I urge the House to pass this legislation, refer it to a committee and let us get on with the job.

Mr. Bruce Halliday (Oxford): Madam Speaker, I am certainly pleased to join with colleagues today to speak to and address the debate on Bill C-258 which was presented to the House by my colleague from Etobicoke—Lakeshore who, I would remind the House, was the very illustrious chairman of our Standing Committee on Human Rights and the Status of Disabled Persons from 1984 to 1988. In that role he became very much aware of the needs of disabled people and was recognized across the country, particularly in his own riding, as somebody who worked hard on their behalf. What we are seeing here today is another attempt on his part to highlight the importance of people with disabilities while at the same time recognizing the fact that they do need to be integrated into our social life of Canada and in particular our economic life, as the two speakers before me have said.

I have read the bill, Madam Speaker. It is a fairly simple bill. I want to welcome the critic from the Liberal Party, the member for Hamilton Mountain, to the Standing Committee on Human Rights and the Status of Disabled Persons. I believe she will be a member of that committee now that she is the critic for disabled persons. I appreciate the fact that she took the trouble today to address the House on this bill. She pointed out a few questions in her mind about the bill. She wondered what committee would be responsible for it. I think the bill does say that it will be the Standing Committee on Human Rights and the Status of Disabled Persons, the committee she will be sitting on, I dare say.

The amount of money to be available, as I understand it, is the amount collected the previous year at the Centennial Flame.

There may have been other points that the hon. member for Hamilton Mountain raised. They are technical points and I think she may have some valid concerns. Those types of concerns could very well be addressed in the committee stage of hearings on this bill.

• (1340)

I think I am fair in saying that the hon. member for Hamilton Mountain did not object to the principle of the bill. I think she too feels that it is a symbolic bill in a sense. It is not giving out vast amounts of money, but it does suggest a concern on the part of parliamentarians. We are prepared to offer this award and at the same time be the ones to judge the applications for it, which is a little unusual for a standing committee.

I was most interested in hearing from my colleague from Beaches—Woodbine because the hon. member has been in this House, as he said, from 1980. He and I were members of the original Special Committee on the Disabled and Handicapped and it has been my pleasure to work with him and other colleagues over the last 10 years. I am sure he would be the first to point out that on the committee we work together in an amazingly good fashion. We are basically non-partisan. I have been very impressed by how members from all three political parties have been able to work together.

I appreciate what the member said this afternoon about the shortcomings that still exist with regard to people with disabilities and handicaps. The hon. member for Beaches—Woodbine very correctly pointed out some weaknesses in the government program. I would hope, and I would like to think that I have reason to believe, that we are going to see some of those corrections made in the next couple of years. The hon. member is quite right in saying that these problems have been pointed out in many reports, but in all fairness there is a move to make some changes along the lines the committee was hoping for when it came out with the report known as *Obstacles*.

We have made some achievements. Over the last number of years the United Nations has become quite involved, as my colleague from Etobicoke—Lakeshore indicated. There was the International Year for Disabled Persons and the Decade for Disabled Persons which will be concluded in 1992. There have been a number of issues bought forth by the UN that pertain to this and which we support.

I want also to touch on the support there is in Canada for this kind of initiative. I like to think that the hon. member for Etobicoke—Lakeshore showed an initiative which we as parliamentarians can pick up on, namely, showing a desire to encourage similar initiatives among disabled people in Canada, people who have a right to do something for their fellow man and woman in Canada and to be recognized for that. I think this bill is an attempt to recognize excellence among the disabled community. I notice the hon. member for Beaches—Woodbine nodding his head in agreement. I know he feels that way and that it is important to recognize that kind of activity.

Polling indicates a vast support among Canadians for disabled persons. We are aware of this and I think we are on the right track when we collectively as a parliament move in a way, small as it is, that recognizes the importance that the disabled community can play in this country. As the hon. member for Beaches—Woodbine mentioned, businesses in the United States realize, and they are beginning to realize here in Canada, that we need those people now. We need them as skilled workers with whatever qualifications they may have to contribute to the workforce and I think we will be seeing ourselves move in that direction.

There were three principles that were enunciated in the report of the special committee entitled *Obstacles*. One was the importance of participation. This is one way that we can see participation not only by Members of Parliament but also members of the community who are disabled and will be making application for this award. Also, there is the concept or the principle of responsibility, namely that Canadians collectively need to have a feeling of responsibility for those in the community who are disabled. Finally, we are recognizing the fact that disabled people like to help themselves. We are going to be increasingly looking at that as the work of the standing committee proceeds.

I want to reinforce what my colleagues from across the way said, namely that the recent report of the standing committee entitled *Consensus For Action: The Economic Integration of Disabled People* highlights the importance that Canadians put on the need to be of assistance to disabled people in Canada.

Bill C-258 allows us as parliamentarians to recognize the importance of that concept and to move ahead now as we must do to integrate members of the disabled community both socially and economically.

My time is very quickly drawing to a close. I want to reassure the House and my colleagues that I am certainly most pleased to support this bill. I think it along the path of the thinking of the standing committee. It wants to see Parliament more involved in the issues related to disabled people. We want the community of Canadians at large to become more involved as we believe it wants to be, from what we understand from polling. I urge all colleagues in the House to accept this bill now at second reading in principle and have it referred to committee stage so that some of the little flaws in it, if there are some flaws or weaknesses, can be corrected at that stage and it can come back here for subsequent approval.

I want to commend my colleague for introducing this bill and my two colleagues across the House from the standing committee for the support I feel they have given the concept. They have also challenged us with improving the bill a bit and have challenged us on the government side to do more for the people in this country who are disabled.

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Madam Speaker, I am very pleased to enter into this debate today on Bill C-258 and to register my unequivocal support for this proposal.

As we begin this fall session of Parliament there are a number of issues before us. It reminded me of when the House began the winter session in January 1990, for the first item of business on the table was the private member's motion I introduced on saving the Rouge Valley system as a park. I recall that motion being given unanimous support in the House of Commons, and I was pleased that it happened.

Indeed I am pleased that the first item on our autumn timetable is a discussion concerning the disabled. I am sure the hon. member for Etobicoke—Lakeshore is also pleased that it has been highlighted. It is the first issue we are dealing with of a number of issues before us.

The hon. member for Etobicoke—Lakeshore has long been a driving force in the campaign for Canadian people to be aware of the difficulties facing the disabled. His work has been substantial, and I compliment him. He continues to to do that work. I am pleased to endorse whole-heartedly the components brought forth by the hon. member.

This bill gives us as individual members of Parliament a distinct privilege and opportunity to recognize the participation and the contributions of Canadians with disabilities. The contents of the bill before us today are something that we can achieve and can indeed be proud of.

I am reminded of the words of Neil Armstrong when he stepped on the moon in the summer of 1969 when he said: "It is one small step for man and one giant step for mankind." I believe this bill is one small step, but it reflects a giant step which has occurred in the last decade, a major step which recognizes the contribution and participation of citizens with disabilities in the life of this great Canadian nation.

Ten years ago, in 1980, Canada was just beginning to plan for the International Year of the Disabled People. Canada did not have the protections that we now enjoy in the charter, especially in section 15. The hon. member for Etobicoke—Lakeshore did an outstanding job in chairing a parliamentary committee concerning section 15. It did not have the Employment Equity Act it now has, and Canadians with disabilities were not able to take part in our society to the extent that they are today.

• (1350)

Since the International Year of the Disabled People, our country has come to recognize things many of us have always known, that every individual Canadian has a role to play and makes a unique and special contribution to life in Canada. This bill recognizes the excellence of participation in public life of Canadians with disabilities.

This bill is not about money because as the facts so eloquently demonstrate the amounts of money collected from the Centennial Flame in the last decade are not large. No one is going to grow wealthy on a research grant made as a result of this bill, but recognition by the Parliament of Canada is something we must strive to achieve, a recognition of excellence made by a committee of this House.

For a moment let us view ourselves standing outside the Chamber on the steps beneath the Peace Tower. Before us lies the Centennial Flame burning bright regardless of weather and regardless of time for 23 years, burning bright to reflect the hope of peace and prosperity.

The Centennial Flame speaks to the sense of the Canadian people. Unlike the flames that burn over the graves of unknown soldiers, the flame of the Olympics, the eternal flames that burn in sacred sites, this flame reminds us of our human responsibility to reach out to every member of our society.

In conclusion, I want to stress how strongly I feel about this bill. It provides an opportunity for all of us to come together as Canadians, as representatives of Canadians, to work together, to recognize excellence, and to recognize contributions made to the public life of our nation by Canadians with disabilities.

I know many in the House wish to speak on this excellent initiative put forth by our colleague from Etobicoke—Lakeshore. I want to urge everyone here to give this bill full and complete consideration in order that passage is realized through both Houses of Parliament.

[*Translation*]

Mr. Gilles Bernier (Beauce): Madam Speaker, I welcome this opportunity today to take a few minutes to speak in support of Bill C-258, an Act respecting the establishment of the Centennial Flame Research Award.

I am sure everyone will agree with the purpose of this proposal to establish the Centennial Flame Research Award, which is to publicize the contributions to Canadian public life of persons with disabilities.

Furthermore, there are not many opportunities for a Member of this House to discuss a concept as unique as this bill, whose purpose is to ensure that the money thrown in the fountain surrounding the Centennial Flame on Parliament Hill is used to help disabled persons in public life.

I am interested in this bill, Madam Speaker, not only because of its noble purpose but also because it concerns the Centennial Flame and its fountain. I feel this is an important symbol and that we should take the time to reflect on the principles that led to its creation.

Let us go back to the night of December 31, 1966, when then Prime Minister Lester B. Pearson lit the Centennial Flame. Thus began the year 1967 which would be remembered for its enthusiastic celebrations of the 100th anniversary of our Confederation.

At the Prime Minister's side during the ceremony were Judy Lamarsh, Secretary of State, and John Diefenbaker, Leader of the Opposition, as well as thousands of others who had braved the elements to mark the beginning of a memorable year. It was the first of a series of special events that would make Canadians realize of what this country means to them and understand the ideas that brought about such remarkable changes over the years.

You will recall that 1967 was a time of intense activity. The Centennial Train, for instance, which provided a vivid illustration of our history and the contribution made by countless cultural groups in our country, was visited by over 10 million people.

There was a heightened interest in local and regional history, and many historic sites were restored. The arts thrived. Governments, anxious to erect monuments to the occasion, financed construction projects, the most impressive being, as you will recall, the National Arts Centre here in Ottawa.

As 1967 unfolded, Canadians became aware, more than ever before, that Canada had indeed entered the modern world. The most spectacular event of that year, EXPO 67, was for many of us reason to renew our pride in being Canadian.

And so, the next December 31, when Centennial Year ended where it started, on Parliament Hill, the public asked that the Centennial Flame be kept alive. It was important for Canada to have a symbol of the spirit that brought Canadians together from coast to coast, and the Centennial Flame seemed to be the symbol we were seeking.

Since that time, the Centennial Flame has remained as a tangible memory of an important year in our common history that made us realize the immense diversity and uniqueness of the Canadian mosaic.

Nearly 25 years later, Madam Speaker, the Centennial Flame still burns on the Hill, living testimony to a year that helped us, Canadians, from coast to coast, celebrate what we are, with our similarities and our differences. I hope that by focussing on the Centennial Flame, this bill will give us an opportunity to rekindle the enthusiasm and energy of those years.

[*English*]

Mr. Peter L. McCreath (South Shore): Madam Speaker, I realize the time is almost up, but it is a great pleasure to have an opportunity to stand and join with other members of this House in supporting the measure brought forth by the hon. member for Etobicoke—Lakeshore. It is a very significant piece of legislation and a very excellent idea, and I commend the hon. member for bringing it forward.

As Canadians we have looked at the Centennial Flame over the years. We think of a flame as something which gives light. We think of the Centennial Flame as something designed to foster unity among Canadians. We should reach out and see that flame as a light that is especially going to light the way for a group of Canadians

who from time to time may be left out of some of the decision making. In introducing the bill my hon. friend said that it was his objective in part to provide a voice for the voiceless. He used that very significant phrase.

The idea of using the funds voluntarily donated by Canadians and others through the fountain around that flame to bring particular attention to the needs of disabled Canadians is an excellent idea. I have no reservation whatsoever in supporting this measure.

We have made significant progress in Canada in recent years in recognizing the particular needs of disabled Canadians. All too often there is a tendency to forget that these people are not the disabled they are sometimes referred to as, but rather they are people, they are Canadians, and the disability that may impact their lives in one way or another is really of secondary consequence. The important point is that they are people like the rest of us. They are citizens. They are Canadians. It is important to ensure that they have the same opportunity to participate fully in all aspects of life in Canada.

We must continue to bring to the attention of Canadians and other people the needs of these people to ensure that they have an opportunity to have access, as well a full opportunity to participate.

[*Translation*]

Madam Deputy Speaker: The hour provided for the consideration of Private Members' Business has now expired.

[*English*]

Pursuant to Standing Order 93, the order is dropped to the bottom of the list of the order of precedence on the Order Paper.

* * *

• (1400)

HOUSE OF COMMONS

Mr. Speaker: If I could have the attention of the House for a moment, I know that hon. members will want me to welcome the 42 new parliamentary pages who begin their duties with us today.

Some hon. members: Hear, hear.

Mr. Speaker: I had the opportunity to assist in their swearing-in ceremony on Friday and I know hon. members will be impressed with the calibre and enthusiasm these young Canadians bring to their new duties.

[*Translation*]

Moreover, I am sure that all hon. members will want to join with me in thanking the Parliamentary guides who welcomed visitors on Parliament Hill all summer long.

From May until September, these guides have acquainted over 300,000 visitors from Canada and the four corners of the world with our Parliamentary system and highlighted for them the beauty of our building.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

PRINCE EDWARD ISLAND

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, it is certainly a pleasure to be back at work.

Having said that, I would like to make a statement on the fixed link to Prince Edward Island.

Although the Environmental Review Panel did not support the fixed link project as proposed, it did conclude that transportation to P.E.I. must be improved.

I would like to reaffirm my strong support and optimism for the proposal of a fixed link to Prince Edward Island as the only viable solution.

With predicted increases in oil costs, the project will become more and more viable as the ferry system becomes more expensive. The Environmental Review Panel has identified certain areas of potential problems but these can only be addressed and overcome with time.

The resulting benefits of the fixed link are numerous, considering that construction would employ more than 2,000 people, and would increase tourism and business opportunities for Atlantic Canada.

Considering the new circumstances which will increase the cost of the ferry system, and considering all of the benefits, I urge the Department of Public Works and all

those involved to overcome the objections and move on with this project.

* * *

RIGHTS OF THE CHILD

Mrs. Christine Stewart (Northumberland): Mr. Speaker, last night candlelight vigils were held around the world to focus on our society's most important resource and asset, our children.

Canada, with the United States, ranks poorest among developed nations in caring for its children. One in six children in this country are poor, numerically more than existed in 1984. In Canada, statistics tell us that infant mortality is twice as high among poor children as among rich.

Ninety per cent of the 5,000 homeless young females on the streets of Toronto have been sexually abused in their homes. The statistics for our native children in Canada rival those of Third World countries.

Worldwide, tens of thousands of children under the age of five die every day from easily preventable diseases. Many others are exploited as child labourers or experience forced induction into military forces.

If the political will exists, these shameful statistics can be turned back. Canada's ratification of the Convention on the Rights of the Child must be a beginning. Let us not be judged by future generations, today's children, for our inaction on children's issues today.

* * *

[*Translation*]

CBC

Mr. Jean-Pierre Blackburn (Jonquière): Again, as a Francophone, Mr. Speaker, I wish to denounce the situation which prevails in the area of information in Canada.

You will recall the recent events which surrounded the failure of the Meech Lake Accord, both the Oka and Persian Gulf crises which Anglophone Canadians in this country had the privilege to watch as they happened on the CBC-Newsworld information network. Anglophone Canadians have access to an information network while Francophone Canadians are still waiting for one of their own.

Mr. Speaker, two things. When will CBC consider seriously the possibility of providing this service to Francophone Canadians? Second, when will the CRTC put some order in the fee schedule for the English information network? This service is made available at a cost of 10 cents in Hull, Montreal or Sherbrooke, but if you happen to live in the Saguenay area you have to subscribe to pay TV and it will cost you as much as $19.08.

Mr. Speaker, Francophones in this country are entitled to and expect more fairness and consideration.

* * *

[*English*]

TRADE

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, there are 16,000 steelworkers not working in this country. They have been in a labour dispute for nearly two months and are suffering great economic hardship.

The Canadians steel producers told us not to worry; we have the binational dispute settlement mechanism as established by the free trade agreement.

Now, after two more negative rulings against Canadian steel the steel producers are hedging. Algoma Steel says they have lost faith in the free trade process of appeals. Mr. Romanko, managing director of the Canadian Steel Producers say that the government is gambling on multilateral trade negotiations rather than the free trade agreement.

Trade negotiations are not crap shoots. We gambled with the free trade agreement and we lost.

Mr. Speaker, I have read and re-read the two recent rulings that have gone against Canadian steel and I guarantee you we cannot win any ruling involving harassment from American steel producers.

Our government must abandon its passive approach, must be much more aggressive in dealings with American political interests, must lobby more diligently, must express dissatisfaction with these rulings.

If not, it should do the honourable thing: get out of the agreement before it is too late.

S. O. 31

AGRICULTURE

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I have recently assisted some farmers in my constituency in taking a crop off the field that is second to none.

As all parliamentarians are aware, the drought problems of the last two years have been replaced this year by an abundance of grain. Unfortunately, due to many factors, not the least of which is an international grain subsidy war and surplus grain stocks, western Canadian agriculture's cash flow remain a very serious problem.

I have faith that in spite of our own cash problems the Government of Canada will continue to recognize the contribution that the economic health of agriculture makes toward small business and the over-all economy of Canada.

I trust that the Government of Canada will respond to this need once again.

* * *

THE SENATE

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, one of the Prime Minister's appointees to the Senate, by her actions, questions his judgment and by her statements to the press, virtually declares herself unfit for the office.

Newly appointed Pat Carney, in a display of a remarkable lack of judgment, insensitivity to the demographic realities of Canada, and a sneering condescending attitude toward both parliamentary practice and to basic Canadian principles of tolerance for differences in our pluralistic, multicultural society, has proven herself unworthy and unfit for the appointment.

When she has no respect for the Prime Minister's other appointments, how can Canadians respect them or her. She has damaged both the reputation of her colleagues to be and that of the Senate. Like the John Buchanan appointment, she brings the Senate and the process into disrepute.

The Prime Minister should look for an honourable way out before her appointment is challenged in the courts. Canadians will applaud his effort to do so or condemn his persistence that is perverse acquiescence to Ms. Carney's contempt for our fundamental Canadian principles.

* * *

THE LATE ALLAN MCKINNON

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, I know members will join with me in mourning the passing of a former colleague and dear friend, the Hon. Allan McKinnon.

Allan McKinnon served as the member of Parliament for Victoria from 1972 to 1988 and was re-elected four times. In 1979 and 1980, under the Right Hon. Joe Clark, he served as both Minister of National Defence and Minister of Veterans Affairs.

Allan McKinnon was born and raised in Saskatchewan and was a proud Canadian. While serving as an officer with the Princess Patricia's Canadian Light Infantry in Italy in 1943, he was awarded the Military Cross for valour.

On behalf of the House, I extend our deepest heartfelt sympathy to Allan's wife Elizabeth and sons Ian and Peter.

Mr. Speaker, you and I were elected with the same class as he. I am now sitting in the seat which the Hon. Mr. McKinnon had prior to leaving Parliament in 1988.

* * *

• (1410)

THE PRESS

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, one of the most disturbing aspects of the Oka situation is the cutting off of cellular phones and other means of communication essential to the jobs of journalists by the Canadian Army in conjunction with the Sûreté du Québec on dubious legal and factual grounds.

Why is this serious and outrageous? Freedom of the press is a fundamental right in a democratic society. It is often the first right to go on the slippery road to tyranny.

I ask Canadians to pause for a moment. Here is a real crisis where actions and not just words count—a real test. The Charter of Rights appears to have been ignored by the Minister of Justice and her government.

It is not up to the government, the Army, the Warrior Society or anyone else as to what is printed and shown. It is the responsibility of a free press. That is a fundamental right in Canada.

Some hon. members: Hear, hear.

Mr. Waddell: We call on the government to respect this right. Also, we call on the House of Commons to send a group of members to Oka forthwith to negotiate an honourable disengagement and, as part of that, to reaffirm the fundamental Canadian principle of freedom of the press.

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THE SENATE

Mr. Peter L. McCreath (South Shore): Mr. Speaker, I find it intriguing that during the 20 years of the Pearson–Trudeau governments, whenever some well–known Liberal was appointed to the Senate, he or she was referred to as a distinguished Canadian.

Now that we have a PC government, the implication seems to exist that there is something sordid about the idea that a Tory government might appoint Senators with Tory backgrounds.

Quite to the contrary, I compliment the Prime Minister on his recent appointment of 15 distinguished Canadians to the Senate, who happen to be Tories.

None has been more appropriate than that of a man who has served his province for 23 years, 12 of them as premier, who has contributed significantly to the national unity of this country and who, to the horror of all fair–minded Nova Scotians, has been the victim this past summer of a campaign of slander by a disgruntled and vindictive former public servant. No Canadian should be discriminated against simply because of unsubstantiated allegations.

John Buchanan will make an excellent Senator, and I compliment the Prime Minister for this appointment.

* * *

THE SENATE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, on this first day after the resumption of the sitting of Parliament, let us remember what one great Canadian said about patronage.

On June 25, 1984, he said: "My government would reduce the partisan political appointments."

Some hon. members: Who said that?

Mr. Boudria: On July 9, 1984, he said: "I commit myself to set up criteria which will impress the Canadian people."

On July 16, he said: "Previous political appointments were a fraud, a deceit and a sham."

On July 16, 1984 he said: "Conservative appointments would represent the highest quality of people.

Some hon. members: Who said that?

Mr. Boudria: "Who said that?" my colleagues ask. Well, the present Prime Minister did.

As sad and as bad as the appointment of John Buchanan is to the Senate, it could have been worse. The Prime Minister could have appointed himself.

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ENERGY

Mr. Al Johnson (Calgary North): Mr. Speaker, last week the Standing Committee on Energy, Mines and Resources visited Alberta and Saskatchewan to hear testimony on the role of the oil sands and the future of Canadian energy supplies.

What we heard was a clear and consistent message that oil sands production is essential to our future and that the government must act now to ensure that oil sands developments are completed in time to meet our country's urgent needs.

In my view, what is needed is a clear policy that encourages such developments as well as much needed conservation.

The Minister of Energy, Mines and Resources and the Minister of Finance must get together and develop taxation policies that promote equally the development of necessary energy resources and cost–effective conservation.

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CANADA POST

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have a message for the Government of Canada from the residents of Meadowood Manor, constituents of mine. It reads as follows:

We, the undersigned, wish to protest the proposed postal rate increase of one cent by Canada Post and the three cent goods and services tax which will raise the basic letter rate to 43 cents.

We all know that our seniors use the mails in a significant kind of way to communicate to their families and friends. They are angry at this massive increase in the postal rate.

I invite all Canadians to reject the Goods and Services Tax as well as the postal rate increase. We need to support our seniors and to improve the quality of life and this is one way in which we could do it for them.

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NEW MEMBERS

Mr. Speaker: I have the honour to inform the House that the Clerk of the House has received from the Chief Electoral Officer a certificate of the election return of Mr. Mike Breaugh, member for the electoral district of Oshawa.

[*Translation*]

I have the honour to inform the House that the Clerk of the House has received from the Chief Electoral Officer a certificate of the election and return of Mr. Gilles Duceppe, for the electoral district of Laurier—Sainte-Marie.

* * *

[*English*]

NEW MEMBERS INTRODUCED

Michael Breaugh, member for the electoral district of Oshawa, introduced by Ms. Audrey McLaughlin and Mr. Stephen Langdon.

[*Translation*]

Gilles Duceppe, Member for the electoral district of Laurier—Sainte-Marie, introduced by the Hon. Lucien Bouchard and the Hon. Jean Lapierre.

ORAL QUESTION PERIOD

[*English*]

INDIAN AFFAIRS

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker—

Some hon. members: Hear, hear!

Mr. Gray (Windsor West): Mr. Speaker, I had better decline comment on that except to say that it is appreciated. I think my colleagues expect me to begin, in fact, by directing my first question to the Prime Minister.

Canadians have watched with shock and dismay while the neglect and ineptitude of the Prime Minister and his government has meant that the crisis at Oka–Kanesatake has gone on for more than 75 days without a fair and reasonable solution being arrived at.

Will the Prime Minister at last recognize that the Canadian constitution has placed the responsibility for our native peoples squarely on the shoulders of the Prime Minister and his government? Will the Prime Minister, as a result, finally begin to show leadership to bring about a fair, reasonable, and honourable solution to the crisis? Will he begin by replacing his Minister of Indian Affairs and Northern Development with a minister who has a better understanding of that fundamental constitutional responsibility?

• (1420)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I congratulate my hon. friend on his continuance in office.

I can tell him that the government has never doubted at all its important constitutional obligations in regard to the native peoples. Successive governments, including this one, have made important advances in regard to the protection and the enhancement of the rights and achievements of native peoples but a great deal remains to be done.

With regard to the problem at Oka that my hon. friend raises, we have taken actions which will be the subject of debate in the House tomorrow. We purchased the land and are ready to transfer that land to the natives and the leadership at Oka, as soon as the guns are put down and the acceptance of law and order, which must prevail across Canada, is accepted by those who have hijacked an otherwise entirely peaceful community.

The Government of Canada looks forward to working with the leadership at Oka and elsewhere as soon as that is accomplished so that together we can bring a much greater degree of social justice to natives there and elsewhere.

THE PRESS

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, our Canadian Constitution also guarantees rights of association, movement, and communication, including rights of freedom of the press. Yet, in recent days we have seen all too many breaches of those rights at Oka–Kanesatake.

I ask the Prime Minister: does he condone those breaches of basic human rights, including freedom of the press? If not, will he take basic steps to see that those rights are protected? How can dialogue, bringing about the fair and peaceful solution he talks about, be undertaken if the Mohawks at Oka cannot even make a telephone call and the press is prevented from telling Canadians what is really going on there?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I think the hon. member should bear in mind what the situation is in Oka, where we have the *dénouement* of the situation. It has resulted in a situation where in the treatment centre, in addition to journalists, there are people who are suspected of being in violation of the criminal law of Canada. The law enforcement authorities are attempting to bring those people before the appropriate authorities to determine whether charges should be laid and to allow the judicial process to go forward.

A review of the law of freedom of speech in Canada and the right of freedom of the press would reveal that that law, as it has been discussed by the court, contemplates, depending on the circumstances, that some limitations might be imposed on the access by the press of information.

If I may, Mr. Speaker, I would simply indicate a principle which says that "reporting of criminal activity, such as hostage takings, will be done in a fashion that does not knowingly endanger lives, tamper attempts by authorities to conclude the event, offer comfort and support, or provide vital information to the perpetrators". That is a statement from the code of ethics of the Radio–Television News Directors Association of Canada.

An hon. member: We need a new Minister of Justice too.

An hon. member: Resign. That is disgraceful.

Mr. Gray (Windsor West): Mr. Speaker, Canadians will agree that that is a disgraceful answer from someone who is supposed to be the Minister of Justice of the country. The journalists at Oka are not suspected of criminal activity, except perhaps by this government, because they are trying to do their jobs.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, when will the government give newsmen and others at Oka their constitutionally protected rights? In addition, will the Prime Minister launch an immediate parliamentary inquiry into the situation in Oka, and will the government set up immediately a royal commission on native issues so as to find quicker and better solutions, as suggested by my colleague the Member for Western Arctic?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition knows full well that the Minister of Justice never suggested that newsmen should break Canadian laws. But she did say that others had broken certain laws, and of course we know she was referring to the Warriors who made a difficult situation even worse during the summer. You had the solution concerning the Warriors, Jean Chrétien's solution as reported in the *Journal de Montréal* of September 6: "Let the Warriors go free, simply arrest them later". I can tell you that it is not the position of the Canadian government. The Warriors are subject to Canadian laws like everybody else.

Some hon. members: Hear, hear.

* * *

[*English*]

INDIAN AFFAIRS

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, as a First Canadian, I am ashamed of what is happening in this country and I am hurt that the government would assault my people in this manner. It cannot continue to ask us to pick and choose between ourselves because, as aboriginal people of Canada, we will not do that.

This morning the members of the Liberal caucus were briefed by the aboriginal leaders from Kanesatake and Kahnawake. Those negotiators presented us with their proposal for an honourable and peaceful disengagement

of the Armed Forces and the people at the treatment centre.

I want to ask the Prime Minister, what do he and his government have against a peaceful solution? Why has he chosen tanks, razor wire, and tear gas over a negotiated political settlement with the Mohawk citizens? Where is the leadership this country so much needs, Mr. Prime Minister?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker—

An hon. member: Oh, oh!

Mr. Siddon: —over the course of the next few days in the House, all members will be participating in a serious and mature debate about our aboriginal Canadians.

Some hon. members: Oh, oh!

Some hon. members: Order, order!

Mr. Siddon: Mr. Speaker, I believe hon. members want to engage in a dispassionate debate about serious matters affecting the aboriginal people of Canada. All Canadians share the sense of anguish arising out of the tragic events at Oka and Kahnawake during the past several weeks and all Canadians agree that we should work together to find a peaceful means of resolving this serious issue. In order to find that peaceful solution, the federal government has acted with great prudence and restraint in support—

Some hon. members: Oh, oh!

Mr. Speaker: I would like to move on. Would the Hon. Member for Western Arctic put a short question?

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, my supplementary question is directed again to the Prime Minister.

Mr. Prime Minister, quit hiding from the Canadian citizens.

Some hon. members: Hear, hear!

Mr. Speaker: The hon. member knows that is not a question. Would she put her question, please?

Ms. Blondin: Mr. Speaker, why are the Prime Minister and his government abandoning their fiduciary responsibility for aboriginal peoples as set out in the Constitution of Canada? Why do you insist on playing an adversarial role? You should be an—

An hon. member: Order, order!

Mr. Speaker: The hon. member knows that the question must be put through the Speaker. The Right Hon. Prime Minister.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I want to assure my friend that, contrary to the assertion, I not only acknowledge but respect full well the importance of the fiduciary role that the Government of Canada accepts in respect to its native peoples. We have been seeking to fulfil precisely that.

I think my hon. friend would acknowledge that when certain individuals, a small group of certain individuals, many from another country, take up arms and seek to resist the reasonable application of the laws of Canada, that—

Ms. Blondin: You should have used the emergency measures legislation.

• (1430)

Mr. Mulroney: I think my hon. friend would agree that that causes some difficulty and that the Government of Canada has tried with restraint to deal with this and to bring it to a peaceful resolution without loss of life.

In that regard, I know my hon. friend, even with her deeply felt convictions, will want to join the House in congratulating all members of the Armed Forces of Canada for their forbearance in an otherwise very difficult situation.

I look forward to working with my hon. friend and all members of the House from all political parties, not only in engaging in the debate, but also in bringing forward measures that will achieve a greater degree of justice for native Canadians.

My hon. friend prefaced her remarks with a suggestion that I should quit hiding from Canadian citizens. May I say respectfully that is advice that she should give to her own leader.

* * *

HOUSE OF COMMONS

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

While this government continued its old style, cynical politics over the summer of avoiding consultation with the Canadian public and avoiding the Parliament of Canada, this country went through a tremendous turmoil. Canadian forces have been sent to a potential combat zone in the Middle East. We have seen the very tragic spectacle of Canadian citizens on Canadian streets

fighting with the police and the Canadian army. We have seen images of food being withheld from Canadian citizens and now we see the censorship of the Canadian press.

Given the gravity of these crises this summer and given the fact that this Prime Minister has previously recalled Parliament in much less grave instances, I ask the Prime Minister why he did not call the Canadian Parliament back this summer to debate these issues before he took action?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, in June, by unanimous consent of the House, including the New Democratic Party, it was agreed to adjourn until September 24. While we did hear on whatever issue came up over the course of the summer calls to return the House, they were never accompanied by the follow-on for precisely what would be the purpose.

If the Leader of the New Democratic Party has specific suggestions for legislation that could be brought before this House to deal with those issues, we anxiously await hearing them and will treat them with the respect they deserve.

Ms. McLaughlin: Yes, I have specific suggestions for the government. I suggest the federal government take its responsibility to aboriginal people and to Canadians seriously and, once and for all, take some action, have an open debate and listen to what Canadians have to say.

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INDIAN AFFAIRS

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

As the Prime Minister knows, the situation at Kanesatake and Kahnawake is far from settled. Yes, I can tell him what I would do. I repeat my call of last month that a parliamentary all-party delegation be formed to go to Kahnawake and Kanesatake to investigate the situation there. I have been to Oka three times. I call on the Prime Minister to facilitate the development of that kind of parliamentary delegation because it is time politicians took the responsibility and did not just give it to the army.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend indeed made a very useful suggestion during the course of the late summer with regard to the manner in which some of the land claims could be dealt with. I think clearly that all Canadians acknowledge we have a serious problem with regard to the manner in which land claims have traditionally been dealt with by successive Canadian governments. I look forward to hearing her further advice and comments in this regard during the course of the debate which I understand will take place tomorrow.

That having been said, I think my hon. friend will recognize that the land claim issue that arose at Oka was indeed in the process of being finalized. The Government of Canada has procured the land, but this has been transferred into something entirely different from a question of land claim. There was a group of people, many of them from the United States, who hijacked an otherwise entirely peaceful community. The Government of Canada responded to a legitimate request from the Government of Quebec pursuant to the National Defence Act to provide the Canadian army for peacekeeping purposes, and they have done that extremely well.

That concept of bearing arms in Canada in those circumstances is fundamentally hostile to our kind of citizenship, and only when those arms are put down peaceably and order has been restored will the Government of Canada engage in the kind of very productive negotiations that will bring about the kinds of justice my friend is talking about.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I remind the Prime Minister that right at this moment there are proposals to end this conflict right now and the government is refusing to negotiate, so I would question the sincerity of that.

[*Translation*]

Mr. Speaker, Canadians wonder why the conflict at Kahnawake and Kanesatake started and why it is still going on. All these questions remain unanswered: the role of the Prime Minister, the role played by the Premier of Quebec, the role of the army and the Quebec Provincial Police, the role played by the Mohawks and the issue of illegal weapons, and also the control of journalists.

Mr. Speaker, what we now need is a public inquiry. Does the Prime Minister intend to order a public inquiry into this situation?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend mentioned a public inquiry. I agree that at the appropriate time perhaps we should consider the possibility of having some kind of inquiry into these events. However, first of all, order must be restored in this region not far from Montreal. The law applies to everyone: Natives, Whites, everyone in Canada. We must all obey the same laws and, as soon as that is settled, the government will be more than pleased to take the kind of action suggested by my hon. friend.

[*English*]

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, my question is for the Minister of Indian Affairs. It is bad enough that the government has abdicated its federal responsibility over Indian affairs to the Quebec government but worse still, it has abdicated its authority over important decisions affecting this matter to the army and to the Quebec police, decisions which should be made at the political level.

Last week in Toronto the Iroquois Confederacy and John Ciaccia concluded an agreement which would have dealt with the long stand–off at the treatment centre at Oka, but this was left to the army and the police and was not taken up at the political level.

I want to ask the minister: when is he going to take up his responsibilities and deal with this important agreement which was concluded in Toronto, an agreement which would have settled this long–standing stand–off? When is he going to show some leadership?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, the hon. member, who is a Privy Councillor, understands the Constitution of Canada.

Some hon. members: Oh, oh!

Mr. Siddon: Mr. Speaker, I think the hon. member seeks an answer to his question and I think other members would like to hear the answer as well.

The Government of Canada has been seeking to solve the land issues at Kanesatake for three years. In fact, on May 6 I made a commitment to seek to acquire the land at Kanesatake which was in dispute.

A number of proposals have come forward and been negotiated with various parties. In each case those proposals have failed because they have put constitutional questions and land claims questions ahead of the laws of Canada. They have failed in the final instance because the warriors at the Kanesatake treatment centre are asking for sovereignty and immunity from Canadian laws. I cannot imagine any member opposite accepting that kind of proposition.

• (1440)

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, the minister has not answered my question.

We had an agreement concluded by a Quebec minister with the Iroquois Confederacy, an agreement to settle this long stand–off at the treatment centre. The representative of the Confederacy could not even discuss it with the people in the treatment centre. The army would not let them do it because the minister had not given instructions for them to act properly.

This a political issue. Why will the minister not consider this agreement made in Toronto, an agreement which could settle this long–standing stand–off, instead of dealing with red herrings. Get down to business.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, the answer to that question is very simple. In this country we do not have different laws for different people.

Some hon. members: Oh, oh.

Mr. Siddon: Canadians I have heard from these past several weeks believe we should not negotiate complex land claims issues at the point of a gun. When the guns are laid down, the federal government has committed itself to get back to settling the land issue at Kanesatake, but not until the guns are laid down and order is restored to that community.

Mr. Jim Peterson (Willowdale): Mr. Speaker, that is the minister who signed an agreement with a masked warrior.

On August 11, 1987, this government recalled Parliament in order to deal with the issue of 174 refugees who arrived on Canada's shores by boat. Does the minister not consider Canada's native peoples and the Oka situation at least equally important? Why did the government not recall Parliament to deal with this issue?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I could tell the hon. member that a great deal of effort was expended during the summer months dealing with parties with a view to seeking a peaceful disengagement of this conflict. I can assure the hon. member that most aboriginal leaders with whom I have met over the course of the past many weeks do not condone violence or the use of arms to achieve their end. They have supported the course of action this government has taken to deal with the law first and then to settle the land issue.

Mr. Jim Peterson (Willowdale): And completely ignored the legitimate voice of all Canada's people to hear the Parliament of Canada.

An hon. member: That is right.

Mr. Peterson: Mr. Speaker, the Prime Minister has just assured this House that he seeks a peaceful and just settlement of our native issues and Oka.

Would the Prime Minister be good enough to give this House the names of Canada's native leaders with whom he has met to resolve this issue?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): I can speak for the government, for myself and several other ministers who have been meeting throughout the summer with native leaders across Canada. I have met with national assemblies of chiefs in Winnipeg. In Ottawa only two weeks ago I met with provincial assemblies of chiefs from across the country. The responsible leadership of the aboriginal communities of Canada do not support or condone lawlessness or the taking up of arms against society.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, on every occasion that a reasonable proposal for a peaceful settlement at Oka has been proposed, including the the nine point proposal advanced by the Iroquois Confederacy or the agreement reached a few days ago with Quebec's Minister of Native Affairs, the Liberal premier of Quebec has stubbornly refused to accept any settlement short of unconditional surrender of the Mohawks at Oka.

Will the Minister of Indian Affairs and Northern Development explain to this House why he did not step in to exercise Canada's exclusive jurisdiction over Indians and, in accordance with his trust responsibility for native Indians, to negotiate a peaceful and honourable settlement to this situation?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, for the same reason that I and other ministers have explained ourselves not only today but throughout the summer.

If the hon. member would search his office he would find 31 separate communications from my office explaining why we do not negotiate sensitive land issues at the point of a gun—

Some hon. members: You did.

Mr. Siddon: —held by individuals who are not interested in abiding by the laws of Canada but who proclaim their independent sovereignty, who seek sovereign enclaves free and immune from the application of the laws of Canada.

Some hon. members: Hear, hear.

Mr. Robert E. Skelly (Comox—Alberni): My supplementary question is for the same minister, Mr. Speaker.

This minister has narrowly interpreted the Oka and Kahnawake incidents as criminal matters in order to justify abandoning jurisdiction over natives in Quebec to the Government of Quebec because he fears that if Canada exercises its jurisdiction over natives in Quebec and exercises its full sovereignty and trust responsibility for natives in Quebec, then sovereignists in his own caucus who support Premier Bourassa are going to walk the floor and join the party opposite.

Will the minister not admit that he is being held to ransom by sovereignists in his own caucus?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, the point is that responsible aboriginal leaders in Canada do not condone the taking up of arms.

I could quote, for example, from Konrad Sioui, the vice-chief of the Assembly of First Nations of Quebec. Mr. Sioui said: "From day one in the current dispute we spoke out against the use of weapons. We always sought peace".

We seek peace first. Then we will resolve these land issues in which we have been engaged and seeking long-term solutions for many, many years.

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the attention of hon. members the presence in the gallery of the Right Hon. Bernard Weatherill, Speaker of the British House of Commons.

Some hon. members: Hear, hear.

* * *

INDIAN AFFAIRS

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development.

We have just heard the minister say that he will not negotiate at the end of a gun or at the end of a rifle. However, as pointed out earlier by my colleague, we saw on national TV the same minister signing a deal in Oka.

On August 17 of this year the minister sent a letter to the office of the Kanesatake Mohawk negotiating team outlining the deal they had made with regard to the land in question. In there it says, and I quote: "In accordance with the agreement with the municipality this deal will close within 10 days of the removal of the barricades". The barricades have been down for some time. When is the minister going to honour the agreement he made with the office of the Kanesatake negotiating team?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I thank the hon. member for bringing to the attention of this House an important point.

We closed and concluded that deal on September 14 in full compliance with our undertaking.

• (1450)

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, the minister announced earlier that there will be an ensuing debate over the next few days on aboriginal issues. With the way the government has been acting over the summer, it does not seem to recognize aboriginal rights.

If the minister is going to be announcing any programs over the next few days, how can we be assured that he will follow through on them?

Mr. Speaker: Procedurally this may be a slightly hypothetical question. The minister may wish to deal with it.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Indeed, Mr. Speaker, this government has nothing to apologize for in terms of our record of progress on behalf of Canada's aboriginal people.

Some hon. members: Oh, oh.

Mr. Siddon: Mr. Speaker, the evidence of that—

Mr. Speaker: Perhaps the hon. minister could direct his answer to the question.

Mr. Siddon: The evidence of our commitment to resolving land claims issues is to be found in the conclusion of historic agreements all across northern Canada between the federal government and the Dene–Métis people, the Tungavik Federation of Nunavut, and the Council of Yukon Indians.

I personally attended with the hon. member for Nunatsiaq the signing of the agreement in principle with the Inuit people in Igloolik on April 30.

[*Translation*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, as you know, the Government of Quebec has implemented a compensation plan for the communities of Oka and Châteauguay. I want to ask the following questions.

First of all, does the federal government intend to share the tax burden with the Government of Quebec? Second, does the federal government intend to provide full compensation for the people of the South Shore, Southwest Montreal, Lachine, LaSalle, Émard, Kahnesatake and Kahnawake?

[*English*]

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, this question illustrates the tragic side of this kind of development when people take up arms against the necessary order in society that we should all uphold in this House.

We have received representation from both the native and non–native residents in the vicinity of Oka, and we are examining proposals from those parties. But I might point out that many weeks ago we conveyed in writing our commitment to continue the process of resolving

the land issue at Kanesatake and to include an important economic and social component in the settlement of those matters together with the resolution of all of the land issues.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, that is a fudge. The Government of Quebec has already proceeded to compensation. It is crucial, if we are to begin the process of reconciliation between the diverse populations, that those people who have suffered not be made to bear the burden of this government's dithering.

The question is: Are you going to compensate the populations of the south shore—

Some hon. members: Oh, oh.

Some hon. members: Hear, hear.

Mr. Speaker: The hon. member knows that questions must go through the Chair.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, when we receive proposals from the Government of Quebec and have a chance to review them, we will consider all these factors.

I want to point out that my colleagues from the vicinity of Oka have made these recommendations, and we have them well in hand at the present time.

* * *

PERSIAN GULF CRISIS

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my question is for the Prime Minister.

Two years ago when the Conservative government sent peacekeeping troops to the Middle East the then Minister of National Defence said: "When such a major new undertaking is given I have a moral responsibility to report to the people's representatives to ask for their support".

Why did the Prime Minister abandon this moral responsibility referred to by the Minister of National Defence by sending Canadian troops into the Persian Gulf without recalling Parliament for over six weeks? Why this contempt for Parliament?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, the Prime Minister announced on August 10 the deployment of Canadian troops to join with—

Some hon. members: We know that.

Mr. McKnight: Members of the NDP say that they know that. They probably also realize the tradition or convention that there will be after the Order in Council has been placed within 10 days a debate.

I would suggest to hon. members, through you, Mr. Speaker, that several changes that have taken place through the UN auspices and through diplomatic channels supported by Canada mean now the debate will take place with knowledge. I think that would make for a much better debate than what the member would have been involved in had it taken place earlier.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, we wanted a debate at the time because Canadians want our country to be part of a clear UN peacekeeping effort. They do not want a Prime Minister who is simply a lap dog for George Bush.

My question is again for the Prime Minister. Will the Prime Minister agree to send our troops no farther than the Gulf of Oman, strictly to enforce UN Resolution 665, and cancel the CF-18s? Will Canada use its position on the security council of the United Nations to urge that all troops in the gulf be placed not under United States direction but under clear United Nations command? Will he play that important peacekeeping role?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, the hon. member has made some suggestions that he will be able to make later. I would suggest to him that historically, Canada, indeed successive governments representing the people of Canada have taken action to deter aggression. They have taken action to show the world that might is not right.

In this case the hon. member says under the UN. In some cases he is right, but I refer to two world wars and a Korean war where the Canadian men and women who served deterring aggression paid a very dear price.

The hon. member is suggesting that we not provide to our men and women on those ships in the Persian Gulf the cover of defensive aircraft, the CF-18, to provide them with the best protection that we can, doing the job that they are doing on behalf of the people of Canada.

Oral Questions

FREE TRADE

Hon. John Bosley (Don Valley West): Mr. Speaker, I have a question for the Minister for International Trade regarding the proposed U.S.—Mexico free trade negotiations.

Will the minister confirm whether cabinet has decided to participate in the talks and, if so, on what basis? Frankly, can he tell us what requests have been made and what so far have been the responses?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the government has decided that Canada should involve itself and participate in tri-lateral discussions with the United States and Mexico that would lead to a North American free trade market if an agreement is reached.

The present stage of the matter is that the President is likely, today or very shortly, to be sending a message to Congress to ask Congress for authority to enter into bilateral negotiations with Mexico. He must get authority for bilateral negotiations and trade matters. He will be advising the Congress of our intention to discuss with both parties a trilateral agreement as has been recommended by most groups in Canada that have studied or thought about the matter.

We will be entering into—

Mr. Barrett: What is there to protect?

Mr. Crosbie: This is extraordinary: you are not allowed to answer a question because of the rowdies in the NDP, Mr. Speaker.

Mr. Speaker: Perhaps the hon. minister can do the best he can.

Mr. Crosbie: Mr. Speaker, we will be starting a process of consultations with the representatives of Mexico and the United States over the next several months, looking at the scope, the elements, and the procedures that will form the basis for subsequent negotiations if all of those consultations prove to be satisfactory.

• (1500)

Mr. Speaker: It may surprise the House that the Question Period will be extended by a couple of minutes because of the earlier interventions.

[*Translation*]

The hon. member for Lac-Saint-Jean has the floor for one question. Only one question, please.

* * *

AGRICULTURE

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, my question is for the Minister of Agriculture.

The minister must know that Quebec agricultural producers are extremely concerned about the future as a result of the positions which the federal government will take in the current round of GATT negotiations in Geneva. They are quite aware that the government, despite the very firm commitments it made to them, has agreed to negotiate under terms of reference which, if accepted, will destroy the supply support program and the stabilization measures.

Mr. Speaker, I want to ask the minister to give Quebec producers the immediate and firm commitment that he will defend and safeguard the entire supply management system and all the financial stabilization measures it entails.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I thank the hon. member for his question. He should know that during the summer I went to Geneva to meet with all delegations, the American delegation, the European delegation, the Japanese and the Australians, to explain Canada's position.

We have always said that we would strongly defend the interests of Canadian and Quebec producers, and that is what we did. I conclude by saying simply that last week we had a meeting with the negotiation team, the UPA president, the president of the *Coopérative fédérée du Québec* who, in a letter sent to the Prime Minister Tuesday, expressed their full satisfaction and enthusiasm about the position taken by Canada.

* * *

[*English*]

TRADE

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the minister just made an important statement about the

decision of this government to participate in trade talks involving Canada, the United States and Mexico.

Yet this is the same minister—

Mr. Speaker: I know that the hon. member would want to co-operate. This is the end of Question Period. Please put the question.

Mr. MacLaren: When is the minister going to come forward with all the reasons why the government has made this decision and explain to the Canadian people what are the goals that Canada seeks in these trade talks?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I congratulate the hon. gentleman on his appointment as the Official Opposition critic on trade. He shows great promise compared to the last incumbent.

With respect to the question, I was following the advice of the MP for Broadview—Greenwood, the hon. member for Lasalle—Émard, and the Ontario caucus chairman, who all recommended this course.

When I saw that sanity had returned to some of the members of the Liberal caucus, I thought this was the time to go for it.

[*Translation*]

Mr. Speaker: I think all hon. members are prepared to listen to a statement by the minister.

* * *

[*English*]

THE LATE ALLAN MCKINNON

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, members of the House will know of the death on Wednesday of the Hon. Allan McKinnon, a distinguished member of this House for 16 years, a Minister of National Defence, Minister of Veterans Affairs and a very good friend to many of us in all parties and among the people who serve Parliament.

Allan McKinnon's life was one of public service; in the Canadian Army from 1939 to 1965, as a teacher, as a trustee and then as chairman of the Greater Victoria School Board and as a member of this House.

Tributes

Nearly 50 years ago while fighting in Italy, he was awarded the Military Cross for valour, and other honours and offices came to him later. He was a man to whom others turned naturally for leadership.

Allan McKinnon sat in the highest councils of this country and took part directly in some of the critical discussions of world war and peace at the NATO table. He was effective and respected there. But what he enjoyed most about being a member of Parliament was the opportunity it gave him to help ordinary people whom the system had forgotten or abused. It is easy to lose perspective in public life, to forget why we are here or whom we serve; Allan McKinnon never forgot. He never failed to serve the people of Victoria who elected him.

He was born and raised in Saskatchewan. Adlai Stevenson once said that on the prairies you can see a long way in all directions and prairie people like to believe that at our best, we are long-sighted, generous and fair. Allan McKinnon was one of our best. He served me and our country with a combination of wisdom and dry humour that was both rare and invaluable. As an officer, a teacher, a trustee, a parliamentarian and a man, his motive was a straightforward sense of duty which he exercised consistently and compassionately.

To his wife Elizabeth, to his sons Peter and Ian and their families and to the larger family of the friends and admirers of Allan McKinnon we express our condolence and our thanks for the privilege of knowing a wise and a gentle man whose compassion, strength and humour enlarged our lives.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, on behalf of the Liberal Party I want to say that it was with very deep regret that we learned of the passing of the Hon. Allan Bruce McKinnon, former member for Victoria, former Minister of National Defence and Veterans Affairs, a dedicated public servant.

I agree entirely with the statement just made by the Secretary of State for External Affairs because Allan McKinnon was an individual who could see over the horizons and look into the beyond. He loved his job as a member of Parliament and looked upon his attaining the Ministry of National Defence as an outstanding goal along his life's career.

We extend our sincere sympathy and condolences to his wonderful wife, Elizabeth, to whom Allan was always very devoted, and to his two sons, Ian and Peter. In our personal conversations during the years that he spent in this House he often spoke of his wife and family and we must say a word about the other partner in public life. Elizabeth was, in the eyes of many of us, an ideal life partner for a person who had to face the decisions, the problems and the general workload of a person dedicated to the public life of his country. She was always uplifting in her remarks.

Having been born in Saskatchewan and having been a teacher, he always talked about the prairies and education. After a distinguished career in Canada's Armed Forces, he served on the school board for greater Victoria and other distinguished organizations. My colleague, the hon. member for Saint-Denis, always said that Allan McKinnon was one of the most dedicated members of the Committee on External Affairs and National Defence during the years that he chaired that committee. Allan was active on the Committee on External Affairs and National Defence for many years. As a person who took part in many NATO delegations from this Parliament to other NATO countries, he was always a Canadian first when abroad. He was a firm believer that when a Canadian delegation, made up of all parties from both Houses of Parliament went abroad, the group should speak with a common voice.

During his 16 years in this House of Commons, he made many friends and took his duties seriously. His life as an MP is one that can be looked up to with respect and it is an example for others to follow. We must ever remember when in this House that the example we, as MPs portray is one that will always stick with us. Allan McKinnon's example will wear well with time.

• (1510)

We want to say to his wife Elizabeth, his two sons and his host of friends that Allan McKinnon's memory will wear well with all of us here in the House of Commons of Canada.

Mr. John Brewin (Victoria): Mr. Speaker, I rise on behalf of the caucus of the New Democratic Party and, particularly on behalf of the people of Victoria, to join with the statements of regret and yet admiration and respect for Allan McKinnon.

Allan, apart from all the other things that have been said about him, was a person who was truly loved and respected in Victoria. He worked very hard at his job as a member of Parliament. He loved the part of the job of working for constituents and solving individual problems. That gave him a great deal of satisfaction which was returned by the people of Victoria, not only in successive majorities of astonishing proportion, but as well by the love and affection with which he was held. One ran into it everywhere and I know that he will be missed by the people of our community.

Allan McKinnon served this country beyond just the community. He was a man of great courage. I agree with the statement made by the Secretary of State for External Affairs that he was a quiet and gentle man. Yet under that was a toughness and a determination which I suspect was born not only of Scottish ancestry or growing up on the prairies, but his experience in the Second World War where he was in active duty in Italy, Belgium and Holland. He never forgot that. He never forgot the veterans, whom he served in this Parliament and in the cabinet.

Allan McKinnon loved Parliament. I had a chance to chat with him just after he retired and I took over as the member of Parliament for Victoria. He said that what he really liked about the job was that, apart from the opportunity to serve constituents, it gave him a front row seat in the decision-making. He would have enjoyed today I think and enjoyed many days in this Parliament because he really loved that aspect of the life of being a member of Parliament.

He was a strong defender of seniors even when his government strayed, he thought, occasionally from what it ought to have done. He also was very effective in securing for Victoria its share of federal support, particularly on the Conference Centre, one of his great achievements which will stand for Allan McKinnon in the centre of Victoria. I would hope that his contribution to that Conference Centre will be recognized in a formal way by the city council in Victoria.

I join with the other members of the House in condolences to his wife Elizabeth and to his family.

Mr. Speaker: I would ask that all hon. members stand with me for one minute of silence.

[*Editor's Note: The House stood in silence.*]

POINT OF ORDER

REMARKS DURING QUESTION PERIOD

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I have a very brief point of order I want to raise in respect of the question asked by the hon. member for Burnaby—Kingsway which I contend was out of order for two reasons. First, it anticipated an Order of the Day and, second, it contained a gratuitous personal insult to the Prime Minister.

I recognize the question has been asked. I raise it only because when practices occur which are not challenged, they become routine and part of our traditions. I would not like to see that happen in this instance.

Mr. Speaker: I must assure the hon. House Leader, as I assure all hon. members, that complaints of this nature are considered seriously by the Speaker. I hope that we shall be able to proceed with a minimum of such complaints and, where they are serious, that those comments would be considered in the spirit in which they are meant in the interests of the House.

The hon. member for Beauséjour on a personal question of privilege.

* * *

[*Translation*]

HOUSE OF COMMONS

RESIGNATION OF THE HON. MEMBER FOR BEAUSÉJOUR

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, it has already been six years since the people of Westmorland and Kent elected me to represent them in the House of Commons. I have always felt it a great honour and privilege to be entrusted with this responsibility, and I have always taken great pride in trying to be a worthy representative of my constituents.

A great deal has changed in six years, however, so much so that today, the circumstances are such that I must make a major decision. The decision was made in consultation with the executive of the Liberal Association of Beauséjour, and I want to stress that it was unanimous. We have decided to give the Leader of the

Liberal Party of Canada an opportunity to go before the electorate in the riding of Beauséjour and represent that riding in the House of Commons.

Mr. Speaker, I am convinced this decision is in the best interests of the people of Beauséjour and that the Leader of the Liberal Party will be a strong and energetic defender of that riding in the House of Commons.

Mr. Speaker, I therefore wish to tender my resignation as the member for Beauséjour in order to yield my seat to the leader of my party.

Before I sit down, I would like to take this opportunity to thank sincerely the people of Beauséjour for the trust they have placed in me during the past six years. Mr. Speaker, this is something for which I will always be grateful.

[*English*]

I would also like to assure the people of Beauséjour that in my new duties I will always be within their reach and I will have their best interests at heart.

I would also like to express my deepest gratitude to all members of the House and particularly to my caucus colleagues who have all contributed to making these last six years the most memorable of my life.

[*Translation*]

Mr. Speaker, you yourself and all those who have sat in the Speaker's chair always made it a pleasure to take part in the proceedings of this House, and I want to thank you very much.

In concluding, I hope the Prime Minister will call a by-election as soon as possible, to ensure that the people of Beauséjour are represented in the House of Commons.

Mr. Speaker, I haven't left yet, but I must admit I am already making plans to come back! I intend to return after the next general election.

Some hon. members: Hear, hear.

• (1520)

Mr. Speaker: If I may have the attention of the House for a moment. I have several questions of privilege this afternoon. The first notice is from the hon. member for Mégantic—Compton—Stanstead.

PRIVILEGE

SEATING IN THE HOUSE

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, since last June my colleagues and I, now grouped under the banner of the Bloc Québécois, have been the object of repeated attacks from members of this House about the legitimacy of our action in the House of Commons.

For quite some time, Mr. Speaker, I was hoping that the outcome of the election in Laurier—Sainte-Marie—67.8 per cent— would put an end to such questions. I notice they have precious little to say on the other side, all they got was 3.9 per cent.

Again this morning the member for Kamloops and NDP House leader stated that the members of the Bloc Québécois were members—

Mr. Speaker: The hon. member knows that in the case of a question of privilege it is necessary to establish the circumstances or facts which may prevent a member from performing his normal duties. Again I find it hard to see how there could be a question of privilege in this instance. The hon. member may make a comment of course, but I would ask him to guide the Chair as to the nature of his question of privilege.

Mr. Gérin: I can understand your reaction, Mr. Speaker. For that matter, I will refer as a precedent to the statements which you allowed made by the hon. member for York South—Weston last March when he accused Separatists or Sovereignists of treachery, prejudice and racism. On that occasion, you let the hon. member speak us in the House for a long time on.

And here he goes again accusing us of treachery. Mr. Speaker, such statements made this House do infringe an hon. member's privilege. I have received over 100 letters from all over Canada, which claim that I have no right to sit in this House. My privileges are being trampled on. And when, as Speaker of this House, you do not allow me to sit with my fellow Quebec Sovereignists, you are playing in their hands, something you have no right to do. I suggest that this question of privilege must be ruled on once and for all.

May I remind you that, last March, you had allowed the hon. member for York South—Weston to discuss at lengh this issue and other members to intervene. If we are unable to settle this matter once and for all, I just do not see how the House could move ahead quickly with its agenda.

Mr. Speaker, all I am asking you is to be allowed to raise this question of privilege based on the difficulties which I face because of these outrageous statements made today on *Canada AM* on a national television network and publicly again in this House by other members. If you are anxious to see this House move ahead quickly with its agenda and go on with its business—

Mr. Speaker: The hon. member has certainly a grievance. It is undoubtedly a grievance. However, surely the hon. member will understand that the Chair must conduct the business of the House according to Standing Orders. Of course, when necessary, I may consider a motion dealing with a question of privilege and take all circumstances into account. Yet, I must say that sometimes statements made outside the House by an hon. member cause a lot of distress and anxiety. Partly, of course, this is just politics. The hon. member may have a grievance. If the hon. member wants to see changes in the Standing Orders of this House, I would ask him and his colleagues to discuss the matter with me. There is of course a procedure for presenting a motion or request regarding the Standing Orders of this House, but a question of privilege is very rare, and in any case, the circumstances that make it impossible for the hon. member to continue to perform his duties as a member of the House of Commons of Canada must be put before the House, before the Speaker.

It is clear the hon. member may have a grievance, but this is not a question of privilege. I also think members should understand that as your Speaker, I have some discretion in dealing with the rights of every person in this House who is in a minority position. I think we have a great tradition of protecting the rights of minorities, and I can assure the hon. member that the rights of minorities will be protected by the Speaker in a way that is fair and equitable for all other members.

I would ask the hon. member for his co-operation, since I realize the Speaker must rely on the co-operation of all members, but I must interrupt the hon. member because this is not a question of privilege. The hon. member may be referring to another matter that was before the House a few months ago. I remember the

situation well, and at the time I also had to apply the Standing Orders of this House in a way that was fair and equitable. I am sorry, but although the hon. member may wish to have a conversation with the Speaker or with other members of this House, I cannot allow him to continue to argue a question of privilege when it is clear that although this may be a grievance, it certainly is not a question of privilege.

That is what I had to say about the hon. member's comments.

Does the hon. member have further comments for the Chair? Please be brief!

Mr. Gérin: Yes, Mr. Speaker. It has to do with our request to you that we be allowed to sit together. In this case, Mr. Speaker, it was left to your discretion and I understand you refused. I believe one of my privileges as member is that I be permitted to sit with the group to which I belong. You know this group, Mr. Speaker, the members of the Bloc Québécois who have chosen to work towards Quebec sovereignty and state to the House of Commons that the sovereignty of Quebec would be in the general interest. Mr. Speaker, I am wondering who made that decision. Was it you or was it the government whip?

Mr. Speaker: I can help the hon. member. Again, this is not a question fo privilege. But to be fair I will try to answer the question. Usually and in keeping with long-standing traditions, seating arrangements concerning members are made as a result of an agreement among all parties recognized under Canadian legislation. Subsequently, if it is not possible to reach an agreement, the Chair will make a decision, if necessary. However, it is always a compromise.

• (1530)

Perhaps the Speaker may remind the hon. member that his colleagues are in the House. However, if the hon. member and his colleagues wish to have a further discussion on the subject of seats, I am prepared to ask the hon. member or the leader of his group to come and discuss the matter with me in my office.

However, a decision must be made, and in the final instance that decision is up to the Speaker, after many discussions with all other colleagues. Perhaps we could now hear the next question of privilege. I would like to make it clear to the hon. member that he can come and talk to the Speaker in his office.

I will now recognize the hon. member for Ottawa—Vanier.

THE RIGHT TO SPEAK IN THE HOUSE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): On September 20 last, Mr. Speaker, I wrote you a letter asking that I be heard on a question of privilege about the right of all members to speak freely in this House, to fulfil their electoral mandate, to represent their constituents in the House and to debate the issues which concern the country both nationally and internationally.

Mr. Speaker, I refer you to Beauchesne's citations 16 and 55. Citation 16 deals with parliamentary privilege.

Mr. Speaker, I am one of those who believe that after writing letters to the government, and I am not referring only to the member for Ottawa—Vanier because a number of my Liberal caucus colleagues also urged the government to recall Parliament this summer to debate a national issue, the situation of native people, as well as the question of Iraq and Kuwait, but the government systematically refused to acknowledge the right of each member to express his opinion in the House.

Mr. Speaker: Again I regret to interrupt the hon. member. There may be a very serious crisis in the political world, but it is not a question of privilege.

[*English*]

I hope that if other members are rising on the same point they will take my point in advance.

RECALL OF PARLIAMENT

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I rise on a matter of privilege to bring to your attention what I see as a contempt of Parliament and what I see as an attempt to circumvent the statutory and the conventional authorities of this House and its members. I am referring, Mr. Speaker, to the mobilization of the Canadian army against Canadian citizens and the fact that that mobilization took place without recall of Parliament, without consulting Parliament, without any open and democratic debate. Such debate, Mr. Speaker, is not a luxury but a requirement under the conventions and the rules of Parliament.

I wonder whether this government considers early recall something that can be undertaken only when it is politically advantageous to the government and something to be—

SPEAKER'S RULING

Mr. Speaker: I regret very much again having to interrupt the hon. member, the Leader of the New Democratic Party. I thank the hon. member for giving me notice, as did the hon. member for Ottawa—Vanier of the point that was being raised. The point is in narrow terms, somewhat different. It is the same point in principle. The complaint is that the government did not call the House back during the summer for whatever reason. That complaint may be based on a number of things that hon. members wish that the government had brought the House back to debate, to meet or to pass legislation on. However, that is a political decision and it does not go to the question of either privilege of individual members nor, I must say, to the hon. leader of the New Democratic Party. It does not go to the question of contempt of the House.

It may well be, and undoubtedly is, a matter of serious debate both within this Chamber and outside the Chamber, as it has been and as it has been today. However, I have to say to hon. members it is not a question of privilege.

The hon. member for Edmonton Southeast on a question of privilege. The hon. member, who has given me an extensive several page precis, will I am sure keep in mind what I have had to say so far this afternoon.

PARLIAMENTARY READING ROOM

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, it was only two pages, I would point out, one and a half actually. This is a matter which affects all of us. I refer, of course, to the closing of the Reading Room which has been there since the mind of man and woman run not to the contrary, to my knowledge.

What has it cost members to have moved the Reading Room down to the basement in room 134N? My understanding is that 475 weekly newspapers are no longer being received by Parliament and available to members, 88 periodicals are no longer available to the members of this House, a number of newspapers from abroad and about 200 non–fiction books are no longer available to any member of this House.

Some people may say that the subscriptions are still coming in but, Sir, I would point out that to the best of my knowledge all of these weekly newspapers which are so important to all of us are going into the trash can and when the subscriptions end, they will not be renewed. That is my information.

Mr. Speaker: I have a suggestion for the hon. member before I am forced to make a ruling one way or the other.

There is provision under the rules, as the hon. member as a very experienced member knows, to ask a question of the appropriate member of the Board of Internal Economy where this decision was made. In addition, if there are facts which the board needs for whatever reason in connection with this decision, perhaps the hon. member could assist the Chair in that.

In the meantime, until the hon. member discusses this with the appropriate member of the board, takes an opportunity of asking a question of a member of the board, I think it would perhaps be best if the hon. member adjourned this application on privilege because at the moment the Chair is not inclined to accept it on that basis.

ROUTINE PROCEEDINGS

[*English*]

NATIONAL DEFENCE

DEPLOYMENT OF CANADIAN TROOPS

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, it gives me pleasure to table PC1990–1995 dated September 15, 1990, an Order in Council, deploying Canadian troops, in response to Iraqi aggression.

* * *

FORESTRY AND FISHERIES

TABLING OF RESPONSE OF STANDING COMMITTEE

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, on behalf of the Minister of Fisheries and Oceans, I have the honour to table in both official languages the government's response to the first report of the Standing Committee on Forestry and Fisheries entitled "Aquaculture in Canada".

• (1540)

ORDERS IN COUNCIL

TABLING OF APPOINTMENTS AND REFERENCE

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to table, in both official languages, a number of Order in Council appointments which were made by the government.

Pursuant to the provisions of Standing Order 110(1), these are deemed referred to the appropriate standing committees, a list of which is attached.

* * *

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government responses to 385 petitions.

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

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CANARCTIC SHIPPING COMPANY LTD.

TABLING OF ANNUAL REPORT

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the 1989 annual report of the Canarctic Shipping Company Ltd.

Mr. Speaker: Are there further documents?

* * *

[*Translation*]

INTERPARLIAMENTARY DELEGATIONS

PRESENTATION OF REPORT OF CANADIAN DELEGATION SENT TO BULGARIA

Mr. Gaby Larrivée (Joliette): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the report of the Canadian delegation sent to observe the general election held in Bulgaria from June 6 to June 13, 1990.

[*English*]

CANADIAN NATO PARLIAMENTARY ASSOCIATION

TABLING OF SEVENTEENTH AND EIGHTEENTH REPORTS

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, pursuant to Standing Order 34, I have the pleasure to submit to the House, in both official languages, the seventeenth and the eighteenth reports from the Canadian NATO Parliamentary Association.

[*Translation*]

PRESENTATION OF REPORT OF CANADIAN DELEGATION SENT TO ROMANIA

Mrs. Gabrielle Bertrand (Brome—Missisquoi): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the report of the Canadian parliamentary delegation sent to observe the elections held in Romania on May 20, 1990.

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

* * *

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

TABLING OF REPORT OF SPECIAL COMMITTEE

Mr. Blaine A. Thacker (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, I have the honour to present the report of the special committee of this House on the review of the Canadian Security Intelligence Service Act as well as the Securities Offences Act, and the report is entitled *In Flux But Not in Crisis*.

Pursuant to the Standing Order, we are requesting that the government give a comprehensive response within 150 days. Because it was a special statutory committee, I just wanted to refer to the members, the vast majority of whom were in their first term as members of Parliament, and to say how hard they worked over the last 15 months to do this very important review for all of us in the House. I refer to the vice-chairman, the member for Lotbinière, the members for St. Catharines, Victoria, Scarborough—Rouge River, Wetaskiwin, Moncton and Laval-des-Rapides. It is truly

a yeoman's work. I am immensely proud to have chaired this report and I think members will find the recommendations to be sensible.

* * *

CRIMINAL CODE

MEASURE TO AMEND

Mr. Bob Hicks (Scarborough East) moved for leave to introduce Bill C-329, an act to amend the Criminal Code (desecration of the flag).

He said: Mr. Speaker, it is my pleasure to introduce this private member's bill, making it an offence under the Criminal Code of Canada to wilfully burn, deface, defile, mutilate, trample upon or otherwise desecrate the national flag of Canada.

I have considered this for six or eight months and have followed the events in the United States very carefully. In my thinking, the flag of Canada is a symbol of Canada and anyone who wilfully desecrates it should be answerable in court.

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

* * *

MARRIAGE (PROHIBITED DEGREES) ACT

MEASURE TO ENACT

Mr. Rob Nicholson (Niagara Falls) moved that Bill S-14, an act respecting the laws prohibiting marriage between related persons, be read the first time.

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

Some hon. members: Agreed.

Motion agreed to and bill read the first time.

* * *

INDIAN AFFAIRS

REQUEST FOR SPECIAL COMMITTEE

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I rise under the section of Routine Proceedings relating to motions to ask Your Honour to seek unanimous consent of the House of Commons to put the following motion:

That an all-party committee of the House of Commons travel forthwith to the treatment centre at Oka to negotiate an honourable disengagement.

Mr. Speaker: Does the hon. member have unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Speaker: Perhaps the hon. member will want to raise the matter at another time as there does not seem to be consent.

* * *

PETITIONS

VETERANS AFFAIRS

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to rise today under the provisions of Standing Order 36 to present a petition signed by various residents of Canada from widely separated points, most of them in Ontario.

They are protesting government cutbacks to veterans services, particularly housekeeping services to veterans and the increasing costs of long-term care for veterans in institutions.

They call upon Parliament to reject the budget measures introduced in the last budget which provided for these reductions and ask that we vote those down so that the government will not be able to implement these harsh and oppressive budget provisions.

IMMIGRATION

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, pursuant to Standing Order 36, I too have the honour to table petitions on behalf of Canadians living in my riding of Parkdale—High Park and in other constituencies in metropolitan Toronto.

The hundreds of signatories on this petition are angry with the government's policy of cancelling the self-exile class for thousands of East Europeans who entered in good faith and are well established in Canada as required by the self-exile regulations.

The petitioners, many of whom are sponsors of these self-exiles, are requesting the Minister of Employment and Immigration to honour all bona fide self-exile cases which were being processed before the September 4, 1990 cut off that the minister imposed without any consultation with Canadians.

THE ENVIRONMENT

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, pursuant to Standing Order 36, I would like to lay before the House some petitions signed by the residents of Broadview—Greenwood.

They ask the Government of Canada to release the money it committed in 1988 to begin the clean up of the Great Lakes, and specifically the Don River which is the most polluted river in Canada.

They humbly ask the government to release this money so the clean up can begin.

CHILDREN'S RIGHTS

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, pursuant to Standing Order 36, I have a petition to present from residents of the federal district of Cape Breton—East Richmond comprising such communities as Glace Bay, Waterford, Sydney, and Marion Bridge, as well as other rural parts throughout that riding.

In view of the United Nations convention on the rights of the child which sets a standard of protection and care to children far superior to anything we know and experience in Canada and countries world-wide, we call upon the Government of Canada to review its legislation and policies for consistency with this particular convention.

I urge the Prime Minister and the government take action forthwith.

• (1550)

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I take pleasure in presenting a petition pursuant to Standing Order 36.

The petition is signed by several hundred people in Toronto, Mississauga, Brampton, Burlington, Newmarket, Scarborough, and other communities in southern Ontario, many of them former residents of Newfoundland who have a particular concern with respect to overfishing and its adverse impact on fishermen and plant workers along the coast of Newfoundland.

The prayer of the petitioners is that the Government of Canada will take the appropriate steps to eliminate the overfishing so that the people who live nearest the resource can have the full benefit of it.

I support whole-heartedly the prayer of the petitioners.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 279, 292, 294, 300, 310, 315, 323, 324, 325, 326, 328, 329, 330, 331 and 334.

[*Text*]

NORTHERN RESIDENTS DEDUCTIONS

Question No. 279—**Mr. Gardiner:**

In (a) 1988 (b) 1989, in British Columbia, were there any follow-up inquiries regarding the Northern and Remote Tax Allowance and, if so, what number?

Hon. Otto John Jelinek (Minister of National Revenue): Of the 59,521 Northern residents deductions claims made by British Columbia and Yukon residents on 1987 tax returns, 1881 claims were reviewed and ajustments were made to 355 claims. Of 54,009 claims for the 1988 year, 2,213 claims were reviewed and adjustments were made to 2,071 of them. 1989 claims statistics are not yet available.

INSHORE SHRIMP LICENCES

Question No. 292—**Mr. Rompkey:**

In (a) 1990 (b) 1989 (c) 1988 (d) 1987, were new inshore shrimp licences issued, in the area covered by the Gulf Region of the Department of Fisheries and Oceans, to residents (i) of the Province of Quebec (ii) of Labrador (iii) of Newfoundland (iv) of New Brunswick (v) of Nova Scotia and, if so, what number?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): On February 10, 1986, the Minister of Fisheries and Oceans announced the issuance of 19 additional shrimp licences for the Esquiman Channel. These additional licences were issued as follows:

(a) in 1986,

(i) 6 licences to Western Newfoundland fishermen,

(ii) 3 exploratory licences to Quebec fishermen,

(b) in 1987, 6 licences to Western Newfoundland fishermen,

(c) in 1989,

(i) 4 licences to Quebec fishermen,

(ii) the 3 exploratory licences issued in 1986 to Quebec fishermen were made permanent.

No other additional licences for Gulf Shrimp were issued between 1987 and 1990.

ELECTRICITY SAVINGS

Question No. 294—**Ms. Callbeck:**

Has the government made estimates of the number of kilowatt hours of energy that could be conserved economically but are not because of market imperfections and, if so (a) what number (b) what is the equivalent of this figure in new nuclear and fossil-fuel fired power plant capacity (c) what would be the reduction of carbon dioxide emissions if such conservation were implemented (d) would any money be saved thereby and, if so, what amount?

Hon. Arthur Jacob Epp (Minister of Energy, Mines and Resources): (a)—(d) Estimates of the economics potential indicate that up to 300 petajoules, or the equivalent of 83,340 gigawatts-hours (Gwh) of end-use electricity savings could be available by the year 2000. However, preliminary estimates of the portion due to market imperfections is lower, possibly in the range of 200 to 250 petajoules.

The major difference between these estimates is that measures which are economically attractive (i.e. to society) are not necessarily attractive to individual investors. Of the 200 to 250 petajoules of electricity saving that could be due to market imperfections, a portion can also be attributed to existing electricity market prices—generally based on historical accounting costs which can be less than the economic costs required for economically efficient resource allocation. However, such pricing decisions fall under provincial jurisdiction. Therefore, the amount of electricity that could be targeted with even an agressive federal package of initiatives is significantly less than 200 to 250 petajoules, in the absence of co-operation from the provincial authorities and the utilities.

In terms of capacity, the economic potential for end-use savings possibly due to market imperfections depends on whether the actual savings affect the base load or peak load. If 200 petajoules of annual electricity savings could be achieved and translated into capacity addition delays, this would be equivalent to about 6,300 megawatts (MW) in the year 2000. Fossil fuel (coal, oil, and natural gas) and nuclear generating capacity additions are forecast to be about 8,300 MW by the year 2000. Therefore, forecast electricity capacity additions exceed the capacity equivalent of 200 petajoules of end-use electricity savings.

About 18 megatonnes of CO_2 could be saved annually if 200 petajoules of annual electricity savings were achieved by the year 2000. (For purposes of comparison, the estimate of total Canadian CO_2 emissions for 1990 is about 490 megatonnes.) The CO_2 savings estimate assumes that electricity saved in the year 2000 is produced from the average regional mix of fuels forecast for the year 2000. Actual emission savings estimates will differ to the extent that a particular utility's production deviates from this average generation mix.

No estimate of the dollar savings from reduced end-use electricity consumption due to eliminating market imperfections is available at this time. The net dollar savings will depend on the extent and timing of the electricity savings potential being achieved, the portion which is peak versus base load, the extent this influences the timing of capacity additions, the costs that will be required to offset existing market imperfections, and transactions and other costs (often not measurable) which will be borne by the consumer.

NATIONAL CITIZENSHIP WEEK

Question No. 300—**Mr. Boudria:**

1. Were National Citizenship Week kits produced for the government and, if so (a) what number (b) at what cost?

2. Were (a) stickers (b) a lapel pin (c) a flag (d) a bookmark (e) a calendar (f) a poster included in the kit and, if so (i) who designed each one (ii) at what cost (iii) what was the name of the supplier of each item (iv) were the items purchased by public tender and, if not, for what reasons?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): 1. Yes.

a) 60,000 kits

b) $1.68 per kit

2. a) Yes

b) No. However a National Citizenship Week button was produced for the kit.

c) Yes.

d) Yes.

e) Yes.

f) Yes. Also included in the kit was a fold-out brochure and a message from the Minister of State (Multiculturalism and Citizenship).

(i) and (ii) The stickers, buttons, bookmarks, calendars, posters and fold-out brochures were designed by Banfield-Seguin at a cost of $32,200.73. The Minister's message was written in-house.

(iii) The stickers were supplied by HAS Novelties of Toronto. The buttons were supplied by Maison Basilières of Montreal. The flags were supplied by Flags Unlimited of Thornton, Ontario. The bookmarks, calendars, posters and fold-out brochures were supplied by Ashton-Potter Ltd. of Toronto. The Minister's message was printed by Commercial Printers of Ottawa.

(iv) All suppliers were contracted through the Supply and Services Canada tendering process. The Minister's message was requested via a purchase order on an emergency printing basis.

USED FUEL FROM CANDU REACTORS

Question No. 310—**Mr. Heap:**

1. For all CANDU reactors ever commissioned in Canada, has there been an accumulation of spent fuel and, if so, to 1990 (a) what number of kilograms (b) what are the (i) components (ii) weight (iii) ingestion toxicity (volume of water required to dilute the waste to public drinking water standards) (iv) estimated number of years of toxicity of these wastes?

2. Does Canada have any responsibility for spent fuel of the CANDU reactors it has sold to other countries and, if so, what responsibility?

Hon. Arthur Jacob Epp (Minister of Energy, Mines and Resources): Atomic Energy of Canada Limited reports as follows:

1. *a*) Used fuel from Candu nuclear reactors in Canada is presently safely contained and stored at the reactor sites. The principal storage method is in water-filled storage bays; dry storage in concrete canisters is also being used to supplement water-bay storage. Many years of experience in Canada and internationally have demonstrated the safety of these storage technologies. To the end of 1989, about 14,000 tonnes (14 000 000 kg) of used fuel had accumulated in storage at reactor sites in Canada. This amount would fit into a single olympic-size swimming pool.

1. *b*) (i) Candu fuel is manufactured as fuel bundles which consist of an assembly of zirconium alloy tubes each containing dense pellets of uranium dioxide (UO_2). A fuel bundle typically is about 50 cm long, 10 cm in diameter and weighs about 22 kg. After irradiation in a CANDU reactor, the physical form and weight of the fuel bundle are essentially unchanged. Greater than 98 percent of the UO_2 is unchanged after use in a reactor; only about 1.3 percent of the uranium is changed into new chemical elements, and only half of these are radioactive. All the new elements remain contained within the zirconium alloy tubes and 99 percent remain part of the solid UO_2 fuel pellets.

(ii) The weight of a Candu fuel bundle is about 22 kg and remains essentially unchanged after use in a reactor.

(iii) *Ingestion Toxicity* (volume of water required to dilute the waste to drinking water standards)

The used nuclear fuel is a solid material that is very insoluble in water and it is not possible to dilute the waste to drinking water standards. Used fuel that has been stored in water at nuclear generating stations has shown no signs of dissolving in more than 30 years.

The investigation of a 1,300 million years old natural uranium ore deposit at Cigar Lake in Saskatchewan has shown that the water within a few metres of the ore body has a very low concentration of uranium. This is consistent with the very low solubility of uranium oxide in groundwater.

If the used fuel were disposed of in a geologic vault as proposed by AECL, the total contents of the vault (used fuel and rock) after 300 to 1,000 years, would be no more hazardous than naturally occurring uranium, mercury and lead ores.

(iv) *Estimated number of years of toxicity of the wastes*

Unlike the case with other kinds of toxic wastes, the hazard of used nuclear fuel decreases rapidly with time because of radioactive decay.

Ten years after removal from the reactor, the fuel bundles are approximately 2,000 times less radioactive, after 25 years about 99.95 percent of the radioactivity has disappeared, and after 500 years, most of the penetrating radiation is gone.

The proposed concept for the permanent disposal of used nuclear fuel that would ensure that the most exposed individual living near a disposal vault receives a dose of no more than .05 milliSieverts a year at anytime during the first 10,000 years. This dose is a small fraction of the natural background radiation received by every-

one. The disposal concept is now undergoing review by a Federal Environmental Assessment Panel.

2. No, Canada does not have any responsibility for spent fuel from CANDU reactors which have been sold to other countries.

SUBSIDIES FOR BABIES BORN IN QUEBEC

Question No. 315—**Mr. Wappel:**

Does the government, either directly or indirectly, subsidize the government of Quebec with respect to payments or subsidies for babies born in that province and, if so, for each year since the program was introduced (a) what is the total amount paid by the government (b) is the government aware of the percentage that this represents of the total amount paid out by the government of Quebec and, if so, what is it?

Hon. Henry Perrin Beatty (Minister of National Health): This is a universal program which does not meet the requirements for federal financing as set out in the Canada Assistance Plan or any other cost-shared plan. It is, therefore, certain that there is no direct contribution by the federal government to the grants paid out by the province under these circumstances.

As for the question of indirect contribution, it would be difficult to claim that there was none, considering the various forms of overall funding or transfer payments made to Quebec such as Established Program Financing (EPF), equalization payments and so on. None of these contributions, however, could be explicitly linked to these payments upon the birth of a child.

NUCLEAR FUEL WASTE MANAGEMENT

Question No. 323—**Mr. Waddell:**

Was a research program into high-level radioactive waste disposal begun in 1978 and, if so, since its inception, has AECL spent any money on research on re-processing spent fuel and, if so, what amount?

Hon. Arthur Jacob Epp (Minister of Energy, Mines and Resources): Atomic Energy of Canada Limited reports as follows:

The Canadian Nuclear Fuel Waste Management Program was initiated by a joint statement of the energy ministers of Canada and Ontario in June, 1978.

Reprocessing research in the Advanced Fuel Cycle Program was carried out at AECL's Whiteshell Nuclear Research Establishment at Pinawa, Manitoba between 1977–78 and 1985–86. During the fiscal years 1978–79 and 1979–80, approximately $3.3 million of this research was paid for by the Waste Management Program to develop an understanding of the types of nuclear fuel wastes that would arise from any future reprocessing of CANDU fuel. Within the Waste Management Program, a method was also tested to immobilize simulated high level radioactive wastes and to convert them to a solid form that would be suitable for disposal.

From 1977–78 to 1985–86, a total of $19.2 million was spent on the Advanced Fuel Cycle Program, including the $3.3 million mentioned above. Since 1985–86, the Advanced Fuel Cycle Program for CANDU has been centered at AECL's Chalk River Laboratories, and has focused on once-through fuel cycles using Slightly Enriched Uranium (SEU). Such fuel cycles are more economic in today's market conditions, and do not require reprocessing of used CANDU fuel.

The above amounts are stated in overhead dollars of the year in which the expenditures occurred.

ADVANCED FUEL CYCLES

Question No. 324—**Mr. Waddell:**

Does AECL now have a position on the need for advanced fuel cycles in an expanding nuclear power industry and, if so (a) what is it (b) to what extent and in what ways does it resemble or differ from the position proposed in "AECL's Proposed Recycle Fuel Programs", presentation No. 4 in the AECL seminar "Proposed Canadian Fuel Cycle Program", held on February 28, 1977?

Hon. Arthur Jacob Epp (Minister of Energy, Mines and Resources): Atomic Energy of Canada Limited reports as follows: (a) AECL's position on the need for advanced fuel cycles is as follows:

In the near term, there is no economic justification for Canadian research and development on fuel reprocessing to improve uranium utilization because the prices of uranium and uranium enrichment are low, and because assured resources of uranium are judged to be adequate.

In the longer term, advanced fuel cycles that involve recycling fissile material from spent fuel will be required in order that the world's fissile and fertile resources can have a significant impact on satisfying the energy requirements of the world.

Because of its neutron-economic design, the CANDU reactor can, and should, play an important role in the exploitation of advanced fuel cycles for the benefit of Canada and the rest of the world.

(b) This position on the strategic importance of advanced fuel cycles does not differ fundamentally from that indicated in "AECL's Proposed Recycle Fuel Programs", presentation No. 4 in the AECL seminar "Proposed Canadian Fuel Cycle Program" held on February 28, 1977. What has changed in the interim is AECL's opinion on when the R&D programs described therein should be pursued. The combination of low uranium cost and increase in assured supply has reduced the immediate incentive for exploiting advanced fuel cycles based on thorium or plutonium. Thus, there is currently no Canadian R&D program on reprocessing spent fuel from power reactors. Rather, efforts are concentrated on the once-through fuel cycle for CANDU reactors using Slightly Enriched Uranium (SEU), which is clearly more economical under present market conditions than the currently used once-through cycle with natural uranium. The fuel for the SEU cycle could be enriched uranium purchased on the world market, or Recovered Uranium (RU) arising from reprocessing of Light Water Reactor (LWR) fuel, an activity practiced by LWR owners in several countries.

Concurrent with this R&D effort, a program to demonstrate the safe and permanent disposal of spent fuel from once-through cycles is being completed.

STABILIZING CANADA'S TOTAL CARBON DIOXIDE EMISSIONS

Question No. 325—**Mr. Caccia:**

Is the government officially committed to stabilizing Canada's total carbon dioxide emissions at 1988 levels to the year 2000?

Hon. Robert R. de Cotret (President of the Treasury Board and Acting Minister of the Environment): On May 16, Canada endorsed the Bergen Declaration which reads, in part:

We urge all ECE countries to take action now, and we agree to commit to establish national strategies and/or targets and schedules following the report of the IPCC and no later than the start of the negotiations of a framework convention on climate change to limit or reduce CO_2 emissions and other greenhouse gas emissions as much as possible and to stabilize them. In the view of most ECE countries [n.b. this includes Canada], such stabilization at the latest by the year 2000 and at present levels must be a first step.

CFB SUMMERSIDE

Question No. 326—**Ms. Callbeck:**

1. Has an interim management committee for CFB Summerside been appointed and, if so (a) what are the names of the chosen individuals (b) to whom are they accountable (c) was an allocation to the interim management committee of $900,000 made on March 27, 1990 and, if so (i) is it controlled by guidelines and if so, what are they (ii) has any of the money been spent to date (iii) who is directly accountable for the money (d) what authority does the interim management committee have?

2. If the committee has not yet been appointed, on what date will this take place?

Hon Barbara Jean McDougall (Minister of Employment and Immigration): 1. Employment and Immigration Canada announced on July 5, 1990, the appointment of Rambri Management to act as interim management for CFB Summerside. Rambri Management will be assisted by a new Community Advisory Committee.

(a) The Community Advisory Committee is made up of community representatives and the Interim Management, as follows:

Chairman: Mr. David Loggie

Vice-Chairman: Mr. Donald J. McDougall

Other members:
Mr. Denton Clark
Mrs. Margaret MacFarlane
Mr. Derek Key
Mr. Richard Noonan
Mr. Rick Ozon
Mr. Mike Schurman

Five ex-officio members will be appointed by the Minister of Employment and Immigration representing:

Employment and Immigration Canada (EIC)
Department of National Defence (DND)
Atlantic Canada Opportunities Agency (ACOA)
Public Works Canada (PWC)
P.E.I. Development Agency

(b) The Community Advisory Committee members and Rambri Management are accountable to the Minister of Employment and Immigration.

(c) $400,000 has been allocated to Rambri Management for 1990/91 and $500,000 is expected to be allocated for 1991/92.

(i) The following conditions apply:

—The contractor will operate solely on a "fee for service" basis and will not have access to any equity position in the proposed Summerside Development Corporation or benefit in any way, directly or indirectly, from leases negotiated, nor take equity positions in companies attracted by the contractor.

—The contractor will report to the Minister of Employment and Immigration.

—Clear and timely performance objectives will be provided including a critical path for incorporating a corporation and a schedule for securing leases, supported by appropriate holdback provisions.

—Public Works Canada will approve all lease terms negotiated by the contractor.

—A cancellation clause linked directly to meeting the contract's performance objectives will be included.

—The contractor will deliver its services to all prospective tenants, including those identified by or through other parties, and will be remunerated for those services only through the contract with EIC.

(ii) No money has been spent yet.

(iii) The Summerside Base Development Corporation to be managed by Rambri Management Inc. will be directly accountable for the money.

(d) *Authority of Interim Management*:

The Interim Management will negotiate on behalf of the Federal Government with prospective tenants of the Summerside Base Development Corporation, manage the transition between the operations of the Department of National Defence and the private sector needs of the Development Corporation, and recruit and recommend to the Government appropriate permanent staff to manage the Corporation long-term.

The Interim Management will negotiate with prospective tenants based on direction from the Minister of Employment and Immigration and the Minister of Public Works.

The Interim Management will be responsible, but not limited to, the following:

—Identify possible anchor tenants and other tenants for the Base.

—Negotiate with prospective anchor tenants and other tenants on behalf of the Federal Government.

—Recommend to the Minister of Employment and Immigration and the Minister of Public Works potential anchor tenants and other tenants who wish to locate at the Base, and the terms and conditions that the tenants require in order to locate at the Base.

—Incentives to prospective tenants are limited to the resources of the Summerside Base Development Corporation and those available through the P.E.I. Development Agency, the Atlantic Canada Opportunities Agency, Employment and Immigration Canada and other federal/provincial programs. These incentives are at the sole discretion of these agencies/departments.

—The Interim Management will work with DND to provide for an acceptable transition of Base assets from DND to the Summerside Base Development Corporation. In the event that disputes arise between the Interim Management and DND, the Interim Management will report this to the Minister of Employment and Immigration and the Minister of Public Works.

—The Interim Management is responsible for developing an effective promotional package to help promote and secure tenants for the Summerside Base Development Corporation.

—The Interim Management must consult with the Advisory Committee on the progress being made in the negotiations and take into consideration the views of the Advisory Committee on the acceptability of the prospective tenants.

—The Interim Management will establish a full-time office at the Base employing at least two people full-time.

—The Interim Management will not act as permanent management for the Development Corporation.

The Interim Management will provide monthly reports outlining work completed during the month in relationship to the terms of reference. These reports will be made in written form to the Minister of Employemnt and Immigration and the Minister of Public Works.

Once negotiations are complete with prospective anchor tenants, the Interim Management will provide a comprehensive report to the Minister of Employment

and Immigration and the Minister of Public Works on the terms and conditions needed to locate businesses at CFB Summerside.

The Interim Management will also provide comprehensive reports on the structure and status on incorporation of the Summerside Base Development Corporation and on additional tenants wishing to locate in Summerside.

2. The Community Advisory Committee has been appointed.

EMPLOYER SUBSIDY PROGRAMS SPONSORED BY CANADA EMPLOYMENT AND IMMIGRATION

Question No. 328—**Mr. Gardiner:**

Has the government done any studies on whether employer subsidy programs sponsored by Canada Employment and Immigration Centres have resulted in permanent employment by the funded employers?

Hon. Barbara Jean McDougall (Minister of Employment and Immigration): Employment and Immigration Canada (EIC) conducts follow-up surveys of Canadian Jobs Strategy (CJS) clients on an on-going basis to determine their post-training labour force experience. One of the questions on the survey asks if participants are still employed with the same company at the time of the survey.

EIC also has periodic evaluation reports of CJS programs such as the evaluation of the Job Development program published in August 1989 and the evaluation of the Job Entry program published in July 1989. As part of these evaluation reports, program participants are asked whether they are employed by the employer that trained them under the program.

Results of the evaluation reports and follow-up surveys of Canadian Jobs Strategy clients can be found in the department's Main Estimates entitled, *Employment and Immigration Canada, 1990–1991 Estimates, Part III, Expenditure Plan.*

GOODS AND SERVICES TAX GUIDE FOR SMALL BUSINESS

Question No. 329—**Mr. Nystrom:**

1. Were any funds expended by the government on a publication entitled "Goods and Services Tax Guide for Small Business" published earlier this year by the Department of Finance and, if so (a) what amount (b) in what way did the government allocate this expenditure with respect to (i) preparation (ii) printing (iii) advertising (iv) distribution (v) postage for this publication?

2. Has the government destroyed any copies of this publication and (a) if so, what number (b) if not, does the government have any such plans?

Hon. Michael Wilson (Minister of Finance): 1. a) A total of $1,288,857 was expended by the government on a publication entitled "GST: Information for Small Business". The Department of Finance has not published a booklet entitled "Goods and Services Tax Guide for Small Business". This booklet was recently published by Revenue Canada.

b) The above total comprises:

(i) $42,632 for the development of the publication;

(ii) $616,702 for the printing of 2,232,050 copies;

(iii) No funds were expended on an advertising campaign aimed at promoting the "GST: Information for Small Business" booklet.

(iv) $629,523 for the distribution of approximately 1.9 million copies (the cost of preparation for distribution, postage and envelopes)

(v) $432,536 for postage costs (included in above distribution costs (iv))

2. The government has not destroyed copies of this publication and has no plans to do so.

MONEY SPENT ON POLAR 8 ICEBREAKER PROJECT

Question No. 330—**Mr. Waddell:**

Was money spent by the government in anticipation of the approval of the Polar 8 Icebreaker project and, if so, including such items as blueprints and design consultation, what amount?

Hon. Douglas Grinslade Lewis (Minister of Transport): No unauthorized financial commitments were entered into or resources expended with respect to the implementation (construction) phase of the Polar 8 Icebreaker project. Treasury Board Preliminary Project Approval for the contract definition phase of the Polar 8 icebreaker project was received in July 1987. Capital expenditures authorized under this approval were directly related to obtaining a ship design and proposal and offer for construction. The final project cost is projected at $15.3 million. In addition to the above capital expenditures approximately $807,000 was spent by the operational planning team responsible for operational support and government furnished equipment and supplies.

PERSON-DAYS SPENT ON THE POLAR 8 ICEBREAKER PROJECT

Question No. 331—**Mr. Waddell:**

Did the government and its officials spend any person-days in anticipation of the approval of the Polar 8 Icebreaker project and, if so, what number?

Hon. Douglas Grinslade Lewis (Minister of Transport): No unauthorized human resource commitments were entered into or person-years expended with respect to the implementation (construction) phase of the Polar 8 Icebreaker project. Treasury Board Preliminary Project Approval for the contract definition phase of the Polar 8 icebreaker project was received in July 1987. Term person-years authorized under this approval were directly related to obtaining a ship design and proposal and offer for construction. The final project person-year utilization is projected at 41.7 term person-years. In addition to the above term person-years approximately 10.1 person-years were expended by the operational planning team responsible for operational support and government furnished equipment and supplies.

CANADIAN GOVERNMENT CONTRIBUTION TO VICTIMS OF IRAN EARTHQUAKE

Question No. 334—**Mr. Kaplan:**

Is the government currently limiting its contribution to the victims of the Iran earthquake to $300,000 and, if so, does it plan to give more and, if so, on what date?

On June 26, 1990 the government announced the contribution of an additional $800,000 to Iranian earthquake victims, bringing the total to $1.1 million.

* * *

[*English*]

STARRED QUESTIONS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call starred Questions Nos. 316 and 333.

Due to the length of these responses, I ask that they be printed in *Hansard* as if read.

[*Text*]

JOB SHORTAGES IN THE GASPÉ PENINSULA

*Question No. 316—**Mr. Langdon (Essex—Windsor):**

1. Is it the understanding of the government that job shortages in the Gaspé Peninsula are forcing many workers to leave the region and, if so, is it willing to provide the region with (a) special job creation programs (b) labour force adjustment programs?

2. Does the government believe that the implementation of Bill C-21, An Act to amend the Unemployment Insurance Act and the Employment and Immigration and Department and Commission Act, together with the decision not to carry the Unemployment Insurance variable eligibility standard over to the beginning of January, 1990, will have a negative impact on the financial situation of the residents of the Gaspé Peninsula and, if so, does it plan to put economic instruments in place that will allow this area to become economically viable once again and, if so, what instruments?

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): 1. (a) Because we are aware of the economic difficulties in the Gaspé Peninsula, Employment and Immigration Canada is already, through the Canadian Jobs Strategy, providing programs and services to help this region. On July 20, 1990, the Minister of State for Employment and Immigration announced an increase of $2.5 million in Canadian Job Strategy funds for the Gaspé region. These funds will be used to help workers in the Gaspé and Ile de la Madeleine areas improve their employment prospects within their local labour markets. In addition, the entire Gaspé region is a designated area under the Community Futures Program.

(b) With regard to labour adjustment programs, EIC has signed two Industrial Adjustment Service agreements in this region.

2. The implementation of Bill C-21 will *not* have a negative impact on the residents of the Gaspé Peninsula. In fact, if the provisions of Bill C-21 were in effect residents of the Gaspé, and Canadians in all regions, would now be enjoying the benefits of that legislation including increased training opportunities, extended parental leave, and enhanced unemployment insurance benefit options as well as the new variable entrance requirements contained in Bill C-21.

It is important to note that the variable entrance requirements in Bill C-21 are designed to leave high unemployment rate regions virtually untouched. The Gaspé Peninsula traditionally has an unemployment rate above 15 percent. Consequently, workers in that area will normally need only 10 weeks of work to gain access to the UI Program. If it had not been for delays imposed by the opposition in Parliament, the 10 week requirement would now be in place.

The current 14-week fixed entrance requirement has been in effect since January 6, 1990. It is too early to provide conclusive evidence on its impact. However, preliminary evidence indicates many claimants are able to find the few extra weeks of work they need to qualify for UI benefits.

It must be remembered that Bill C-21 is part of the Labour Force Development Strategy (LFDS). The basic thrust of the LFDS is a shift from passive to more active UI uses in an effort to enhance the employability of UI recipients. Measures of particular interest to the residents of the Gaspé Peninsula include: the expansion of the Community Futures component of the Canadian Jobs Strategy, and the extra training and re-employment measures.

SCIENTIFIC RESEARCH TAX CREDIT

*Question No. 333—**Mr. Saint-Julien:**

1. Has the government allowed tax credits to be claimed by companies or individuals under the Scientific Research Tax Credit (SRTC) and, if so, what are (a) by province, the amounts allowed (b) by project (i) the name of the project (ii) the amount allowed (iii) the names of the beneficiaries (iv) the location (v) the names of the law, accounting and brokerage firms that represented the promoters?

2. Have companies or individuals benefitted from tax credits without doing research?

Hon. Otto John Jelinek (Minister of National Revenue): 1. The Government has allowed companies and individuals to purchase and claim tax credits under the Scientific Research Tax Credit (SRTC) program.

a) Information available at this time by province or region, indicates the following total dollar amount and number of SRTC designations:

Province or Region	Designations	Amounts Designated (ooo's)
Atlantic Provinces	49	$ 101,295
Quebec	222	648,101
Ontario	829	3,207,753
Manitoba	46	80,386
Saskatchewan and Alberta	264	1,086,692
British Colombia	489	1,996,072
	1899	$ 7,120,299

For individual investors, the rate of tax credit was 34 percent of the amount invested and for corporate investors, it was 50 percent. The amounts of tax credits allowed are nor presently available, but lies between 34 per cent and 50 per cent of the amounts designated.

b) The confidentiality provisions of the Income Tax Act preclude disclosure of this information.

2. The tax credits could be passed to investors through the making of a designation by the research company of an amount—typically the full consideration received—in respect of the invesment made in the research company by the investor. Designations were made pursuant to the provisions of Part VIII of the Income Tax Act. A research company making such designations incurred a tax liability equal to 50 per cent of the amount designated. This tax is refundable by Revenue Canada at the rate of $1.00 for every $2.00 of eligible scientific research expenditures.

There are circumstances where companies did not fulfill the research commitments and did not pay Part VIII tax. In these circumstances investors would have benefited from the tax credits without an offsetting scientific research expenditure.

[*English*]

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

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

* * *

MOTION TO ADJOURN UNDER S. O. 52

INDIAN AFFAIRS

Mr. Speaker: I should advise the House that I have a series of applications for emergency debate. It may well be that in view of the Order Paper hon. members may not wish to pursue all these applications overly vividly today, but I will certainly hear hon. members' remarks.

I caution hon. members to remember that our custom is that a brief statement is made, only a brief statement. The reason for that of course is that no other member of the Chamber can respond and a lengthy statement leads to a wish on others sometimes to get into argument. Of

course we would never want that to happen here on an application for emergency debate.

I will hear first the hon. member for Kenora—Rainy River.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, on August 22 this year I sent you a letter pursuant to Standing Order 52(1), asking for an emergency debate the moment the House was fortunate enough to reconvene. At that time I also sent a letter to the House leader requesting that through his powers he allow the House to come back early in order to entertain this motion which would allow for an emergency debate on the particular issue in question.

That particular question is one of government policy as it relates to land claims.

I understand, Mr. Speaker, what you mentioned when you talked about the government's business and the motion of today. I ask you to consider this application very carefully before you rule on whether it is appropriate to have an emergency debate starting today versus allowing the government's business to take precedent.

The government's business is a motion and the motion is simply not adequate to address the issue of specific aboriginal land claims policy in this country. It is a very detailed and straightforward, and I commend the Minister of Indian and Northern Affairs on that.

The problem is larger than that. It deals very specifically with Oka and the Mohawk people. My request for an emergency debate goes a lot further than that. It looks at specific land claims policy in this country of ours and the importance of it to all Canadians. When you look at what happened this summer, Mr. Speaker—

SPEAKER'S RULING

Mr. Speaker: I think the hon. member for Kenora—Rainy River is correct. His application is more general than the motion that has been put down by the government. However, the matter is a very serious one to all members of this House and to the country, but there are probably other ways that the hon. member can bring this matter to the attention of the House.

In the meantime I should say to the hon. member and for the information of the public that if the hon. member is recognized in debate on the government motion, considerable latitude would certainly allow the hon. member to raise more general issues. I am sure the hon. member, with the skill for which he is known, will be able to do that.

Certainly as of today and given the circumstances I am not disposed to call for an emergency debate, although I appreciate the distinction the hon. member has made. I may well of course be hearing that distinction again at another time.

STEEL INDUSTRY

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I do not want to delay the proceedings. If the Prime Minister had stuck around and listened to me for a minute, I would have listened to him for 35 or 40.

Certainly I appreciate the gravity of the situation in Oka and the Middle East. Nevertheless, Mr. Speaker, I request leave under Standing Order 52 to make a motion to adjourn the House pursuant to my letter to you of September 5 and my notice to you at eleven o'clock this morning. I today urge you to convene an emergency debate on the present crisis of the Canadian steel industry.

One cornerstone of our country is our steel industry, and this industry is at peril as I speak.

The factors involved in the emergency nature of this situation are as follows: 16,000 steel workers in this country have presently been in a strike lock out situation for nearly two months. High interest rates and the consequently inflated Canadian dollar make export of steel most difficult.

Recent rulings by the Canadian International Trade Tribunal which remove dumping duties against a total of 20 countries pose an immediate threat to the domestic market being flooded with cheap steel.

SPEAKER'S RULING

Mr. Speaker: I hesitate to interrupt the hon. member who has a serious matter to present. The hon. member is perhaps going beyond the brief statement and getting into debate, although I must say to the hon. member that his comments, which he is following very carefully and which were given to me, are a considerable help to me.

Given the business of the House at this moment, I think it probably would be best not to try to proceed with an emergency debate at this time. Of course the hon.

member may want to bring the matter to the attention of the Chair at a more appropriate time.

I thank the hon. member for being so explicit in his application. As I say, it is a serious matter and I think recognized to be so.

INDIAN AFFAIRS

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I too would like to call for an emergency debate concerning the deteriorating relationship between Canada's aboriginal people and non-aboriginal citizens.

As you pointed out earlier, Mr. Speaker, I know that the government has tabled a motion which will permit the House to debate and examine some of the events of this summer at Kahnawake and Kanesatake. My caucus and I will participate in that debate.

However, it is my belief that the scope of motion No. 17 is not sufficient to examine the whole issue and that it is insufficient because it will not allow us to go beyond the immediate events of Kahnawake and Kanesatake and look at their roots, the long-standing grievances of Canada's aboriginal peoples.

[*Translation*]

Mr. Speaker, we must restore confidence in the legitimate political process so as to respond to the grievances of the aboriginal peoples. Otherwise we can expect the worst consequences.

[*English*]

I would ask, Mr. Speaker, that you consider an emergency debate on this issue. I believe a debate is urgently required to demonstrate that faith in the political process is not misplaced. For that reason I respectively request an adjournment of the House for an emergency debate on this issue.

SPEAKER'S RULING

Mr. Speaker: The hon. member for Yukon has pointed out, as did the immediately preceding member, that there are some differences between the application for debate in general terms of the situation with our fellow Canadians of native origin, native tradition, and perhaps the order that is before us on behalf of the government.

However, I think it would be appropriate, given the government order, that any application for an emergency debate on this matter at least wait until we see the outcome of the debate which is to follow.

I want to assure the hon. member that I recognize the distinction. It may be that she will want to raise the matter again.

CHILDREN'S RIGHTS

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I made application for an emergency debate on the subject of children's rights. The Prime Minister will be attending the world summit this weekend, on Saturday and Sunday. Probably it will be the most important international meeting in the last 30 or 40 years in which this country has been involved.

• (1600)

We saw last evening thousands of Canadians across Canada participate in a candlelight vigil to express their commitment to this issue. In my own riding I have had high school students writing essays and drafting their own charters. There has been a very strong upward welling of concern about how we define childrens' rights, particularly as a country, and the leadership we will show in dealing with the tragedy abroad but also the tragedies in our own country.

I suggest to you, Mr. Speaker, that it is very important for the Prime Minister to represent the views of Canadians when he appears at the United Nations this weekend. That should happen as a consequence of this Parliament coming together for a joinder of those views and to give us the opportunity to represent the kind of feelings we have seen in our constituencies in the past several weeks on this crucial issue. I do not see anything on the Order Paper that presently allows it but I do think it would be crucial that we have a debate on this issue. Unless or until the government is prepared to offer it, I think my request for an emergency debate should be agreed to.

SPEAKER'S RULING

Mr. Speaker: The hon. member raises another very important matter. I think it is important for the Chair to look at all of the circumstances today and perhaps the next day or so. Given those circumstances, I do not think it would be appropriate to adjourn the other business of the day on the application of the hon. member. That of

course, does not preclude the hon. member from applying at another time or using other methods of pursuing the issue, which I think all hon. members accept is a very serious issue.

GOVERNMENT ORDERS

[*English*]

IRAQ

INVASION OF KUWAIT

Right Hon. Joe Clark (Secretary of State for External Affairs) moved:

That this House condemn the invasion of Kuwait by Iraq and, encouraged by the unprecedented international consensus demanding the immediate and unconditional withdrawal of Iraqi forces from Kuwait and the full restoration of the legitimate government of Kuwait, affirm unequivocally its support for Canada's actions in the United Nations Security Council and its support for all relevant United Nations Security Council resolutions adopted since August 2 and for the despatch of members of the Canadian Forces to take part in the multinational military effort in and around the Arabian Peninsula; and

That, upon adoption of this motion, the said motion shall be deemed referred to the Standing Committee on External Affairs and International Trade.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, last August 2 without provocation or warning, Iraq invaded Kuwait. Having overrun his smaller neighbour, Saddam Hussein claimed that Kuwaiti territory henceforth belonged to Iraq. Although he said that he had no further territorial ambitions, such assurances have been heard before. Fifty-two years ago this month, in Munich, the world learned a hard lesson about aggression and appeasement.

The world may have been surprised by the Iraqi invasion of Kuwait but no one was taken in by the justifications given for it. The invasion of Kuwait was seen for exactly what it was; a brutal aggression, a flagrant violation of international law and a challenge to the principles of the international order on which world peace depends. Iraq's aggression demonstrated how important that order is.

Tyranny is far from absent from international relations. Iraq's aggression also demonstrated how much the world has changed in recent times. Within hours of the invasion, condemnations of the Iraqi action were heard from Moscow and from Washington, from Cairo and Tel Aviv, from Ottawa and Ankara and all outraged countries around the world.

In those early days of August we all rediscovered the value of an idea long buried under the snows of the Cold War. That idea, created out of the rubble of World War II, was one of peace through collective strength. That idea was that a civilized world community living by a common code of behaviour would have the will to stand up to tyranny and the means to respond to it. That idea was the United Nations.

The United Nations has emerged from this crisis in the gulf with new life born at the end of the Cold War under the renewed determination on the part of many countries including, most importantly, former adversaries to make the idea of collective security work. In the seven weeks that have followed the Iraqi invasion of Kuwait, we have seen the United Nations operate I think precisely as its founders would have envisaged and would have hoped. The Security Council has condemned the invasion. It has passed seven resolutions, the most recent following the armed entry by Iraqi soldiers into Canadian and other diplomatic residences in Kuwait and the detention by force of our representatives.

[*Translation*]

It has taken, partly at Canada's urging, a careful, determined and step-by-step approach under Chapter 7 of the Charter of the United Nations and has mandated a strict embargo of Iraq. There have been no vetoes cast, no superpower confrontations, no endless debates to mask impotence or disagreement. The Security Council has made it clear to Iraq that its annexation of Kuwait is unacceptable in the eyes of the entire world and that it will have to end. Last August, this was the position taken by all civilized nations, including Canada, and it is our position today.

[*English*]

The members of the United Nations have met Iraq's blatant disrespect for international law with firm and unflinching resolve. Saddam Hussein does not face a pile of toothless resolutions and pious hopes, as might have been the result in the not so distant past. Instead he faces the broadest global consensus of the modern era, perhaps of all time, expressed in the support for the embargo by over 150 countries. He sees before him Arabs and the Soviet Union joining with the United States and countries like Canada and Australia, all committed to the same fundamental and viable principle

that aggression must be resisted because when civilized nations fail to resist aggression, liberty will die.

Canada welcomes the crucial and skilled role played by President Bush of the United States in contributing immensely to building this important international consensus. The world is fortunate that the United States of America has both the political will and the military capacity to back up this leadership and to back it up quickly.

Some have suggested that the enforcement by armed force of international law and of the United Nations' resolutions is somehow contrary to the spirit of multilateralism and Canada's traditions. Nothing could be further from the truth. The willingness of the United Nations to authorize military means to enforce the resolutions it has passed may well presage an important new era for multilateralism, a goal for which generations of Canadians have worked.

Although the Iraqi leader has desperately tried to portray the conflict as one of the United States of America versus Iraq and the Arab world, he and his people must now know the fundamental truth that it is Saddam Hussein against the rest of the civilized world and, in that kind of conflict, Mr. Hussein will lose 10 times out of 10.

Saddam Hussein is facing the military forces of more than 25 nations. The determination of Egypt and Syria to play a significant role in the collective defence of Saudi Arabia was not only unusual and remarkable, but I think a most encouraging development not only for the present situation which we confront but future developments in the Middle East.

Throughout this crisis Canada has been active in a number of ways and the Secretary of State for External Affairs has played a vigorous and a most effective role in representing Canada throughout. We have focused our activities on three fronts, which the Secretary of State for External Affairs will elaborate on in much greater detail. First of all, diplomatic, in helping to orchestrate the United Nations embargo and in helping Canadians in the region. Second, economic, through respect of the embargo ourselves, not without cost. This has been a very costly. In fact I believe that the first effect of the biting of the embargo took place in Vancouver where 60,000 tonnes of Canadian wheat destined for Iraq were stopped in Vancouver harbour. This was a great hardship for Canadian farmers but all Canadians have respected that embargo, and that too is most important.

• (1610)

And so economically, through respect of the embargo ourselves and through assistance to individuals and countries most severely harmed by Iraqi aggression; and militarily, through our despatch of men and women and ships and aircraft to the Gulf, we are doing our part.

[*Translation*]

As a member of the Security Council, we have been active in all its debates on this crisis. We have initiated some of the resolutions the Security Council has passed and we have participated in the drafting of others. We have argued for both firmness and balance.

And on behalf of all members of this House, I wish to offer our sincere congratulations to Ambassador Yves Fortier and his team for their outstanding work at the United Nations.

Some hon. members: Hear, hear.

Mr. Mulroney: When Saddam Hussein claimed that the embargo was starving Iraqi children, Canada took the lead in proposing that food be distributed under the supervision of an international body such as the International Red Cross, the approach that the United Nations adopted.

Our embassies have worked very hard with the Iraqi authorities to help stranded Canadians leave. And, we have kept open our embassy in Kuwait in the face of danger and of substantial hardship for our officials who have shown great courage. At this point, Mr. Speaker, I would like to digress, if I may, and offer, on behalf of all Members of this House, our sincere congratulations to our External Affairs staff in Baghdad and Kuwait which has represented the interests of Canadian citizens with such courage and dignity.

Some hon. members: Hear, hear.

Mr. Mulroney: On the economic front, we have worked for a strong embargo and supported the use of effective measures to ensure that it is not frustrated. We have scrupulously honoured that embargo ourselves. And this, Mr. Speaker, is an example of a measure that has proved costly to Canada. Canada has, also, supported the international efforts to respond to the human tragedies that the crisis has spawned.

In the way he has treated foreigners who had been living peacefully and productively in both Kuwait and Iraq. Saddam Hussein has shown the world the moral bankruptcy of his regime. With no concern for their safety or survival, the Iraqi Government forced thousands of guest workers to flee through the deserts or Iraq to Jordan in the lethal heat of August. Canada was one of the first countries to commit funds to help international organizations deal with the complex problems of managing this vast outflow of displaced people, primarily into Jordan.

We subsequently announced a substantial expansion of that assistance, and approved as well a range of additional measures, altogether amounting to some $75 million. One of these measures will be the airlifting of displaced people to their home countries and providing special assistance to some of those countries least able to cope with the impact of thousands of returning citizens. Another such measure will be assistance to the countries of the region suffering serious side-effects from the crisis and from the sanctions against Iraq, especially Jordan, Turkey and Egypt.

[*English*]

And on the military front, we had little choice but to react quickly.

In August, when the Iraqis were massed on the border of Saudi Arabia, the situation demanded a prompt decision to stand up and be counted. Canada made that decision and we stood up and we have been counted.

Canada's response to the Gulf crisis was quick, clear, and unequivocal. When we dispatched three ships carrying almost 1,000 personnel, we decided at that time not to give their crews their specific mission tasking because we wanted to take into account the important evolution of developments internationally before doing so, given the normal time it would take for the Canadian ships to reach the Gulf. Subsequent UN resolutions, particularly resolution 665, confirmed, I believe, the appropriateness of this initial position and helped Canada define the ships current mission, I believe, to the satisfaction of the military advisers of the Government of Canada.

On September 15, when our troops entered the operations zone, the Governor General signed the Order in Council placing them on active service for this mission. The Order in Council was tabled earlier this afternoon by the Minister of National Defence, consistent with parliamentary traditions. Members of this House have the opportunity to debate this matter fully before the ships arrive at station on October 2.

When it became clear 10 days ago that an additional contribution in the form of air support would be extremely helpful, not only for our own ships and the protection of our own personnel but for those of friendly nations as well, the Government of Canada decided to despatch a squadron of CF-18 fighter aircraft from Lahr, West Germany to the Gulf to protect Canadian lives and the Canadian operation. They will arrive in the area shortly and will be sustained by another 450 military personnel. We are also making Canadian civilian aircraft available to assist other countries in moving their forces to Saudi Arabia.

Some people have argued that Canada should not have sent planes and ships, and that taking on such a military role is incompatible with our role as a peacekeeper. Such arguments are based on a serious misreading of Canada's history. When called upon to play its part in collective efforts in the past to roll back aggression and to defend freedom, Canada has never shirked its responsibilities.

The sacrifices made by young Canadian men and women in two world wars are a proud and important part of our history as a nation. Those Canadians understood then, as we understand now, that the defence of Canada and of our ideals and values is not simply a case of protecting our own coasts, but also a case of preserving international order. It was precisely to defend those ideals and values that we contributed troops to NATO at great cost to Canadians and assigned them in Europe since 1951. It was to defend those precise ideals and values that over 25,000 Canadian troops fought in the United Nations engagement in Korea. And now our young men and women are called on to defend those ideals and values once again—this time in the Persian Gulf.

[*Translation*]

Our military response to Iraqi aggression is fully compatible with our traditions as international peacekeepers. Canada has been among the most active of all countries in multilateral peacekeeping efforts over the last forty-five years. Canadians have served in more than twenty peacekeeping operations, from the Congo to the Sinai, from Indochina to South Africa. And we are all proud of that tradition.

[*English*]

Our peacekeeping role—one in which we take great and I believe justifiable pride, which has distinguished Canada and where we have contributed enormously over decades to world peace—this peacekeeping role neither excludes us nor excuses us from the call to resist aggression. The roles are complementary as both serve the larger political purpose of preserving international order and both are very much in Canada's national interest.

• (1620)

There is no honour in claiming neutrality in the face of flagrant violations of international law. Canadians do not like the use of force and we have never in all our history chosen force as the preferred means of settling a dispute. But neither have we, at any time in our history, shrunk from using force when other means were exhausted, nor have we left the tough work to others in causes that we have supported. Canadians have never looked for a free ride and we are not going to start today.

Some hon. members: Hear, hear!

Mr. Mulroney: Our contribution to the defence of freedom and our resistance of aggression constitutes chapters of sacrifice and glory in the history of this nation.

Throughout this crisis the protection of Canadians put in jeopardy by Saddam Hussein has been a major concern for the Government of Canada. We have evacuated as many Canadian citizens as possible and we have stayed in touch with those still there to offer whatever material, logistic, and moral support we can. I know that many Canadians are worried about members of their families still caught there and I know that all members of the House join me today in praying that those Canadians detained in Iraq and Kuwait against their will will not be harmed. Our hearts go out to these families and I give them the assurance of all members of the House that we will continue to do all that we humanly can to make sure that we get their loved ones out and back to Canada.

Some hon. members: Hear, hear!

Mr. Mulroney: We, and all other civilized nations in the world, are going to hold Saddam Hussein responsible for the well-being of our own citizens.

As I look back over the tumultuous events of the last 50 days or so, I see much of which Canadians can and will be proud: our sailors, and pilots, and soldiers who have gone courageously to the Gulf; our dock workers and specialists in Halifax who did months of work in a matter of weeks to get their ships ready; the members of the foreign services, to whom I referred a few moments ago, who have risked their own security and their lives and who have worked tirelessly to help stranded and detained Canadians; and the courage of Canadian families whose loved ones have been drawn into the vortex of this whirlwind inside Kuwait and Iraq.

I know that all Canadians do not want to see a war in the Gulf.

[*Translation*]

We all hope that the forces arrayed in the cause of peace will be sufficient to deter further aggression and to provide the leverage necessary to achieve a peaceful Iraqi withdrawal from Kuwait. I give Canadians my assurance that we are doing everything we can, and will continue to do everything we can, to encourage a peaceful conclusion to this crisis.

But I give them my guarantee, as well, that we will not buy peace at the cost of dishonour to our history nor abdicate our share of the responsibility for preserving international order.

[*English*]

The many thousands of Canadians who have with great courage and great honour kept the peace in Africa and Asia and the Middle East and elsewhere around the world, understand why this must be so. The many thousands of Canadians—too many of whom lost their lives at Vimy Ridge, Dieppe, on the beaches of Normandy, and the hills of Korea—would have wanted it no other way.

Some hon. members: Hear, hear!

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, I think I can say without any reservation on behalf of most Canadians that finally, at last, we have an opportunity in Parliament to begin to come to grips with one of the most serious and important issues facing the country in the last decade.

Many Canadians have been waiting for seven weeks for the opportunity in Parliament to express their concerns, to raise their questions, and, in fact, to find a way in which this country can play an effective role, a proper role, and an expanded role in this situation.

Let me first point out that our party, without any reservation, at all joins every other party, every other Canadian, and every civilized person in the world in condemning the aggression and invasion of Iraq into the state of Kuwait. We were all horrified at the brutality with which that aggression is taking place and the continuing impunity with which Mr. Hussein and the government of Iraq approaches its responsibilities under the United Nations and its obligations.

[*Translation*]

The Liberal Party of Canada unconditionally supports the broad international consensus condemning the invasion of Kuwait by Iraq. All member States of the United Nations must observe the provisions of the United Nations Charter and international law.

Taking a sovereign territory by force is an obvious failure to meet the obligations.

[*English*]

Also, I would like to join the Prime Minister in paying tribute to Canadian diplomats for their efforts to represent the interest of Canadians in the occupied state and the way in which the diplomats in the United Nations have carried out their functions with skill and the professionalism for which the foreign service has been known.

Also on behalf of my party, I would like to comment upon the uniqueness of this opportunity for an international response. We are so fortunate that events have come together to allow the United Nations once again to restore and play a role that had been denied it for so many years because of the cold war conflict and we can now hope that once again that the original charter seven responsibilities of collective security will be introduced.

[*Translation*]

We are encouraged by the role played by the United Nations in developing an effective international response to the Iraqi invasion. The UN Security Council has been particularly active, and the unanimity of its 15 members is both remarkable and welcome.

[*English*]

In saying those three things and in putting them on the record, I want to point to something the Prime Minister said in his remarks. I think his words were that this was a truly significant moment in world events and in the history of the country. If that is the case, if it was so significant, so crucial, and so vital, then why was Parliament kept in silence for seven weeks? Why were the people of Canada denied the opportunity to come together to address the issue? If the Prime Minister recognized how important and vital this matter was, why were the lights turned out in this building? That is a crucial question.

• (1630)

When it comes down to vital issues of international obligation, of war and peace, of sending Canadian troops overseas, to deny the opportunity for this Parliament to be heard or to represent the Canadian people, to have the question posed, is a dereliction of duty by the government, not by the troops, not by the forces but by the Government of Canada. That is really one of the serious problems this country faces. In fact, it was contributing to the malaise, the sense of great scepticism, almost cynicism, that the political system cannot even be employed at a time so crucial, to use the words of the Prime Minister, in our history.

I recall it was not that long ago when I was sitting at my cottage on Lake Winnipeg when all of a sudden I received a phone call from the Whip saying: "You have been called back to Parliament for a national emergency." "What was the national emergency?" I asked. "Has war been declared? Are the missiles coming?" He said: "No, 56 Tamils have arrived on the shores of Nova Scotia, and the government thinks that is so vital to the sanctity of this country that we must call Parliament back into session."

My goodness, 56 Tamils. Poor refugees. The homeless and the abandoned struggling ashore, and the full resources of the Government of Canada and Parliament are brought to bear for months of debate. By the way, the bill took almost a year to pass. What we see now, of

course, is that we have a backlog of 300,000 refugees and $285 million in expenditures. That is how much of an emergency it was.

I ask the Prime Minister: Does he not see the enormous irony that he could feel so compelled by the arrival of 56 refugees on the shores of Canada to say it is a national emergency and, at the same time, authorize 1,500 Canadian forces to a war zone, to an area of great critical risk, recognizing that Canada was undertaking historic obligations internationally but did not see fit to ask Canadians through their elected representatives what they thought?

The British Parliament managed that. Madam Thatcher has been criticized in many circles as not so close to being democratic. She managed to get Parliament back. What was interesting about that? What was interesting was that through the meeting of that Parliament, they were able to develop a consensus in a country. It was a bipartisan approach. It was an attempt to find an all-party agreement.

Mr. Kennock, on behalf of the Official Opposition there, spoke strongly in favour of the reaction. He raised some serious questions about the nature of the role in the United Nations and, I believe, helped in a very constructive way to formulate the proper approach for that country. I am not saying it is perfect, but it answered the debate. That is what this place is about.

This is not some kind of sausage machine where you simply turn out legislation and bills. Debate is essential to the spirit of democracy. When it is denied, democracy withers and dies. That is what we saw happening this summer.

Madam Speaker, I say through you to the Prime Minister that we are not here simply to rehash history. But, he has to realize that that was a mistake and that while in the resolution he is asking for unequivocal support, Canadians ask: "How can you be unequivocal when you have seen your own democratic system put on the shelf with the lights turned out? How can you be unequivocal in approving an action which is so demonstrably dangerous to the maintenance of our own democratic spirit in this country?"

[*Translation*]

Madam Speaker, public consultation should also be a key part of government policy when the government considers deploying military personnel. There must be a debate in this House to discuss all aspects of the matter and examine all problems, if the spirit of democracy is to mean anything at all in this country. This is essential.

[*English*]

But, we missed that opportunity.

Also, I want to raise an important question to the Prime Minister who is here, because he did not address it in his remarks. It is one I raise on behalf of many Canadians. I think it is important that he or his ministers address it as the debate ensues.

The resolutions passed by the United Nations deal with an economic embargo of Iraq. That is the chosen instrument by which the Security Council has made its decision of how to compel Iraq to withdraw from Kuwait. The endorsement of the use of military forces is to back up that embargo. There is no United Nations mandate covering the use of force in other circumstances. Those were unilateral decisions taken.

The key question that many Canadians are asking is are we going to adhere religiously to the UN resolutions dealing with the use of force or are we already beginning to extend out and push beyond the mandate of those resolutions? Clearly the sending of the maritime force was within the mandate of that resolution 6.65. No question. The sending of the CF-18s raises a somewhat different question because the military personnel themselves have said that in addition to providing air cover for the three ships going to the gulf, they are also going to be integrated into the other air defence wing and that there could be other uses in the deterrence of further attack.

Well, that is a very important distinction that has been made. It is not covered by UN resolution. I go back to the importance of the Prime Minister's words that this is an opportunity to build the United Nations, to give it a different kind of role, to enhance, enlarge and magnify its primary responsibility on decisions of conflict resolutions of collective security.

Therefore, we have to be absolutely careful that we do not contribute to any action that would subvert that role, change that role or question that role. If all of a sudden we are beginning to deploy troops and give them rules of

engagement or a mandate that extends beyond the clear definition provided by the UN, then we may also be in danger of undermining the opportunity of the UN to show it must be the place where decisions are made.

I noticed with interest the comments made by the Secretary of State in his visit to Washington—I believe it was on Friday—where he said we could envision the use of further troops, ground troops I presume or further aircraft troops. Would that be within the mandate of the UN? Perhaps this is the question that follows the one I just asked: Would it not be more important for Canada, occupying as it does a seat on the Security Council, beginning to ensure that those resolutions do cover the mandate, that there is not a question of unilateral decisions on war and peace, on deterrence or invasion or whatever other kind of military employment may be made?

That is why members of this party and others in the country who are knowledgeable and learned in this matter are saying that we as a country should be using our role, occupying that seat, to ensure that it is a United Nations mandate. This is not superpower bashing or anything else, but it is clear that there is a principle at stake. Do individual nations, whether they be large or small, have the right to decide when to use force for invasionary purposes? Whether it is in Grenada, El Salvador, Afghanistan or Iraq or if it is in response to something else, it should not be a unilateral decision. Surely the interest of countries like Canada, a middle power as it is often described or within that regime, which have represented so effectively since Suez the voice of countries that are not grand powers, says that we must establish a rule of law and a process to go along with it.

I agree with the Prime Minister that we honoured it to a point, but we are now talking about what happens from here on in. There is a mass of military build-up in Saudi Arabia—250,000 troops massing on the borders, massive tanks and everything else. There is a huge arsenal being built up. What is the purpose of that? Is it to deter further invasions of Saudi Arabia or others? Fine enough. But is it also, as has been mooted about, potentially to be used for a military solution to the problem? If the embargo does not work or people get impatient or it does not bite soon enough, will all of a sudden somebody else make a decision to use force to compel Hussein to back off or to try to topple him as a tyrant? Who will make that decision? Will we be drawn in axiomatically as part of that decision because we have become part of the integrated command or that we are part of the Bahrain meetings or whatever other arrangements were being made.

• (1640)

I say to the Prime Minister very directly that it is a very important, crucial question. While Canadians have condemned the use of force by the Iraqis, they are not prepared to give a blank cheque for the use of force simply to get rid of them. They want it done with proper discussion and debate in this Parliament and in the United Nations. If it is to be used, then let it be used in that multilateral way, in that internationalist way which is very different from pure multilateralism. An internationalist way would build up the body of law, procedure and precedent to ensure that we have in place a clear commitment that unilateralism in the use of force should not be recognized. I in particular just raise raise the concern. The Prime Minister is certainly free to clear it up.

I do not have the actual copy of his statement, but he said that Canadians would not be afraid to use force if necessary, or words to that effect. Under what context? By whose decision? Our own or someone else's? By the United Nations? That is a very crucial issue.

I would hope that in the next day as this debate continues or however long we have that the government will answer that question. Is it prepared to make a commitment that there will not be further deployment of troops or the use of force without a clear, new mandate for the United Nations to do so. This means that we will clearly need to have a debate with the Security Council as to whether the sanctions have worked or not worked and then decide if in the interests of international peace and order that other options will have to be exercised. I certainly do not want that, Mr. Prime Minister. None of us in this House would contemplate it because we know what an enormous, incredible tragedy that would be.

As a result, we also want to pose some corollary questions to the Secretary of State arising out of the use of force. What initiatives, what actions are we taking as a member of the Security Council to seek a peaceful resolution? What kind of support? What is our state-

ment? For example, what is our position on the Soviet proposal for an international conference on the Middle East? What is the position of the government dealing with the proposed regional collective security proposal that the Americans have made, among others. These are crucial issues. What role?

I say this. It is important, and no one knows this better than the Secretary of State from his experience, that Canada play a positive role in making suggestions and making contributions rather than simply reacting to events, rather than simply responding to what takes place. Surely it is within our tradition.

I go back to the Pearson initiative of 1956, which was to find a way of resolving the conflict after an invasion.

I hope we can build upon that. I do not know if the Secretary of State is in the running for a Nobel Peace Prize. It certainly helped a past minister to become a Prime Minister. Who knows, lightening can strike twice.

The fact of the matter is that it is within the Canadian expectation. It has become part of our identity as Canadians. I know that there are a lot of cynics and sceptics around who say we make too much of our peacekeeping role. For many Canadians that is part of what we are. That is part of the basic traditions we have established as a country. We should not be simply engaged in the sabre rattling rhetoric, we should also be equally involved in the much more difficult, complex world of seeking some resolution.

God knows we have read the statements of Saddam Hussein and others. But there are initiatives being undertaken. Certain Arab nations are doing it. The Soviets are engaged in it. There are things under way.

Certainly it should be our role as Canadians to make a strong case at the United Nations to support those initiatives, just as we should also be raising serious questions about what happens after. The Middle East can never be the same. All the old rules are gone. Surely we are going to have to start asking ourselves some tough questions as a country about the kind of initiatives we wish to take.

As I understand it, one of the real reasons Saddam Hussein is able to build the kind of support he enjoys in certain parts of the Middle East is severe economic deprivation. The fact is that there has not been effective economic planning or development in that part of the region for so long.

I think of the initiatives being taken now to raise funds. I applaud the contribution of $75 million, but I see the kind of economic impact that will take place in countries like Jordan, Turkey and even in Third World countries because of the increase in oil prices. It is catastrophic and it is going to require a substantial reordering economically of the international order. I was waiting for the Group of Seven meeting in Washington this weekend to come up with some initial proposals. It said nothing about it as far as I could see. It ignored the problem in part. That is not good enough. As a member of the G–7 we should be making that case.

I would also like to raise a serious question with the Secretary of State or the government as to the stand we are going to take as a country on the arms embargo. One of the great tragedies of this whole event is the number of western countries, including many of our close allies, rapidly engaged in selling arms, chemical weapons and components of nuclear facilities to Iraq weeks before the invasion took place.

The Secretary of State will know that many times in the past I have been asking in the House for tougher rules both in our own country and internationally on the issue of the sale of arms and on the merchants of death, as they are commonly known in journalistic parlance. If there was ever a time for that case to be nailed tight and shut, it is now.

One of the real roles and opportunities for Canada in this crisis is to speak again with an unequivocal voice and indicate that there should be no more chemical weapons, components of nuclear weapons or arms sold to the likes of Saddam Hussein and other military dictatorships. That should be one of the ways in which we can say to the world: let's take this issue beyond just the simple call to arms and also begin asking what happens after. We should begin to say to people in the Middle East and elsewhere that we will no longer tolerate business as usual once this is over and that we need a different regime and a different set of rules for these kinds of countries.

Mr. Prud'homme: All of them.

Mr. Axworthy (Winnipeg South Centre): For all of these countries, exactly. I agree. I say to my colleague who has had a long abiding interest in Middle East dramatics that that is true. Every country will have to examine its policies in this area to find peaceful resolu-

tions. I believe it would help now for Canada to be raising its voice, to begin suggesting how that could be done, and to be putting forward those kinds of proposals.

The Prime Minister's statement did not answer any of those questions for us. We do not have answers on what is the actual mandate of our troops. We do not have an answer on the question of whether we are prepared to go to war even though it is not mandated or sanctioned by the United Nations. Are we prepared to support offensive actions by our troops in the Middle East?

Under what conditions? Under whose decision? How will it be made? Under what kind of rules? Will Parliament be consulted? We would like to have answered now all those very serious questions which should have in fact been answered weeks ago.

We look forward very much to the opportunity to listen to members of the front-bench and other members of the government side trying to come to grips with the questions we have raised, because we believe those are the questions being raised by Canadians, not in any simplistic or naive way or not trying to get the Americans. It is simply that they are deeply concerned. They know that no greater decision of any government of any country can be made than that of dealing with war and peace. It is the ultimate question for all states to decide.

They want to be assured that those decisions will be made by all Canadians and that this forum, this Parliament of ours, will be honoured and consulted and used as a forum in which that decision, if it ever has to be made, will be made. More important even than that is the fact that we will do our best and our utmost to ensure that it is the United Nations as the repository for international order that becomes the place where decisions like that are taken, not in the capitals of individual states. That is crucial for us to make.

• (1650)

I say to members on the government side that when it comes to the resolution we certainly agree with the condemnation and certainly agree with and support the actions of the United Nations. However, we think the spirit of the resolution presented to us is not designed to bring about a bipartisan approach which we can all support.

I wish it had been otherwise. I wish they had talked to us or asked us how we could have come together with a joint resolution of all three parties in this House. We could have had something that we could all support. We could have said that this was from where all Canadians speak, but it did not happen. In fact they included some words which they knew the opposition would have to take some quarrel with simply because of our concerns about both the past and present actions that have or have not been taken and the questions we have.

In that spirit I would like to present an amendment to the resolution, trying to work it into a more bipartisan approach. I expect my colleagues in the NDP will try the same because we are not approaching this matter in the way of scoring points or playing a parliamentary game. We realize just how deep and essential this is to the well-being of this country and the well-being of the world.

I would like if I might, Madam Speaker, to amend the motion this way:

> That the motion be amended after the words "Canadian Forces" and read:
>
> enforce these United Nations resolutions;
>
> That this House censure the government for not recalling Parliament at the earliest opportunity to fulfil its legitimate function of consultation and debate as to what role Canada should play in the resolution of the present crisis; and
>
> That upon adoption of this motion, the said motion shall be deemed referred to the Standing Committee on External Affairs and International Trade.

We believe this resolution or the amendment to it will go a long way in providing the kind of resolution that all Canadians can support of whatever party or whatever position so that we can stand united as a country on this very crucial matter.

Madam Deputy Speaker: The House has heard the terms of the motion. Resuming debate with the hon. member for Yukon.

Ms. Audrey McLaughlin (Yukon): Madam Speaker, I too rise to speak on motion No. 16 as presented by the government and to say that the New Democratic Party

unreservedly condemns the invasion of Kuwait. The New Democratic Party unconditionally asks for the withdrawal of Iraq from Kuwait, as this motion states.

As the previous speaker has said, I think we have to look at this matter in context of the base we are setting for the future and to discuss a number of issues relevant to it.

[*Translation*]

Madam Speaker, I am pleased to see the House finally has a chance to discuss the invasion of Kuwait by Iraq which took place a little over seven weeks ago.

Let me make myself clear: the government has shown a flagrant disregard for parliamentary democracy and Canadian parliamentary tradition by failing to call back Parliament.

Madam Speaker, neither I nor my party can accept the use of Parliament for purely formal purposes. Canadians elect their representatives to think, to reflect, to criticize and even to advise, and that is what we intend to do.

Madam Speaker, first of all I want to say that my party and I have condemned the invasion of Kuwait by Iraq.

We think the international community must demonstrate its aversion to the ousting of the Kuwait government and its citizens.

We condemn the violations of the Vienna Convention on the rights of diplomats.

We demand the unconditional withdrawal of Iraqi troops from Kuwait.

We firmly support the five resolutions of the UN Security Council adopted on August 2, 1990, including Resolution 665.

We must do everything in our power to make the economic blockade a success.

[*English*]

We support a multinational force in the gulf to enforce United Nations resolution No. 665. We support every effort to ensure that the economic embargo is successful and that we arrive at a peaceful solution of this crisis.

I believe the United Nations is clearly our best mechanism for resolving this crisis. I want to give three main reasons for this. First of all, the cold war is over and the United States and the U.S.S.R. have both condemned the invasion of Iraq. Second, most of the Arab world has condemned the invasion of Iraq. The United Nations Security Council has been unanimous in its position against the Iraqi invasion.

However, I would suggest that the Canadian government has made a fundamental error in the precipitous actions that it took that were not simply related to the embargo as approved by the United Nations.

I also believe the government has made a fundamental error in deciding to follow the lead of the United States instead of helping to lead in the United Nations.

Some hon. members: Hear, hear.

Ms. McLaughlin: This is the first post cold war crisis where the international community has been put to the test about how it might undertake multilateral actions in a consistent way, consistent with the United Nations charter and the precepts of common security.

As we have so often said in this party, our security cannot be kept through supporting the insecurity of others. That is why we see the United Nations having a role to ensure that there is common security, common actions, multilateral actions under the direction of the United Nations.

United Nations resolution 665 was passed on August 25, some 15 days after the government sent our Armed Forces to the gulf and 19 days after the Prime Minister had met with the President of the United States.

This government is losing an opportunity to live up to the intention of the San Francisco Conference of 1945 to function effectively when major powers are in agreement. I would remind you, Madam Speaker, that in this case major powers are in agreement. It is unfortunate in our view that the President of the United States decided to take things beyond the international consensus and has cast aside the United Nations. It is also unfortunate that the Prime Minister reacted too quickly to this President's demands.

In our view not only did the Prime Minister of Canada react inappropriately, but by following the U.S. plan this government has given Saddam Hussein an easy villain for his propaganda.

• (1700)

It is for this reason—and I agree with the speaker from the Liberal Party—that we would have wanted to see a resolution that brought together the views, the horror that all Canadians share about the actions of Saddam Hussein in invading another country, but would also allow us to have a debate in which we could look at the way in which it was done.

In his opening remarks the Prime Minister said something to the effect that Canada would stand up and be counted, that we would do our duty, that this was historic, this was significant. I agree that this is an historic and significant act that the Prime Minister has taken unilaterally without consulting this House, but there are ways to stand up and be counted. Why should we accept that the only way is the way that the Prime Minister has taken and that is to send three ships and now further to that CF-18s?

Surely there is another way. Could we not sit down and use our seat on the UN Security Council, for which we fought very hard, in a way which will provide the basis and the foundation for the United Nations assuming a role in this conflict, as in others, that will provide an agenda for peace and for a peaceful resolution.

I would have to say that this government has tended to use the United Nations as it has this Parliament, for approval after the fact. This is a bad strategy for Canada and, in my view, it is a bad strategy for world diplomacy. This resolution uses the United Nations as a rubber stamp. It diminishes its potential and it diminishes the role that Canada could be playing now that we are on the Security Council.

It is clear that independent, thought-provoking policy is not a priority of this government. This is a government that first of all joins the Organization of American States and its first action is to support the U.S. invasion of Panama. Finally, we win a seat on the Security Council and the first action in a major way that we take is to support the United States actions which circumvented unilaterally a United Nations decision.

Let us review the actions of the Canadian government before the crisis began. Three Canadian vessels were dispatched to the Gulf on August 10. There was no parliamentary approval and no parliamentary debate. In fact, the armed forces were not put on active duty because to do so would have meant recalling Parliament. Ironically, our ships even had to slow down in order to avoid active duty status. Our CF-18s are on order to be dispatched but their mission is totally unclear. No other alternatives for a Canadian contribution to a multilateral effort appear to have been considered.

Now there is some confusion. There were no clear orders, no clearly defined role for our armed forces and many questions still remain that must be answered by this government. First of all, on what basis was it decided to send three naval ships? Second, what exactly did the U.S. President request of our Prime Minister? What did the Prime Minister promise to the United States President in terms of our action in the Middle East? This is not clear in the Prime Minister's statement today. Has the Prime Minister ultimately committed us to the use of ground troops? That was not clear in the Prime Minister's statement today. What is the military objective of our naval ships? What is the military objective of the CF-18s? I suppose the biggest question of all is: who is giving the orders? What is Canada prepared to do? We have seen what is happening, we have seen increasing support for Saddam Hussein in the Middle East, we see the possibility of a conflict between the United States and Arabs, not just Saddam Hussein. What will Canada's role be? Are we proposing an offensive role, a defensive role, or standing on the sidelines? It has never been made clear; it was not clear, even in the briefing given by the head of the armed forces and by the Prime Minister last week.

I believe that my party and I would have acted differently if we had had the opportunity. First of all, we would have held a full parliamentary debate—

Some hon. members: Hear, hear!

Ms. McLaughlin: —because we believe that an issue as important as this, an issue that could basically come to the question,"Will Canada go to war?", we need to hear everyone's views, everyone's solution, not in a partisan way but in a way to ensure that Canada, as a middle power, acts as a force for peace and uses its resources in a way to ensures that.

The Prime Minister referred to our role in peacekeeping and said that that was not undermined by the actions that he and his government took. It seems to me that if we had not been so precipitous in doing what we did, we

might have found a role that is much more in keeping with the traditions of Canada, that is peacekeeping, its role as a voice of reason and diplomacy. As we know, this was not done and Canada's troops are now in the Middle East. The question is, what do we do now? How do we maintain Canada's international reputation as a peacekeeper and how do we demonstrate that we are prepared to work with the United Nations, not simply follow one other nation's decision-making?

Madam Speaker, I propose that Canada adopt the following policies: given our limited military resources in the Persian Gulf, Canada should be poised to take future peacekeeping roles. In the meantime I recommend, as my colleague did earlier today during the Question Period, that our troops stay in the Gulf of Amman as was their original order and that Canada begin to position itself as a voice of reason and calm in the midst of high tension. I would add that if our troops were to remain in the Gulf of Amman, we could then assist in implementing Motion 665 of the United Nations regarding the blockade.

Second, I would propose that we must increase our efforts to help refugees from this area and use our seat on the United Nations Security Council to put increasing pressure on Saddam Hussein. Canadians must be wondering what we have done since we got that seat on the Security Council. All that most of us can see that Canada has done is simply to follow the United States before it has even made any kind of plan, proposed anything that the UN could become involved in, in a substantive way.

We would also work for a political solution; this is not just something that requires a military solution. We recommend that we should be attempting to revive the military staff committee of the United Nations which provides for the co-ordination of international military efforts, in order to maintain international peace and security. Surely this crisis in Iraq and Kuwait demonstrates the importance of having the United Nations mobilized so that it can deal with these issues, not after they have occurred but have a policy developed to deal with them before they occur. I would suggest that the Canadian government has a role to play and we should use our seat on the United Nations Security Council to make sure that the United Nations is in a position to use its authority in a useful and a positive way.

We cannot see this situation simply in the context of the invasion of Kuwait, although it is obviously the most serious issue at this point, we also must look and work for a long-term approach to the situation in the Middle East in general. My colleague, the hon. member from the Liberal Party, also mentioned arms shipments to Iraq. We simply are now reaping what many have predicted, including many in this party and myself, that to continue to sell arms to the Middle East will simply lead to very serious consequences and we see the consequences now. We must have an arms embargo in the Middle East.

• (1710)

Some hon. members: Hear, hear.

Ms. McLaughlin: I would add, Madam Speaker, that this country cannot see itself exempt from that. We know that we have participated in that and we have to take our own responsibility and not just point the finger at other countries. We also have to work to end the use of nuclear and chemical weapons.

Third, we must promote an international conference to resolve the longstanding Palestinian question. Let us not forget that Canada's longstanding and traditional role in international relations has been to provide diplomatic means as well as a force for peace in times of conflict. By participating in the present non-United Nations force, Canada may eliminate the possibility of playing a peacekeeping role in the future. There is a better way, and I say today that we must begin that task.

I would like to make a couple of other points and take a bit of time to send my prayers and those of my party to the Canadians still trapped inside Iraq and Kuwait. I also want to commend the embassy staff in those two countries for the hard work which they did under very, very stressful conditions. I myself had an opportunity to speak on a couple of occasions to those staff in Iraq specifically and I understand how very, very difficult and in a very fine way they did their job.

I also would like to extend my admiration and prayers to the Canadian men and women who have been sent to the Gulf. They are courageous Canadians who have already made many sacrifices so that we may live in a peaceful world. Let us all hope that none of them will have to make the ultimate sacrifice. Let us all today take

the responsibility which ensures that we, as politicians, will act in a responsible way to ensure that they do not.

Madam Speaker, there are three other short points I would like to make because I would like to propose an amendment to the government's motion. As we know, Iraq was our largest customer for Canadian wheat, and I would ask that the government adequately compensate Canadian farmers who are harmed by the Iraqi wheat embargo because it is very important to have a united front on this very serious issue.

I have said that we support unreservedly the first part of Motion No. 16 put forward by the government. We too condemn the invasion of Kuwait by Iraq. We too demand the immediate and unconditional withdrawal of Iraqi forces from Kuwait and the full restoration of legitimate government in Kuwait. But I would have to say that what has been added to this, that we simply rubber stamp the actions of this government is not acceptable. I take great offence that the government has put forward a motion which they know will not get unanimous consent because they simply have put in that section to rubber stamp their actions rather than to condemn the government. It is for these reasons that we cannot support the resolution as it stands before the House.

This government is using the United Nations, as it does its own Parliament, for approval after the fact.

Therefore, I move, seconded by the member for Burnaby—Kingsway:

> That the motion be amended by adding the following after the word "resolutions"
>
> "And further, that Canada work at the Security Council to seek assurances that no country will undertake offensive military operations against Iraq unless they are under UN command and explicitly authorized by the Security Council."

[*Translation*]

Madam Deputy Speaker: In view of the amendment moved by the previous Speaker, the House will surely allow me to check to see if it is in order before moving this amendment to the amendment.

Pursuing to Standing Order 38, it is my duty to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for New Westminster—Burnaby—Canada Assistance Plan; the Hon. Member for Nunatsiaq—Aboriginal Rights; the Hon. Member for Saskatoon—Clark's Crossing—Post-Secondary Education.

Hon. Jean Lapierre (Shefford): Madam Speaker, I rise on a point of order.

Madam Deputy Speaker: The Hon. Member for Shefford rises on a point of order.

Mr. Lapierre: Madam Speaker, I ask now that the Hon. Member for Lac-Saint-Jean be heard.

Madam Deputy Speaker: I suggest the Hon. Member should have waited for the Chair to recognize another member or whatever. Now, the motion has been heard, as moved by the Hon. Member for—

Mr. Prud'homme: Madam Speaker, I rise on a point of order.

Madam Deputy Speaker: The Hon. Member for Saint-Denis rises on a point of order.

Mr. Prud'homme: I suggest that what we are doing now is quite irregular. If my memory concerning a major debate on the Canadian flag serves me right, it would be necessary for two members to rise at the same time. The Chair would have had to recognize one of them. Any member who is dissatisfied would have to stand up and say: Therefore, I recommend that Mr. or Mrs X be recognized instead of Mr. or Mrs Y.

For the time being, I do not see anybody standing. Under the circumstances, do not tempt me, for I might be the one to have the floor.

[*English*]

Mr. Boudria: Madam Speaker, I rise on the same point of order. I think it is important to note that when we are dealing with this issue, notwithstanding the excellent points raised by my colleague with which I fully concur, there is the additional requirement as far as I am concerned that we actually be at a speaking stage of the bill. Right now, and for the next 10 minutes, we are in the process whereby we will recognize questions and comments. When that process is terminated, the next speaker must have risen and been duly recognized. Once recognized, a second speaker must be rising at the same time. Why should the Chair be called upon to decide between two speakers when only one of them rose in order to speak, namely the minister?

[*Translation*]

SPEAKER'S RULING

Madam Deputy Speaker: The hon. member for Shefford rose on a point of order to ask that another member be recognized. Unfortunately I must advise the hon. member that the member for Lac-Saint-Jean did not rise at the same time he raised his point of order. Therefore I must recognize the first member who rose, the Right Hon. Secretary of State for External Affairs. I think this settles the question. The hon. member for Shefford?

Hon. Jean Lapierre (Shefford): At the time you saw the member for Lac-Saint-Jean standing and seeking the floor. Consequently, as suggested by our colleague from Saint-Denis, I move:

That the hon. member for Lac-Saint-Jean be now heard.

[*English*]

Mr. Boudria: Madam Speaker, I am rising to support the Chair in the ruling. I just want to read this for the benefit of other members who might not have clearly understood what the Chair has ruled upon, and with which I agree. Rule 62 states very clearly:

When two or more Members rise to speak, the Speaker calls upon the Member who first rose in his or her place; but a motion may be made that any Member who has risen "be now heard", or "do now speak", which motion shall be forthwith put without debate.

• (1720)

[*Translation*]

Quite clearly, Madam Speaker, as far as I am concerned—and other members share this view—your ruling was sound and the question can be put only in cases where two or more members rise at the same time and under similar circumstances when the Chair has recognized one and the other is not satisfied. Since there was no such circumstance I fully agree with the Chair as to the way the matter was settled.

Mr. Lapierre: Since we have nothing to lose by waiting, Madam Speaker, I abide by your ruling.

[*English*]

Right Hon. Joe Clark (Secretary of State for External Affairs): Madam Speaker, when the decision was taken to send Canadian forces to join other nations in the gulf, there was an undertaking to initiate a discussion in Parliament at the first appropriate occasion. The House resumed sitting today and this resolution has been introduced immediately.

If I may, I will deal for a moment with some of the matters raised by my colleagues on the other side. No opportunity has been denied parliamentarians to be heard on this issue. That opportunity is being exercised now. That is perfectly in accordance with the traditions and the practices of this Parliament in all situations that bear any resemblance to what we are dealing with now.

What departs from the tradition, if I may say so, is the attempt by my friend, the hon member for Winnipeg South Centre, to make this, not a debate about a question of great importance, but simply a partisan exchange, which he has done with his amendment. Naturally, I wanted to indicate on behalf of the government that we do not intend to support that amendment which would have that trivializing affect upon a debate which is very, very important.

The value of a debate is to know the views of other parties and other members in the House. The other parties who have spoken today will be judged on the basis of the matters they have brought forward.

My colleague from Winnipeg did raise some questions of importance and substance and I hope to deal with them later on. I always thought he wanted to be the external affairs critic and, for a while today, I thought he wanted to be the House Leader of the Liberal Party because most of his arguments were procedural, but some were not and I will deal with those later.

With regard to the Leader of the New Democratic Party, if I understood her correctly, one proposal she put forward was that the decision that was taken as to the deployment of our ships in the gulf, a decision taken by the Chief of the Defence Staff, should be changed by her critic on external affairs. I am not sure that the rest of the country is ready to have the judgment of the Chief of the Defence Staff substituted by the Member of Parliament for Burnaby—Kingsway. Certainly, we are not.

I was interested in her suggestion as to the amendment that she introduced. Since she took exception to the following language in the resolution now before the House—the affirmation of "support for Canada's actions in the United Nations Security Council and its support for all relevant United Nations Security Council resolutions adopted since August 2—am I to understand that

the New Democratic Party opposes Canada's actions in the United Nations Security Council? Am I to understand that the New Democratic Party opposes support for all relevant United Nations Security Council resolutions adopted since August 2? That would be a bizarre position.

[*Translation*]

On August 2, Madam Speaker, Iraq launched a general attack and invaded the sovereign state of Kuwait. This was an obvious breach of the most elementary principles of international law. It was an invasion made without provocation and in violation of the commitment made by Iraq as member of the United Nations to seek a peaceful settlement to disputes.

Even though the concentration of troops which preceded the violation of Kuwait's sovereignty did not go unnoticed, the rest of the world was shaken by the fact that Iraq should have so readily resorted to force.

Only a few days before the invasion Saddam Hussein had promised President Mubarak that Kuwait would not be invaded. The small country was quickly occupied and its government was replaced by a puppet regime whose nature was obvious. Realizing that the international community would not recognize this puppet administration, on August 8 the Iraqi quite simply decided to swallow Kuwait and announced that henceforth this country would be their southern provinces. All these measures violated international law and made people fear that the agression might well extend to Saudi Arabia.

Since then Iraq has increased its military presence and imposed strict occupation rules on the resisting population. It is now plundering public and private Kuwaitian assets.

Hundreds of thousands of foreign workers fled Kuwait and neighbouring countries, particularly Jordania, have to face the consequences: hordes of fleeing and penniless workers, economic upheaval and increased tensions.

Canada reacted by asking immedialtely that collective measures be taken to condemn and stop the aggression. On September 4 Canada officially suspended all commercial trade with Iraq and occupied Kuwait, froze the assets of both governments and cancelled special provisions concerning trade promotion with the Iraqi and other commercial agreements.

[*English*]

When Iraq acted against Kuwait its aggression had to be stopped in its tracks to give time for the machinery of the international community to get to work. Iraq's clear ambitions against Saudi sovereignty and the threat of further direct action against it required an unequivocal demonstration of support for Saudi Arabia and for the gulf states. That immediate reaction allowed the United Nations to mount a response of unprecedented unanimity and effectiveness.

There have been questions raised about the United Nations' mandate, serious questions raised by my colleague from Winnipeg, and I assure him and the House that the Government of Canada has worked very hard within the United Nations to ensure that there will be full respect for the mandate of the United Nations.

We have encouraged our close allies, we have encouraged others, and we have used our influence and our position on the Security Council to ensure that the action that proceeds is action that is within the mandate of the United Nations and, indeed, that the mandate given by the United Nations expands to take account of the circumstances as they develop in the region. We are working very hard to have United Nations' auspices respected.

The member posed a question as to comments I made in answer to reporters in Washington on Friday. I was asked whether we had ruled out other actions that we might take. We have not ruled them out. We intend to take them in the context of the United Nations. We intend to take them in the spirit in which we have acted to this point, if we have to take them.

Remember what we are dealing with here. We are dealing with a situation in which world pressure has to be mounted and has to be maintained if there is any hope for diplomacy to work. That means that countries like ours, which have a range of measures which we might apply, have to be in a position to apply them as circumstances warrant. In our view, in the Canadian tradition, in the tradition of our actions in this crisis, we will be

acting within the context of the United Nations and encouraging others to respect the mandate of that organization.

But let me make this point. One cannot always wait for deliberative bodies to deliberate and to decide. Saddam Hussein did not wait. I was quite surprised by the suggestion of the Leader of the New Democratic Party, if I understood her correctly, that somehow Canada moved too quickly. Does she believe that Egypt moved too quickly, because it was at the same pace as Canada? Does she believe that Europe moved too quickly, because it was at the same pace as Canada? Does she believe that the Soviet Union moved too quickly, because it was the same pace as Canada? Does she believe that there should not—

Mr. Clark (Yellowhead): No Soviet troops. There are Soviet ships and there has been Soviet action very actively on the Security Council. The point is that we cannot always expect events in the world to await the decisions of deliberative bodies. We can do what we can to ensure that those bodies move very quickly. I ask some questions. Perhaps there is a new position being put forward by the member for York Centre different from that put forward by his colleague from Winnipeg.

• (1730)

Let me take the proposal as I understand it by the member for Yukon, which was that Canada should have waited before signalling our willingness to send troops, before acting to freeze Kuwaiti assets in Canada so they could not be taken advantage of by Iraq.

An hon. member: She never mentioned it.

Mr. Clark (Yellowhead): I do not want to misinterpret her. Let me just stick to the issue of troops. If she was saying—and her critic is nodding his head affirmatively—that the position of Canada should have been that we should have waited until there had been UN action before we signalled our intention to join other countries in the Gulf, then I think that that raises some other questions.

One question it raises is: how long would she have had Canada wait? A second question it raises is: what does she think would have happened while Canada was waiting? What would have happened while Egypt was waiting? What would have happened while Europe was waiting? Does she believe that Saddam Hussein would have waited? Those are not rhetorical questions offered in debate. Those are questions that have to be faced by serious parliamentarians recognizing that Canada's position here is not simply a position of passing resolutions but is a position of exercising our influence by the deployment of all of our resources, humanitarian resources, military resources and diplomatic resources.

There is no doubt at all that our ability, Canada's and that of other countries, to provide some room for the United Nations to work, our ability to stop Saddam Hussein in Kuwait and dissuade him from going on into Saudi Arabia depended upon the fact that there was a clear response on the part of a range of countries that further aggression by Saddam Hussein would not be accepted by the world.

The United Nations Security Council could not meet that quickly to deliver that message, but the message had to be delivered. I have no apologies for Canada being part of sending a signal that stopped Saddam Hussein and created an opportunity for diplomacy and the United Nations Security Council to work.

To come back to the central point, I assure the House that we have acted consistently to strengthen the role of the United Nations in this crisis, and we intend to do that. Canada's immediate and timely response, including the commitment to send our forces, contributed to stopping Iraq from more aggression. At the same time that we sent that signal we were playing a very active role in developing Security Council positions. The spectacular and historic success of the United Nations system in the succeeding weeks vindicated our faith in the ability of the world body to follow through with concerted measures against the Iraqi Government's actions and with policies consistent with Canadian values and precedents in foreign policy.

Resolution 661 passed on August 6 by the Security Council was key to that definition because it set out the sanctions which were to be imposed on Iraq. The intention of that measure was to end trade with Iraq. All ordinary commercial operations were to stop immediately. Critical for Canadians and indeed for all countries with nationals who now fall under the control of the Iraqis was resolution 664, which was passed a brief 12 days later on August 18. Saddam Hussein detained all males over the age of 18 from a group of countries, mainly western countries, which included Canada. Working women from black-listed countries were as well refused the right to leave freely.

The forces in the Gulf were given United Nations authority to use necessary force to halt maritime shipping and inspect cargoes to ensure that sanctions were being respected. Resolution 665 was passed on August 25 with two abstentions and was crucial to giving United Nations framework for the activities of naval forces in the area, including our own. In response to the manipulation of the food issue by Saddam Hussein, the Security Council had to define the precise conditions under which food could be sent to civilians in distress in Iraq and occupied Kuwait.

Resolution 666 of September 13 addressed the question firmly and unambiguously; if United Nations and some appropriate agency had to accompany any delivery to ensure distribution to the civilian population. Further measures are in preparation. The sanctions must be continually defined and tightened. They must be policed. My colleague from Windsor, who has worked with me on South African matters, knows how important it is to police embargoes and police sanctions that are in place. That has to happen here. A further resolution concerning an air embargo will be presented at the Security Council meeting tomorrow, an extraordinary meeting, at the level of foreign ministers, dedicated, among other things, to demonstrate the very high priority that all of the world attaches to this response.

If Iraq's attack was an extraordinary violation of international law, so was the world's response an extraordinary example of common purpose. The whole of the international community joined in condemnation of Iraq. The ships in the gulf are from Britain, France, the United States, the Soviet Union, Canada, Australia and Argentina. The troops on the ground are from some of these countries, plus Egypt, Syria, Morocco and Bangladesh. With remarkable courage, the majority of the Arab world has demanded that Iraq leave Kuwait. This is not east against west nor rich against poor nor Arab against non-Arab. This is the world coming together to stop aggression. Naturally, Canada has played its full role. We are advocates of international order. We seek to defend it when it is broken and we seek to extend international order when we can. Ironically, this aggression by Iraq may have created conditions where common action by the world may become more the rule and less the exception. Certainly, it is Canada's intention to seek to extend this new consensus in the United Nations.

Questions were raised about arm's embargoes. There is no question that is a very important matter now, thrown into relief by the sources of weapons involved in this conflict. Canada's record, as a matter of fact, is a good record with regard to our own policies but other countries in the world are not so good. There is no point our being effective unless others are. There is an opportunity now for us, not by showing the way. You do not accomplish things necessarily by showing the way. You accomplish things by sitting down with others and moving them forward with you.

We have had some experience in moral leadership. Moral leadership is fine, Madam Speaker. Moral leadership is quite important. Moral leadership is particularly important for celebrating empty victories. But if you are interested in making some significant changes in international events, you have to combine moral leadership with a very sharp sense of what can be accomplished and that is what we have been doing here. I believe, and it will be Canada's intention in the Security Council and elsewhere, that it is now going to be possible for us to have a more secure and comprehensive regime with regard to arms exports than has been the case in the past and it may indeed provide momentum for the discussions on chemical weapons.

Again, we have some experience here. Canada's reputation, Canada's diligence on these issues, has been successful in extending the arms control embargo as it has applied in the past to South Africa. I think in these new circumstances it will be possible for us to use that same commitment and leadership and skill to advance the possibility of arms embargoes to help prevent future crises of this kind.

I was asked if we are examining options, I believe it was the question, that would lead Iraq to withdraw and certainly we are. May I make three points about that. As we undertake that, we want to be careful not to complicate the resolution of this issue by drawing in other questions which have on their own proved extraordinarily difficult to resolve. I know the position that is being put forward by Saddam Hussein with regard to the inter-relation of all of the issues in that region. I think that we are justified in seeking to resolve this particular aggression now. I take the hon. member's point that the

region has changed irreversibly and very substantially. The question for us to face is how do we respond to those changes and do we put at risk the possibility of moving Saddam Hussein back by bringing in other issues which, while they have to be resolved, might not best be resolved in this circumstance.

Second, we are naturally going to be consulting closely with the Government of Kuwait with respect to any matters that might affect the nation, the state or the sovereignty of Kuwait.

• (1740)

Third, our authorities are under instruction as those of others in the world are to seek urgently imaginative options that might make a difference in this particular crisis.

The hon. member raised a question generally. I have tried to reply to him to indicate that we are looking very actively with as much imagination as we can to ways in which Canada might either find options that would work or advance them.

A point has to be underlined. I note that I am at the end of my time. This conflict is very dangerous to the world. Its ramifications will dominate global policy making for years to come. The challenge will be to maintain unwavering and consistent pressure to give diplomatic avenues a chance to succeed, but there must be a recognition on the part of the House and on the part of the country at large that there is no certainty that this issue will be resolved quickly.

We are in a very dangerous time in the world. We have an obligation as a country which has earned its credentials as a peacekeeper, diplomatically and militarily. We are under an obligation to deploy all our resources in ways that are consistent with our traditions and interests. That is what we have been seeking to do.

Yes, we have been innovative. Mr. Pearson was innovative when he stood against people who criticized the idea of using military forces in any peacekeeping role at all. We are prepared to be innovative in these circumstances, but we believe there is a requirement upon Canada to deploy all our resources—military, diplomatic and humanitarian—so that we can contribute in the best Canadian tradition to a resolution of a crisis that is as serious as anything we have known in decades.

Madam Deputy Speaker: Questions or comments on the amendment to the amendment as moved by the previous speaker.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, I had an opportunity to speak and I will leave it to other members, but there was one question that I will just put to the government side. The Secretary of State was good enough to answer several questions, but he missed this one and it is crucial.

As we now stand in the present situation, we are looking at very long, protracted sanctions in the gulf which could take months. We are looking at a very major military build-up that is taking place in Saudi Arabia with the various multinational forces, and we are looking at a potential military option.

We would like to get some assurance specifically from the government that we will not engage in any offensive action in this region unless there is a consent of Parliament and a mandate from the United Nations. Can the minister give us that assurance?

Mr. Clark (Yellowhead): Madam Speaker, we are anticipating no offensive action. We cannot anticipate what Saddam Hussein might do. We cannot anticipate threats that might arise to Canadians, and I think the hon. member would want us to respond to those threats as appropriate.

I do not contemplate circumstances under which our anticipation would change. I give you my assurance that if the House is sitting, if it is not a weekend, if it is a week day, we would come to Parliament in the very unlikely event that what we anticipate changes. If not, that I or others would seek to consult with the spokesmen of other parties.

We are also urging, I should add, other countries to work within and to stay within the United Nations mandate. Part of our success in that will depend upon the United Nations mandate continuing to be large enough and contemporary enough to changing situations in the gulf that the temptation for other countries to operate outside it would be reduced.

Mr. Svend J. Robinson (Burnaby—Kingsway): Madam Speaker, I would like to deal with the latter point made by the Right Hon. Secretary of State for External Affairs. Of course the current mandate given by the Security Council is very specific with respect to the use of force in that area, and that is the mandate under resolution 665. It is strictly for purposes of enforcing

resolution 661. There is no other security council mandate at this point, as the Right Hon. Secretary of State for External Affairs is well aware.

I want to point out to the Right Hon. Secretary of State for External Affairs that in fact—and I am sure it was unintentional on his part—he did unfortunately misrepresent the position taken by the leader of my party during her very eloquent contribution to this debate. The leader of my party made it very clear that the portion of the main motion to which we take exception are the words after "August 2"; in other words, the words dealing with "the despatch of members of the Canadian Forces to take part in the multinational military effort".

We have condemned the invasion. We have urged Iraq to recognize its responsibility to withdraw unconditionally from Kuwait. We have indeed supported Canada's role in the Security Council today. That should be made very clear, and any suggestion to the contrary is completely without foundation.

I might just say as well that when the Secretary of State for External Affairs asked why Canada should not have moved more quickly, the reality is that the Security Council did meet before August 25 and it would have been prudent and indeed desirable for Canada to have waited until the Security Council had moved, as it did ultimately move under 665, before proceeding to send troops into that area.

I might say as well that there is a great deal of hypocrisy in the response of many countries in this region. On July 31, two days before the invasion, the American government turned down efforts by a number of people in Congress to enforce trade sanctions against Iraq.

The Conservative government in November of last year was peddling all sorts of Canadian business at the Baghdad trade fair in November 1989 after the Iraqi government was responsible for the gassing, the chemical warfare against 4,000 Kurds in March 1988.

Following those comments, I want to ask the Secretary of State for External Affairs whether he in fact agrees that Canada should be playing a role at the Security Council to ensure that no country, including the United States, will in fact take unilateral offensive military action against Iraq outside the framework of the United Nations and, more specifically, outside the framework of the Security Council.

It is essential that we have that assurance as a Parliament, because failing that assurance the lives of the many troops that have been sent into that area from Canada are put directly at risk. Is the Secretary of State for External Affairs prepared to give that assurance, and is he prepared to give the assurance that Canada will seek to establish a situation in which troops in the Middle East are there under United Nations command?

Mr. Clark (Yellowhead): Madam Speaker, there were several questions there and some observations, including a confusion which I think I should elucidate, a confusion between a policy which would prevent the export of arms, which is what we are doing with regard to Iraq and to many other countries, and a policy which would say if there is behaviour that is objectionable to us we should stop all business with a country like Iraq.

I think it was that latter proposal that was put forward by the spokesman for the New Democratic Party. I think it important that that distinction be made because it would be unfortunate if we took attention away from the stand alone importance of the question of an effective arms embargo where we have to gather international support if we are going to make any progress. If we were suggesting a much broader approach which would say nobody does business with countries that behave in ways of which we disapprove, I can tell the hon. member he would know that our chances of success would not exist.

If I misinterpreted the amendment, which I only heard orally from his leader, then I apologize. I think that what she is saying, however, is that there should not have been a signal by Canada, that Canada should not have joined Egypt, should not have joined most of Europe, should not have joined Australia in sending a signal that would stop Saddam Hussein from carrying on his aggression. We do not think that it would be appropriate for Canada, as the Prime Minister said, to absent ourselves from our responsibility.

• (1750)

With respect to the member's particular question, we are working to ensure as much as we can, and ensure is a difficult word. We are using all of our influence to encourage all members of the world community to act within the framework of the United Nations. I have said that frequently in the House in this debate. That is

clearly what we are doing and that is the policy that we intend to follow. I reiterate to him that in order for us to be effective in pursuing that policy, it has to be clear to the rest of the world community that we are prepared not simply to talk about things, but that we are prepared also to deploy all our resources as they are appropriate: military, diplomatic, humanitarian.

Hon. Walter McLean (Waterloo): Madam Speaker, I want to join in underlining the seriousness which the minister has echoed in his speech and make the following observation. The Secretary General in his comment indicated that we are possibly in the most serious situation of war since the Second World War. The Secretary of State for External Affairs says that imaginative options are being pursued. I would like to encourage him and others in that direction and suggest that we are dealing with face saving on two sides in this case. Canada is uniquely positioned with President Bush as well as with Hussein.

Second, the Secretary of State for External Affairs spoke about humanitarian assistance and Canada's contribution. Former President Julius Nyreve today suggested in speaking to the south report that the by-product of this Iraqi situation will mean to the nations of the south some $18 billion to $26 billion on already fragile economies. In meeting with our Security Council members, will the Secretary of State for External Affairs bring this to their attention and see what the world community can do to offset the suffering implied in that?

Third, the Secretary of State for External Affairs has spoken about seizing this moment. For many years in the time of the East-West confrontation we have looked at a standing UN peace force. There have been designs and models and because of the East-West confrontation we have not been able to move. Will Canada now, and will the Secretary of State for External Affairs in his speech to the United Nations indicate that Canada will move to try to establish the machinery for a UN standing peace force with battalions held in reserve by national governments so that in an emergency like this or in another regional area we will not be beholden to one superpower or another to act and thereby the accusations that somehow the world community is not fully behind us?

Mr. Clark (Yellowhead): Madam Speaker, very briefly, there is unquestionably a crisis that is particularly acute for developing countries. In some cases it is not simply a crisis brought on by increased oil prices but also by the return of nationals who had been earning income in the gulf and are no longer able to do that and who indeed come back to contribute to an already difficult problem of under-employment of resources in their own countries.

These matters have been discussed in a preliminary way. The member from Winnipeg asked if they had been discussed at the G-7 meeting. They have been. I chaired a meeting on Saturday in Washington of the Inter-American Development Bank. They were discussed there. A point that does not take away from the importance of the question is that some of the developing countries are of course oil producers and there is consequently in some cases an impact that is not wholly negative on some of those countries, but in general the situation in developing countries is made more severe.

With regard to UN peacekeeping and a permanent force, I cannot comment on that specifically here today. I think the new interest which has been shown in the United Nations makes a number of sensible proposals that were not getting a lot of support in the past worth looking at again. I would not want that to be interpreted specifically with regard to the UN peacekeeping permanent force. The UN is facing an extraordinary demand upon its auspices hopefully in the gulf and certainly in Cambodia, and we have to seize this moment to try to ensure that the enthusiasm shown in response to this crisis becomes more general.

Mr. Waddell: Madam Speaker, I rise on a point of order. Given that this issue is so important and that the Secretary of State for External Affairs, although I disagree with what he says, is so forthcoming as a parliamentarian in the debate, I seek unanimous consent of the House to extend the question and answer period for another 10 minutes.

[*Translation*]

Madam Deputy Speaker: I do not have unanimous consent is not unanimous. Resuming debate. The hon. member for Labrador has the floor.

Mr. Lapierre: Point of order, Madam Speaker.

Madam Deputy Speaker: The hon. member for Shefford on a point of order.

Hon. Jean Lapierre (Shefford): Madam Speaker, I now move:

That the member for Lac-Saint-Jean be heard.

Madam Deputy Speaker: The motion is admissible as moved. Is it the pleasure of the House—

Is there a seconder for that motion?

[*English*]

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

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

Mr. Lewis: Madam Speaker, I rise on a point of order. I would suggest that since the motion has been put once in this sitting it cannot be put again. Is that correct?

Madam Deputy Speaker: No, that would not be the case because obviously it would be a different member having been recognized.

I will have to go back to the yeas and nays because I have lost count.

All those in favour of the motion will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

Madam Deputy Speaker: The motion is lost.

Hon. William Rompkey (Labrador): Madam Speaker, for the purposes of this debate there were two main issues that faced Canadians this past summer. The first issue of course was the world crisis, possibly the most serious crisis that we faced certainly since the Korean War and possibly since the Second World War.

The first crisis was the world crisis and the threat. Canada responded to that in a way which we have learned in this debate not everybody appreciated.

The second issue that faced Canadians this past summer was a clear message from the people of Canada that they wanted to be consulted on what was happening in this country, in the governing of this country, and that they were going to hold all politicians, no matter what Parliament they served in, accountable for what was happening.

I contend that there were two crises: a growing threat of war and a growing threat of democracy. In dealing with the first issue, the growing threat of war, the government ignored the second issue, the growing threat of democracy. The government committed the Canadian Forces to the gulf with no consultation at all with Parliament or the people of Canada. There was consultation with the US. In fact the government reacted as a result of the request from the United States.

It was on August 6, the same day as the second resolution in the Security Council, that the Prime Minister went to Washington to consult with President Bush and there agreed to support the naval blockade in the gulf. Clearly Canada acted at the request and at the instigation of the United States, but at no time did Canada act in consultation with the Parliament or the people of Canada. This was unlike any other country with which we are associated now or with which we have been associated in the past. It was unlike, as my colleague from Winnipeg indicated earlier, Great Britain, which consulted its Parliament. It was unlike France. It was even unlike the United States because President George Bush, even when he was on the golf course, was consistently consulting and letting the people of the United States know what was happening and, indeed, consulting congressional leaders. He lives in a presidential system whereas we live in a parliamentary democracy. Unlike other parliamentary democracies with whom we are associated now and with whom we have been associated in the past, the government has not consulted Parliament and, through it, the Canadian people.

• (1800)

The government has said—that is the implied statement of the government—that this is not a serious enough issue on which to consult Parliament. It is not as serious as, for example, the parole bill for which Parliament was recalled some years ago. It was not as serious as the arrival of Tamils on the shores of Nova Scotia for

which Parliament was recalled in 1987. At that time the then Minister of Immigration said it was one of the most serious crises that Canada had faced and Parliament was recalled. But on this issue, which is the most serious issue which we have faced since the Korean War and, arguably, since the Second World War, there was no recall of Parliament.

That stands in stark contrast to the pattern of the past, of the entry into the Korean War for example. Parliament was sitting at the time in which Canada's participation was initiated, but Parliament prorogued for the summer and was recalled for an emergency session later to debate the entry into the Korean War.

So the practice this past summer is in stark contrast with what has happened before. We maintain that the government may have acted within the letter of the law as contained in the National Defence Act, but it has not acted within the spirit of the National Defence Act because that act clearly says that Parliament is to be recalled if Canadian forces are put on active service and if they are committed to a theatre of war. In doing so, we maintain that the government has compromised certainly the dignity and possibly the integrity of the Canadian Armed Forces because they had to change their plans to conform to the incompetent management of the Government of Canada.

It might be useful for us to recall some press clippings of the day that describe how the Canadian forces had to change their plan of action because of what they government was doing or, more importantly, not doing. Here is *The Globe and Mail* dated September 11:

> Sources within the Canadian Forces say the government's commitment to the gulf has been consistently tempered by a reluctance to recall Parliament, and Defence Department spokesmen acknowledge that the ships' progress is tied to the date of Parliament's return.
>
> Instead of sailing directly towards the Suez Canal and reaching the Red Sea early this week, the ship sought what department spokesmen called "other training opportunities—". The ships are currently in the Sicilian port of Augusta.
>
> Asked whether there has been time for the ships to reach the Red Sea by now, navy spokesman Jeffrey Agnew said yesterday, "They could be there now. Yes."
>
> However, the navy "scheduled a whole bunch of things" designed to ensure the ships did not arrive before Sept. 14. "Everything was back-dated from Sept. 24," he said.
>
> A second department official, who did not wish to be named, said yesterday that the Canadian flotilla "is definitely not moving as quickly as possible."
>
> Asked why the government did not order the ships to reach the Red Sea sooner and recall Parliament to authorize their status, Cmdr. Agnew said, "That is a political question, and not for me to discuss."

It is clear that there was a necessary change of plans by the Canadian Armed Forces to accommodate what the government was doing, or more importantly, not doing. Here is the report of that same time from *Southam News*.

> Prime Minister Brian Mulroney's decision not to recall Parliament to debate the Persian Gulf crisis has temporarily stranded a convoy of three Canadian warships in Sicily.
>
> Under the original timetable the three ships would not have been there until well after September 14.
>
> But those plans fell apart on the weekend. On Saturday, Col. P.G. Boutet the defence department's chief judge and advocate, turned over a legal opinion concluding that the area of operation also included the Red Sea.
>
> After being told that cabinet would not sign the order until Sept. 15, senior military officials decided to delay the ships which originally would have entered the Red Sea on Sept. 13 or earlier.

So it is very clear that the handling of this by the Government of Canada necessitated a change in plans by the Canadian Armed Forces. What signal does that send about the seriousness of our intent? What signal does it send to our allies? What signal does it send to the Canadian people? What signal does it send to the people in Halifax? What signal does it send to the spouses of Canadian forces personnel who went down to the jetties and who tied yellow ribbons in remembrance of those people who were going overseas. There are people in this House today who stood with them on the jetties and who understood the seriousness of what they were doing, who understood that this was a matter of duty for anybody in the Canadian forces. They did this willingly with a seriousness of purpose, with great sympathy, great compassion and with great sadness, only to discover that those ships spent two days off course, going through unnecessary manoeuvres because of the handling of this situation by the Government of Canada.

Those are the kinds of things that Canadians cannot tolerate and cannot appreciate. The Government of Canada may have acted within the letter of the law because the letter of the law says, if you put Canadian forces on active duty you have to recall Parliament within 10 days. But the spirit of the law clearly is that Parliament is to be consulted.

I maintain that if we have learned anything over this past summer it is that the people of Canada not only want that consultation but demand it. If there is one message coming through clearly after this past summer it is that the people of Canada want to know what the government is doing. More than that, they want to participate in what the government is doing and what is happening in this country. That is what the government failed to recognize. They followed the letter of the law of the National Defence Act, but they did not follow the spirit of the National Defence Act.

What will the government do? This question was raised by my colleague from Winnipeg just a few moments ago. I am not sure we have received an entirely clear answer as to what the government will do. We know what the government has done thus far and we know how the government has operated thus far. They have operated without consulting Parliament and without consulting the Canadian people.

Our sea forces are in the Gulf. They are under the aegis of the UN because of the resolutions that have been passed. But there are other forces on land in the Gulf which are not under the aegis of the United Nations. What happens if there is a declaration of war? What happens if the United States declares war? What will be the position of the Government of Canada then, and how will the Government of Canada act? I think Canadians want to have a clear answer to that question. I am not sure that we got a clear answer from the Secretary of State for External Affairs this afternoon.

While the people of Canada support the containment of aggression and the establishment of peace, they do not support Canada simply being an appendage of the United States. The people of Canada want an independent posture for this country. We are still an independent country and the people of Canada will want an independent posture and not simply a yes-man role for the government. The government has to give a very clear answer to that question. I think the government has to give a very clear answer to that question.

• (1810)

Another matter the government has to give a clear answer to, and I have not heard it this afternoon yet, is what initiatives were taken in the Security Council to promote a peaceful resolution. In the past Canada has given a good account of itself in that forum but I ask the question, where is the equivalent of Lester Pearson today.

During the Suez crisis a Canadian was prominent in not only bringing about an important solution to a world problem but being seen to bring about an important solution to a world problem. Where is that same Canadian today? Where is that same leadership today? If in fact Canada is taking that kind of leadership in the Security Council, we do not know about it. There is no evidence. The Canadian people do not know about it, Parliament does not know about it. Exactly what has Canada done and exactly what is Canada doing within the Security Council to bring about a peaceful resolution of this? Now is the time to strengthen the UN. There is a window of opportunity.

As the Secretary of State for External Affairs said a moment ago, out of this crisis may come a strengthened UN. That is the hope of us all, but unless we work we cannot expect that to happen willy-nilly. We cannot expect that to happen inadvertently. We have to work at strengthening the UN. We have to ask again: what is the role of the Canadian government in this?

In conclusion I would like to say that Canadians are encouraged by the role that the UN has played in this crisis and we must seize this opportunity to assert the primacy of the UN. Second, Canadians abhor and deplore the actions of Iraq. We must underscore and emphasize that this party and the people of Canada, and indeed this House deplore what has happened in the Persian Gulf, deplore the aggression of Iraq. Canadians want an independent policy. They want to see that we are not simply an appendage of the United States but that we have a clear, national policy of our own.

Last, and above all, Canadians want to know what are the government's plans. They want to be consulted about

those plans and participate in the formulation of them. That has not happened up to now. It must happen now and in the future.

Hon. Doug Lewis (Minister of Transport): Madam Speaker, I had an opportunity to listen to my hon. friend.

[*Translation*]

For now, however, I have a question to ask on another subject. It relates to the comment to the effect that all Liberals would not necessarily have agreed to an early recall of the House.

[*English*]

During the past several weeks I met several of my hon. friend's colleagues. They all told me they were reluctant to return. One in fact said, "Don't believe that nonsense you hear from the leadership of our party. We have no intention of coming back early." What I want to ask my hon. friend to do is this: can he tell me what steps were taken to accurately poll the members of Parliament of his party—

The Acting Speaker (Ms. Greene): On a point of order, the hon. member for Saint-Denis.

Mr. Prud'homme: I think the minister knows that he cannot anonymously quote people of whom we are unaware. He is saying, "Anonymous friends called me", which is a private conversation. I do not think the minister should use that.

The Acting Speaker (Ms. Greene): This is not a point of order. The hon. Minister of Transport.

Mr. Lewis: Madam Speaker, I will come to the defence of my hon. colleagues opposite and say none of them are in the House today, which may speak to where they are.

I would like to know what were the results of that poll which the hon. member's party took? Will he be willing to make the results of that poll of his party's members of Parliament public? Will my hon. friend not admit that his colleagues from Ontario were involved in an election campaign, rather an early campaign which ended disastrously—

Mr. Rompkey: That side of the House didn't do so well either.

Ms. Clancy: Call an election.

Mr. Lewis: —and failing the production of that documentation, will my hon. friend not admit that the Liberals were not serious about coming back.

Mr. Rompkey: Madam Speaker, the answer is simply this. On this side of the House, unlike that side of the House, we still have some leadership. It is the leadership that decides what we do and that leadership decided we were going to come back. When our leader speaks, we listen, unlike the other side of the House.

Some hon. members: Hear, hear!

Mr. Ron MacDonald (Dartmouth): Madam Speaker, I have a comment. I have listened intently and I perhaps have a bit of a personal interest that some other people in the House do not have in this issue.

Ms. Clancy: Wait a minute. I have that interest.

Mr. MacDonald (Dartmouth): Of the three naval vessels that were ordered overseas by the Prime Minister, at least half, and perhaps a few more, of those men and women who are serving come from my riding. So, as everybody gets into the sterile debate as to whether or not this or that was done at the right time, I would like the government to understand quite clearly that it is not dealing with just pawns on a chessboard here. It is dealing with men and women who have been trained to serve in the Canadian Armed Forces. But, more importantly, it is dealing with the families of those men and women who have been trained to serve in the Canadian Armed Force and who, for love of country, have decided to make this a career.

I have to tell the Speaker that I was not just annoyed, but I was highly insulted by the manner in which this government treated those families. What this government did was unconscionable. What it did was unprecedented. It ordered Canadian naval vessels to the Persian Gulf area. That perhaps in itself may be open to debate. I happen to think that Canada had a role to play.

I listened intently to the Prime Minister when he spoke earlier. He said that it acted against what was a flagrant abuse of international law. He was talking about Iraq, obviously. He said that was why the Canadian Forces were ordered in. I do not have a debate with that particular point, but let us take it a little further.

The Prime Minister and the Secretary of State for External Affairs and others have talked at great length about why we did what we did, but there is a double-edged sword here. The people of Canada want to talk

about what they did not do, and what they did not do was keep the Canadian public informed through the proper forum and that was the floor of the House of Commons. They did not keep the men and women who were serving, the men and women who might be ordered over to serve, or their families, their loved ones, and their neighbours informed. What had to happen was that those individuals in my riding had to turn on the CNN evening news every night and watch George Bush on a golf course chatting between yells of "fore" or "Brian"—whichever one it was—to find out exactly what was going on. That is something the people in my riding and the people of the Canadian Armed Forces are not going to forget easily.

I know that you are telling me that my time is just about up, Madam Speaker, but this is an important point. I am speaking for a lot of individuals whose loved ones may be the first casualties if something happens in the Middle East and they want to see a debate in the House of Commons. They want the government called to account for why it did not inform the Canadian public through Parliament. But, more importantly, the day that those navy vessels went out, I and my colleague from Halifax sat down on the Halifax waterfront and watched those three naval vessels going out. We watched the Sea King helicopters flying past. We watched those men and women waving goodbye, many of them wondering if they were ever going to return.

There was something wrong there that day because, although we have an unprecedented engagement of Canadian naval vessels, the Prime Minister of Canada was not even there to see the men and women that he sent off to a potential theatre of war. That is something, if we do get to debate this a little later tonight, that I want to go into more detail. I want to go back very briefly to what my colleague from Labrador has said.

• (1820)

He talked about the need for this place to have been informed much sooner than what we have had to wait and I think that that is the debate that we should be having here tonight. We all understand the severity of the situation in the Middle East. We all understand our role within the United Nations, or at least we should. We all understand the potential for major disaster in the activities that are now taking place or have taken place in the Middle East. But we should also understand that this government was absolutely negligent in its responsibility to the Canadian public.

Mr. Robinson: Madam Speaker, I would like to ask the hon. member for Labrador who has just spoken a question with respect to the resolution of this very difficult conflict. Obviously, we join in calling for the unconditional withdrawal by Iraq from Kuwait. Under United Nations command, hopefully, through sanctions and the effective enforcement of those sanctions, we will be able to persuade Iraq to withdraw.

I would like to ask the hon. member for Labrador about the longer term and what the position of his party is with respect to one of the very serious issues that must be addressed in the longer term in this region. Indeed, even Secretary of State James Baker said before Congress last month that he recognized that this is an issue that must be addressed. I speak, of course, of the question of the tragic plight of the Palestinians and, of course, the hypocrisy of the Americans. On the one hand they are saying that we must enforce united resolutions when they agree with them, but on the other hand, they are refusing to call upon Israel to accept Resolution 242.

Therefore, does the hon. member for Labrador agree that an essential part of the longer-term resolution of this tragic conflict must be the convening of an international conference at which all of those parties who are directly affected—including the Palestinians and their representatives, the Palestine Liberation Organization—will participate and recognize the right of self-determination of the Palestinians, their right to a state and, of course, the right of Israel to exist within secure borders? Does his party support that very important position?

Madam Deputy Speaker: A short comment from the hon. member for Labrador.

Mr. Rompkey: Madam Speaker, I must say that, while the question is relevant and related to the debate, I am not sure it is an issue that we can get into in any depth. If we do, it seems to me we will be superseding this debate and proceeding with quite a different debate.

I would simply say this and this party is quite prepared to debate it at the appropriate time and in the appropriate place. The issue can better be solved with a stronger and more vibrant UN. If, out of this whole crisis, comes a strengthening of the United Nations, then obviously it

would be able to deal more adequately with that question as it will with other questions that may arise.

I do not believe that this is the forum in which we should get involved in a lengthy and detailed debate on that particular question.

Hon. Bill McKnight (Minister of National Defence): Madam Speaker, I must say that I have been in the House and observed from outside the debate that has taken place to this point on the motion that has been put forward. I must again say that I am pleased to be able to address that motion concerning the invasion of Kuwait by Iraq.

I want to focus briefly on Canada's response and, in particular, the decision to commit elements of Canadian forces in the Persian Gulf area. It is fair to say that we all recognize that this is a serious commitment of the government on behalf of Canada. Canada has taken a stand, along with other civilized nations in the world, against this brutal act of aggression against Kuwait.

I would like to take a moment, if I could, to explain the purpose of the Order in Council which I tabled earlier this day. The government believes that it is important to respect the longstanding tradition of the parliamentary system and that the deployment abroad of armed forces be debated in the House of Commons. This tradition is rooted in the history of the place. It stretches back almost 90 years to when Canada first sent troops to the Boer War. Over the years we have debated in the House and approved the deployment of Canadian forces abroad. The last time a deployment of this significance took place was in 1950 when the Government of Canada committed Canadian troops to take part in the United Nations peace-restoring or peace-making effort in Korea.

Once again, the world is faced with a flagrant act of aggression, a violation of international law and civilized values and, once again, Canada must stand up and be counted among those civilized countries opposing this act of aggression. Taking an easy position is not Canada's way. It has not been our history to seek the easy or the peaceful area to expound our beliefs. Traditionally, Canadians, men and women who serve this country, have been involved in the difficult decisions in the hard places to show our belief in values and our belief that aggression cannot be tolerated.

As the Prime Minister said on August 10, the lessons of history are clear. Turning a blind eye to aggression only encourages further aggression. No civilized nation is excused from its broader responsibilities to the world community for international peace and order. If a clear warning is not sent to Iraq now, it will serve only to embolden it to find a new victim.

At the outset, the deployment of the elements of the Canadian forces represents a serious commitment by the government. Parliament has an important role to play. Parliament can be very helpful, the men and women assembled here and representing constituencies around Canada. Parliament, by being united, can send a strong message to the Iraqi government that we do not tolerate aggression. If we are united in the House, I suggest, as has the member from Halifax who was concerned about his constituents, we can best send a strong message of support to those men and women who are serving their country abroad.

I would suggest to all members of the House that there be support for the actions that have been taken. We ask for the approval of a strong Canadian commitment, not just words, not seeking a peaceful area, but taking a stand as we have historically and as we, as Canadians, have recognized in the past as being important.

There are basic international principles that we believe we uphold. I ask my colleagues in the House to consider the gravity of Iraq's action. I ask them to consider what would happen if the suggestion was that we should do nothing and the message that would send, that Canada would refuse to join a multinational military effort to enforce the sanctions of the United Nations. It would be fine to have those sentiments but not act. It would be fine to talk tough and not act. But it certainly would not be in the tradition of Canada and it certainly would not be in the tradition of the men and women who serve now and have served in the past.

I would suggest that there is a place for diplomatic actions and it has been actively pursued. We have heard in the House from colleagues who have identified those actions which have been taken by Canada's Ambassador to the United Nations to bring forward these resolutions

from 661 to 665. Those resolutions imposed the embargo and allowed nations with maritime force in the area to enforce the embargo.

• (1830)

Over the past number of weeks, there have been changes that have taken place. As a matter of fact, before Kuwait was attacked by Iraq, the Government of Iraq assured its Arab neighbours, and in particular President Mubarak from Egypt, that it would not attack its smaller neighbour, that it was only interested in a peaceful resolution. Quickly it broke off talks and annexed the small country of Kuwait.

This was done by a country that has, I would suggest, more military might than is needed for the defence of its own borders. It was done by a country that has waged an eight-year war against its neighbour. It was done by a country that placed under the pretext of negotiations some 150,000 troops on the border between Iraq and Kuwait, some 1,200 tanks, some 1,000 armoured personnel carriers while it was carrying on a façade of negotiating with a smaller and less militarily strong nation.

What we have at this time is a presence of Canadian forces in the Persian Gulf area to take place on position approximately October 1 or October 2. Ultimately we have to recognize the actions that were taken by the government, by the men and women who serve to ready themselves for this activity.

What we have and what we have committed are military forces in the Persian Gulf region to support an international effort to deter the aggression of Iraq and to enforce the sanctions that were applied under the United Nations.

Canada has believed and will continue to believe that there must be, if possible, a peaceful resolution of dispute. I suggest to my colleagues in the House that the actions that were taken initially after Iraq invaded Kuwait stopped that aggression where it only gobbled up one small country and did not continue in gobbling up its neighbours in the Persian Gulf area.

There has to be respect for the sanctity of existing states, borders and their citizens, and that is part of the mission of the Canadian forces along with the forces from some 25 other nations in this world.

There has been a suggestion that Canada made a decision because we were following the lead of other countries. Canada made a decision because what took place offended the sensibilities of Canadians. What took place offended the reality of today, and it is not just Canada. It is the United States. It is the U.S.S.R. It is Egypt. It is Australia. It is Afghanistan that my colleagues should understand. It is Bangladesh. It is Pakistan that has made commitments to stop aggression and to enforce the sanctions of the United Nations.

This is not something that is usual in the course of the United Nations. In the past, we have wished to see the United Nations act in a more determined manner, and it has been unable to do so. At this point with the action, co-operation and leadership in several cases of Canada, the United Nations has strengthened itself and has put in place sanctions that we believe are important, that we believe if Iraq understands the world condemnation will have it returned to the borders prior to its attack, to have it allow the citizens who it is detaining returned to their countries and to stop any further aggression by Iraq. There are a couple of things that have been accomplished by Saddam Hussein. I am not too sure that they are accomplishments that we would applaud, but at this time he has concentrated his forces on the borders of Saudi Arabia, threatening not only Saudi Arabia but the gulf states, Bahrain, Qatar, United Arab Emirates. He has, as I mentioned earlier, constrained citizens of other countries from leaving. He has threatened to use citizens of other countries as a shield, a sign of a true bully and a true bully who is a coward.

The effect of the embargo and the determination of Canada and other countries which are presently there is hope for the world. There has been a suggestion that Canada and the men and women who are serving do not have a definite mission. I think it is important to redefine again the mission.

The mission is that Canada has joined with other countries of the world, some 25, to deter further aggression and to enforce the sanctions of the United Nations. To this goal we despatched the three ships, *Athabaskan, Terra Nova* and *Protecteur*, and almost 1,000 Canadian men and women. The preparation for that departure was concluded in a very brief period of time. I compliment the men and women, both in and out of uniform, who accomplished a goal that was at some point recognized

as being heroic. Their work and their dedication are an important aspect of this and should not be forgotten. But we had some work to do and we had it accomplished.

We have put new systems on the vessels, the Javelin anti-air missile, the Phalanx close-in system as well as 50 and 40 calibre millimetre anti-aircraft guns. We were able to deploy on August 24 and they entered the Red Sea on September 16 and within a 24-hour period will pass through the Straits of Hormuz.

We also made another decision to send a squadron of CF-18 fighter jets from the Canadian Forces base in Baden. We are currently discussing with the countries in the area as to the location of our air force but that will be concluded in a very short period of time. That again involves the deployment of some 450 plus Canadian personnel to support this operation. But the role of our vessels which has been recognized as that of enforcing sanctions against Iraq will be through surveillance, through monitoring and, if necessary, interception of ships to verify their cargoes and their destinations.

Under Security Council resolution 665 our maritime forces are authorized to use such measures as may be necessary to halt all inward and outward shipping to ensure that the sanctions are not being violated. The CF-18s will provide long-range defence air cover in the operating area of the Canadian task group and will be part of an integrated multinational air defence network in the gulf area. Together with those defensive resources of other countries, our CF-18s will investigate unidentified or hostile aircraft and ships that could be capable of attacking the Canadian task group or other allied ships. They will also investigate any unknown radar contacts and take appropriate action to protect the men and women on Canadian ships.

On September 9 and 10 Canada took part in the naval conference in Bahrain to discuss co-operation among the various nations involved.

• (1840)

The purpose of that meeting was to allocate operational sectors within which each nation could operate within the Red Sea, the Gulf of Oman and the Persian Gulf.

For a number of reasons, military reasons—I refer this to my friend from the NDP—these were decisions made by military leadership for the safety and security of Canadian men and women. The place they could do their best work was in the Persian Gulf area. They could do that work in co-operation with other countries and they would end up having the benefit, not only of Canadian support, but the support of other allied countries in an over-all umbrella and an over-all activity within a region.

The hon. member from the New Democratic Party asked: "Who is in command"? The forces that are deployed are under Canadian command and control at all times and they will remain under Canadian command and control at all times.

I do not know whether the hon. member understands the significance of that. Canadians have long ago given up the right to another country or another jurisdiction to command and control our men and women who are deployed on behalf of the people of Canada in any conflict around the world.

Madam Speaker, the questions as to the risk are serious. There is risk in any activity involving forces. Indeed, today there is more risk involved in this activity probably than there has been at any time since the Korean war. That risk was weighed. It was not weighed by politicians. It was weighed by military leadership. That risk was assessed as being acceptable.

I want to give colleagues some idea as to how that decision was arrived at. Yes, Iraq has a very impressive standing army of some 5,000 main battle tanks, but these land forces do not pose a significant risk to Canadian air and naval operations in the region. The Iraqi air force has approximately 500 combat aircraft. The navy, on the other hand, consists of a small number of frigates and coastal patrol craft. Both the Iraqi navy and air force are equipped with anti-ship missiles.

I want to take a minute to talk about the defensive capabilities. In addition to the active defence systems that were put on the task group before it left Halifax, our ships have new passive defensive including mine detector sonars, chaff dispersers and air search radars. The *Terra Nova* has been fitted with harpoon surface-to-surface missiles. These systems will enable our vessels to defend themselves against a potential missile threat and thus fulfil their role in the Persian Gulf.

With the Phalanx anti-aircraft guns and missiles as well as the passive defence systems we should be able to effectively operate against any threat posed by the Iraqi anti-ship missiles.

The squadron of CF-18s which has been deployed will also help in the defence of our vessels. The pilots and ground personnel which will be drawn mostly from Europe are trained and experienced. They are experienced in multinational air defence operations. Indeed, some have already trained with the task group as it proceeded into the gulf area.

I believe one of the most difficult things to defend against and one of the weapons that Canadians have difficulty in understanding is that of chemical warfare.

I am not too sure what the comment was from the New Democratic Party. I am sure they will have a chance to speak later.

I want to assure Canadians and I want to bring to the attention of the families of the men and women who are serving that even though the Iraqis have been ruthless in the use of chemical weaponry—They have used it against their own people, the Kurdish minority in their country. They it used in Iran—we have assessed the chemical threat. We have taken steps to ensure that we will be able to meet that threat.

Those steps are involved with the external sprinkling system. They are the opportunity to rinse off the contamination, the opportunity to seal off our vessels and pressurize compartments, and all crew members have been provided with individual protection suits and gas masks. In the CF-18 in the aircraft area there is also the protection that is necessary against possible chemical attack.

I know you are giving me the time signal, Madam Speaker, but I believe it is important to take a minute in closing to talk about the over-all defensive capability of our task force. It will be enhanced by other task groups in the area, and it will be enhanced by the co-operation of those groups. Some naval forces possess longer range detection and defensive systems against aircraft and missiles than Canadian vessels do.

All these factors, I suggest to you, Madam Speaker, have made the risk acceptable. That does not mean that it should be taken lightly. That does not mean that we should discount it, but I believe with the co-operation of both naval and air and in co-operation with allied forces in the region in this multinational effort we will be able to ensure that those men and women have the best protection that Canada can provide, the best opportunity to bring about a successful conclusion of their mission which, again I reiterate, is to enforce the sanctions levied by the United Nations and to deter any further aggression.

Canada has been a long-standing member of the United Nations, and we would not be expected at this time to relegate ourselves to a minor role in an important task that has been designed and debated.

I say in closing that under Canadian command and control the provision of our co-operative efforts in a multinational effort we are contributing to the long-standing aims and goals of the Canadian foreign policy. We are supporting actively the United Nations. We believe that it is in the true historic tradition of Canada that we do take tough decisions, that our men and women serve well, and that we do not and will not tolerate aggression.

Madam Deputy Speaker: The hon. parliamentary secretary on a point of order.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, I know that all members of the House view this as a very important debate. As a result I have been back and forth across the floor several times today in an attempt to negotiate a way by which we could as a House agree to extend hours and allow a fuller participation by all members on all sides of the House.

I would just like to ask once more publicly if there might not be unanimous consent for the following motion:

> That this House sit beyond seven o'clock p.m. to continue its consideration of the business now before it provided that when no members rise to speak the debate be deemed adjourned and the Speaker adjourn the House until tomorrow at eleven o'clock a.m., and;
>
> Provided also that neither dilatory motions nor quorum calls be accepted by the Chair.

Madam Deputy Speaker: The House has heard the terms of the motion presented by the parliamentary secretary. Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: There is not unanimous consent.

Motion negatived.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, I think it is no mystery to my colleagues that I know that part of the world pretty well, if I may say so. I do not wish to underestimate this knowledge nor to overestimate it. It is quite complex. I will certainly take part in the debate to come.

• (1850)

I can think of a few points I would like my hon. colleagues to ponder over.

As one who, in his long career, has had the honour to travel in most of those countries and to put out a number of fires, I can tell you that I have always been careful for some reason. I did not make any concessions, that would have been out of character for me. I have yet to visit Lybia and Saudi Arabia. Those are about the only countries left for me to visit in that area.

I spoke before the Parliament of Kuwait in the days when it existed, that is before it was dissolved by the Emir. It is rather unusual for a North-American parlementarian to speak there.

I have learned one thing though. One may know when and how he entered the Middle-East, but let me remind you that, according to another proverb, one never knows when or how he will get out of the Middle-East. Please think about it before we get into the debate.

Since the beginning of the debate, especially as regards our neighbours and friends to the South, I have found outrageous all the new and dreadfull names used, the sudden equation Hussein-Hitler. I have no intent to defend Mr. Saddam Hussein. I have met him, but I will not stand up for him. I am surprised however by such sudden discovery of who he is and by how suddenly people came to realize that he is armed with the most destructive weapons in the world. His nuclear capacity is not as strong as that of Israel, I agree, but chemical and bacteriological weapons do cause disasters. Let us keep in mind, when the time comes to debate that question, that many young people risk being killed by the very weapons that there own countries, be it France or another country, have sold to Irak.

What I want to ask the minister has to do with the new war logic. French President Mitterand keeps saying that we are on the verge of endorsing war logic principles. My esteemed colleague and friend from Winnipeg South Centre (Mr. Axworthy), my Party's new critic on Canadian foreign affairs, is a brilliant man fully conversant with such issues. He knows that when people talk about a war logic—I direct my remarks to the Minister of National Defence—they seem to forget that there should also be a peace logic. Obviously the minister stated that we will do our share. The Prime Minister made a few comments, superlative as usual. I suggest that Canada's contribution should be made at the diplomatic level.

My question to the minister is precise: other than this war logic which, we are told, seems to fascinate all nations of the world, is there a peace logic to which Canada would more readily subscribe? I think I will make a suggestion, the first. Referring to countries like Canada, Algeria, Senegal, India, I ask the Minister of National Defence whether his department and the Department of External Affairs now have a committee considering the best contribution Canada might make to this debate?

[*English*]

Mr. McKnight: Mr. Speaker, my colleague puts forward an important question and I understand the dilemma in which he finds himself, as others in the House may find themselves.

He asked a specific question: Is there a group or are we in the Department of National Defence and in the Department of External Affairs looking at other things that Canada can do to bring about a peaceful resolution?

Yes, Mr. Speaker. At the outset, Canada, through its ambassador and its seat on the Security Council, has been focusing on the involvement of the United Nations in this action, not one country but the United Nations, and we are continuing to work in that manner. Both our departments, if I could say to my colleague, would welcome and are working toward and imploring the United Nations to put a blue flag over the whole of the multinational effort. That is what Canada would like to see, but we cannot wait for the United Nations to make that decision because, as we know, in the past the United Nations at times has not been able to arrive at a decision. If he is asking about the efforts, both government

departments, in fact the whole of government, would welcome that initiative and are working toward it in the United Nations. Hopefully we will be successful.

Mr. John Brewin (Victoria): Mr. Speaker, first of all the House should know that we fully support our troops and the men and women who are there. What we have some difficulty with is the clarity of the government's policy in this area. I would just like to ask the minister for some very specific and clear commitments to this House.

He has said that the troops are under Canadian command, and he said that very emphatically. I would like to know what directions the government has given to the commanding officers in the Persian Gulf in respect of the outer limits of their mandate.

A retired rear-admiral in the United States has given quite an excerpt on the view of the American government, that it is moving into an offensive build up in the Middle East. Many other military analysts have said the Americans are preparing for an offensive assault on Iraq that at this stage has no UN sanction whatever. The chief of staff of the United States Air Force was fired because he made it very clear publicly that the Americans were building up an offensive capacity in the gulf.

UN resolution 665 which the government has relief on in support of its direction of our troops into that area very specifically calls on members states to deal with the necessary military involvement to "halt all inward and outward maritime shipping in order to inspect and verify their cargoes and to ensure strict compliance with the provisions related to such shipping laid down in UN resolution 661".

My question is very specific. Will the minister assure this House and the country that the government has given clear direction to the commanding officers of the Canadian contingent in the gulf that they are not to participate in any offensive action in the gulf and that their mandate for military involvement is not to exceed the terms of reference of resolution 661?

Mr. McKnight: If I can be brief, Mr. Speaker, we have not given definitive direction, as the member asks, that their terms of reference will not exceed 661.

Mr. Brewin: 665.

Mr. McKnight: Then 665. That is different.

There is another thing that we have continually said, that we are also there to deter further aggression. That is part of the mission that has been given to the Canadians who are serving. They are given the ability, and their rules of engagement will not deter from their ability to defend themselves. The assurance that I can give the hon. member is that they do not have their ability for self-defence deterred by the rules of engagement that they have been given.

PROCEEDINGS ON ADJOURNMENT MOTION

• (1900)

[*English*]

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

CANADA ASSISTANCE PLAN

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I rise on this first day back in session because I was extremely dissatisfied with an answer given to me by this government during Question Period.

In her answer to me the minister responsible for the status of women said that violence against women was her top priority. Yet she and her government have put a spending limit on the Canada Assistance Plan, the federal-provincial funding mechanism for shelters for battered women.

Three provinces were singled out for this spending limit. My own province of British Columbia, Alberta and Ontario. The Minister for National Health and Welfare replied to my question about CAP by saying that only the rich provinces are affected by this spending limit.

Well I said, Mr. Speaker, that the women in British Columbia who are battered are just as battered and bruised as any abused women in this country. Their pain is real. It makes no difference to them when they are being battered that they live in a so-called have province.

Currently the government says it is spending a fortune, a lot of dollars on battered women, and the figures that it releases does sound like a lot of money until you realize that this figure is spread out over four years and that much of it is spent on research and not on shelter spaces.

The figure amounts to $10 per year per battered woman. One of every two women who seeks shelter at a refuge for battered women is turned away because there is no space for her. These women often have small children and the shelter is their last resort. There is nowhere for them to turn except to the streets or to go back to the abuser.

A woman and her children usually arrive at a shelter when all of their options have been exhausted. She has already tried her family and her friends. She does not have the money for a hotel or an apartment. And this government claps itself on the back and says what a wonderful job it is doing for battered women.

The legislation that puts a spending limit on CAP passed the House of Commons and is now in the Senate. The Prime Minister is currently attempting to stuff the Senate with Tory appointees so that the CAP legislation and other legislation will go through quickly.

What we are seeing in this country is a level of patronage appointments that is unprecedented. Canadians are sickened by this display by the Tory Prime Minister. We have had a summer of discontent in Canada, a difficult summer for all Canadians, and our Prime Minister refused to recall Parliament to deal with these issues.

Now the Prime Minister wants to shut down Parliament, shut down this session as soon as possible. In this way he and his government can avoid their responsibility to Parliament and their responsibility to Canadians, the responsibility with the crisis at Oka, the responsibility with the Persian Gulf crisis on which we have heard debate today, the responsibility over GST and all of the Tory unpopular policies.

My constituents in New Westminster and Burnaby elected me to represent them on important issues facing them and affecting British Columbians and other Canadians. The Prime Minister is thwarting democracy by attempting to stifle the voices of members of Parliament and not listening to the Canadian public. This whole affair not only shows that the Prime Minister and his government have no commitment to the poor, to the children, and to battered women in this country, but also no real commitment to Senate reform.

New Democrats have been offered Senate seats in the past and they have always turned them down. They have turned them down because New Democrats do not believe in a non-accountable body and people living on the public purse without accountability to the people.

Under a New Democratic Party government you would not see British Columbians singled out for punishment in this matter. You would not see social assistance, child care, shelters for battered women choked off by capping the Canada Assistance Plan.

A recent National Council of Welfare report showed that 60 per cent of the poor in Canada are women. In British Columbia the federal and the provincial governments are collaborating to ensure that they and their children do not have enough to eat.

• (1905)

One in five Canadian children is poor. New Democrats have outlined ways to ease this poverty with a view to eliminating it in the long term.

There are two foods banks in my constituency. Poverty is a national disgrace. It affects seniors, single parent families, children, the disabled and the working poor.

Children are the largest users of food banks in this country. In a country as rich as ours, it should be a crime to choke off social assistance and child care programs as well as programs to aid women who are victims of violence.

We need programs that will help people to get back on their feet again, not inadequate programs that dole out money once in a while. Literacy, job training and counselling are all necessary to help people become self-sufficient.

Shelters for battered women funded through CAP are not simply a roof over the heads of victims of violence, although that is extremely important. They help the woman to find a job, housing, schools or child care for their children. They provide the counselling that tells the woman what she most needs to hear, that she is a valuable human being and that she does not deserve abuse. She needs to hear that help is available and that others in our society do care.

The shelters refer women to doctors or lawyers who they may need. They offer support groups and a new start on life. These are the programs that this government wants curtailed. Other programs funded by CAP

do not even have the chance to develop the way the shelter program has.

The goal of all social assistance should be to help people to become self-sufficient again, to break the cycle of poverty and not to reinforce it.

I call on this government to stop this legislation and to put a ceiling on the Canada Assistance Plan.

[*Translation*]

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, strange though it may seem, I would like to thank the hon. member for Westminster—Burnaby for giving me a chance to respond to her question about what the government is doing about its priority on fighting family violence.

The hon. member knows perfectly well that since May 14, 1990, when she asked this question, there have been a number of unprecedented events in this country, including, Mr. Speaker—and unfortunately she is right—the events in Oka, in my riding, and in Châteauguay, as a result of which there was no mention of the women and children murdered over a period of five weeks. Mr. Speaker, family violence is taking on alarming proportions.

She said that the Budget proposals would cap increases in payments to Ontario, Alberta and British Columbia at 5 per cent.

She also referred to unpopular measures our government must take. I think she may be right. We are taking unpopular measures in order to curb the deficit, so that we can keep essential programs like those that deal with family violence.

She ought to know that more than one billion in real dollars, and I repeat "real", will be paid under the Canada Assistance Plan during the current fiscal year, and this is only for provincial programs designed for victims of violence.

There is one very important program, Project Haven, under which $22 billion has been earmarked over a period of four years, across the country, to create new spaces for women and children who are victims of family violence. In my own riding, *la Maison Citadelle* in Lachute has been involved in this program, and we have been able to allocate about $200,000 for the construction of new beds.

Mr. Speaker, I wish the program did not exist, because that would mean there are no women or children who are victims of family violence. Unfortunately, the reality in this country is quite different.

I can inform the House that the Department's program for shelters has been very successful. Of course it is not enough. We would need $44 million. However, I would urge the hon. member and all members of this House to speak out against violence and try to help both men who are violent and women who are victims of family violence.

• (1910)

[*English*]

ABORIGINAL RIGHTS

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, last March I asked the Minister of Indian Affairs and Northern Development a question about the latest annual report of the Canadian Human Rights Commission. The Human Rights Commission in 1988 referred to the situation of aboriginal people in this country as a national tragedy. Last year the commission said it had no reason to alter that judgment.

I asked the minister last March what immediate action the government was prepared to take to turn this tragedy around. The minister gave the standard government response. He referred to how much money the government was spending and to certain areas of current government activities. At the same time he acknowledged that further improvement in the conditions of aboriginal people is required.

What has the government done since then to further improve the conditions of aboriginal people? We have seen no improvement whatsoever. In fact, the government has managed to make matters even worse, as the events of this summer and the Oka crisis have shown.

The Human Rights Commission's 1989 annual report called for a new deal for the aboriginal people of this country, based on the commitment by non-aboriginal Canadians to meaningful political and cultural autonomy and much greater economic self-sufficiency. To date the government has not shown any evidence of such a commitment, despite the growing body of advice it has received on the direction it should be taking.

In 1983 the report of the Special Committee on Indian Self-Government provided a clear direction to the government with respect to aboriginal self-government. In 1985 the Task Force on Comprehensive Claims Policy outlined several new directions for the government in the interest of reaching fair and equitable land claim settlements. The major recommendations of these reports have been ignored.

Aboriginal leaders have tried over the years to focus the attention of the government on aboriginal issues. Time and time again the government has been warned that the current conditions are intolerable and cannot be allowed to continue and that the patience of the aboriginal people is running out. Time and time again the government has not listened. The government has refused to make the abysmal social and economic conditions of aboriginal people a priority on the national agenda. Unacceptable conditions in a western industrialized country as rich as Canada are allowed to persist.

With the World Summit for Children coming up this weekend, it is appropriate to remind the House of how badly the government has failed Canada's aboriginal children. Aboriginal people are the poorest of the poor in this country. Poor health and early deaths are among the consequences of aboriginal poverty.

Last year the Canadian Institute of Child Health published a report on Canada's children. That report described once again the continuing inequalities between aboriginal and non-aboriginal people. A newborn child in the Canadian population as a whole is expected to live 76 years. A newborn aboriginal child has a life expectancy of 68 years. Infant morality rates among aboriginal people are double the national average. Suicide rates among aboriginal people are many times higher than the national Canadian average.

According to the report of the Child Health Institute, when it comes to the health of aboriginal children we have Third World problems within our society.

The Prime Minister will be co-chairing the World Summit for Children and I suggest that this government and this country cannot be part of the existing and continuing disparities between aboriginal and non-aboriginal Canadians. In addition to any concerted action on aboriginal social and economic issues, the government has steadfastly refused to deal with the fundamental political issues which are at the root of this country's relationship with its aboriginal peoples.

• (1915)

Justice for aboriginal people in the country has been delayed and denied over and over again. Lands claimed by aboriginal people continue to be eliminated even when negotiations are proceeding. Logging and forms of resource development are allowed to continue on lands which aboriginal people have not given up. Throughout the country aboriginal people continue to be harassed in the exercise of their aboriginal hunting and trapping rights in violation of their rights, court decisions, and the Constitution of Canada.

Under this government, post-secondary education was capped and many aboriginal students were denied the opportunity to pursue higher education. Aboriginal constitutional negotiations were terminated by this government. With this history of neglect, the government should not be surprised that the aboriginal people and many other Canadians believe the government has failed them.

In conclusion, the government will continue to fail aboriginal people as long as it insists on its present course. Fundamental change is needed now. Aboriginal people need justice and political action from this government, not platitudes.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I agree with my hon. colleague that there is a long way to go in Canada in the treatment of our Indian and native peoples, but in fact the government is committed to making changes. I think we should put the question into perspective and talk a little bit about some of the advances that have been made over the last 18 years or so.

We are committed to progress in all the areas that the hon. member has mentioned. Some of that progress has been made, and more will be made, through co-operation with the Indian people and the Inuit people themselves. In fact, Mr. Yalden pointed out in his own report that significant improvements have been made over the past several years.

Our government is absolutely committed to strengthening the capacity of Indian peoples to provide their own government and to design systems that will be flexible to serve the needs of the communities that we are dealing with—programs that are really designed to meet the individual needs of the Indian and Inuit people who are involved, rather than quite as bureaucratic as has been perhaps in the past.

Steady progress has been achieved in transferring control of program expenditures to Indians over the past 18 years as I have mentioned. For example, in 1971, Indians managed only 20 per cent of the budgets that were set aside for their use. In 1990–1991, Indians will manage over 72 per cent of these budgets and that counts for over $1 billion in their hands for the delivery of services to Indian and Inuit peoples across the country.

Substantial progress is also being made in other areas. For example, in education, only 53 band-operated schools existed in 1975, but some five times more than that number, 280, existed last year in 1989. Enrolment in post-secondary education in 1989 had increased over 35 per cent from 1985. Contrary to interpretations that were put upon this in the report, post-secondary education budgets were actually increased very significantly to $149 million.

In the area of child welfare, there is no question that there is a need for improvement and that has been recognized. Therefore, in co-operation with Indian leadership, the federal government has entered into arrangements whereby Indian-operated child welfare agencies provide child and family services for many Indian communities. These are agencies operated by the people themselves.

Economic self-sufficiency for aboriginal people is also a priority. It is a priority for the government. This is evidenced by the establishment of the Canadian Aboriginal Economic Development Strategy, or CAEDS as it is more commonly known. This strategy is a very positive initiative aimed at helping Indian and Inuit people to build their own economic structure.

In collaboration with Indian people, changes to the Indian Act are being considered. Through the lands, revenues and trust review, there is collaboration that will bring about changes that will recognize Indian authority over their own lands and money and the governance of these.

• (1920)

Another priority is the development of community-based self-government. The objectives of this initiative are to enhance community control and decision making and to recognize all those diverse needs and traditions that are there. Currently eight projects involving 30 bands are in negotiations. Fifteen projects involving 29 bands are working more closely toward framework agreements and over 100 bands are at the initial state of defining what community development and government means to them.

I know there is a long way to go on the issues that the hon. member mentioned, but the government is committed to achieving those goals and with co-operation and collaboration we will do so.

POST-SECONDARY EDUCATION

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, education, in all its aspects is, and should be, a right of all Canadians. Post-secondary education is increasingly a necessity in today's fast-paced and ever-changing world. Because of this, it is essential to the welfare of Canadians and Canada to ensure that Canadians from all backgrounds are given the opportunity to attend a post-secondary education institution if they have the ability to do so and if they wish to do so. This, unfortunately, is not the case.

As Canada is a mosaic of different people from different backgrounds and cultures, so must be our education system. More must be done to include those with lower incomes, women, native peoples, visible minorities, and Francophones outside of Quebec. Not only are these groups presently under-represented in our post-secondary education institutions, but they are also hurt the most when government funding is cut and tuition fees increase.

Although advances have been made in the past 25 years, the great majority of potential students in Canada still do not attend a post-secondary education institution. Research shows that a disproportionate number of university students have an upper or upper-middle class socioeconomic background. Much potential talent remains under-developed in other socioeconomic groups. Higher fees, along with rising living expenses and cuts in aid programs, all lead to higher debt loads which further hinder accessibility if the student does, in fact, decide to attend a post-secondary education institution.

Education involves personal and intellectual development. It gives students a base of skills, as well as cultivating the ability to adapt, innovate and make responsible judgments. In doing so, not only does the student benefit, but society does as well. Individuals return benefits to society by becoming active, working participants in their community. The growing assumption is that for a person to contribute in society, one must have some form of post-secondary education. Without it, Canadians fear they will be left behind.

Although the investment made by the federal government must be considerable, so will be its future return. By making post-secondary education more accessible, more students are given the opportunity to contribute to society upon receiving their qualifications. A post-secondary degree opens the door to better, higher-paying jobs and opportunities. In the long run, support in keeping post-secondary education accessible through lower fees and increased funding, contributes greatly to the economy.

With federal support, education can be an equal base for all students, allowing them to advance according to personal achievement. With decreasing federal support and with fee increases, fewer students will be able to attend a post-secondary education institution. We cannot allow policies that will create a student body composed almost exclusively of those who calculate education simply as an investment in their own future or who can be comfortable with astronomical debts, equivalent to years of employment earnings.

In the past, higher levels of schooling were seen as a factor in economic growth and democracization of the system was seen as a necessary condition for greater social and political equality. Both the federal and provincial governments called education a top priority. The general public rallied to that idea and we saw an increased demand for higher education and an increased demand for extensive financial support from governments. Even today, 88 per cent of Canadians do not want the cuts to post-secondary education that the government has proposed in Bill C-69.

The objectives became to expand and diversify institutions and to encourage individuals to pursue higher education while providing financial assistance to those most in need. To meet the goals, a number of policies were implemented. The number of available places in universities were increased. New universities were founded and the non-university, post-secondary education sector became an important alternative to university studies and a complete network of community colleges and CEGEPs were established.

In the seventies, both levels of government also established student aid programs and post-secondary institutions did their part. More flexible admission policies were implemented, short-term and night courses were developed, and satellite campuses and distance education facilities were set up.

As the seventies gave way to the eighties, funding for post-secondary education gave way to financial retrenchment and constraint. A profile of post-secondary students completed in 1987 revealed that their earlier gains were wiped away and areas that needed improvement never received it.

• (1925)

We had an over-representation of richer Canadians, and an under-representation of those groups who had previously been under-represented: native peoples, women, visible minorities and so on. It also found that students from more modest backgrounds chose a community college education as opposed to university education more often than those in the higher income level.

More people look to education as an alternative as labour markets became more difficult. Many attended post-secondary education institutions for the first time.

Student fees began to be pushed upwards. In the eighties, the percentage of university budgets derived from student fees edged up from 10.6 per cent to 14.5 per cent. Including other costs, students are now responsible for carrying over 25 per cent of university costs. Some call for the deregulation of fees and the privatization of the post-secondary education system. But to do so would ignore the federal responsibility to our children and their future, as well as the future of Canada.

The federal government has an obligation to provide for the national interest and the common good of Canada. This is too great a responsibility to be left solely to the provinces because the long and short-term consequences affect the nation as a whole.

The standard of education throughout Canada must be guaranteed, and it is a shame that this government is perfectly content to cut money to the have not provinces as well as to the have provinces. This decision is leading to a two-tier if not more tiered system, a system which will enable the wealthy to have a better system of education than the less wealthy.

This government is not dealing with the education crisis. It is covering up the problem, presumably hoping it will go away. It is doing this without treating the in-depth problem and is disregarding the damage done to Canada's national and cultural consciousness as well as the economic stability of future generations of Canadians.

The government can and must do more. Canadians need and deserve better support for their post-secondary education system. Without it, the future of Canada is at stake. It is time that the government realized that words alone do not solve the problem. Action must speak louder than words.

Mr. Dave Worthy (Parliamentary Secretary to Minister of State (Privatization and Regulatory Affairs) and Minister of State (Finance)): Mr. Speaker, the hon. member for Saskatoon—Clark's Crossing makes a number of points that I cannot help but agree with, because he is talking about the people who are the future of Canada.

Of course we all realize that not only those who are attending post-secondary schools in 1990, 1991 or 1992 but for the decades to come will continue to represent the true future of our country.

If we are really going to be looking after their future and the future of this country properly, we have to recognize that the biggest problem we are facing in Canada is the annual deficit.

I am proud to say that this government has addressed expenditures. It has tried to maintain restraint programs more than any other government in Canada in history.

When we first came to office, the federal government was spending $16 billion more on programs than it was collecting in revenues. Today our program spending is $9 billion less than revenues. This is a $25 billion a year turnaround in the stretch of a five-year restraint program.

Seventy per cent of this progress has resulted from expenditure restraint. To achieve that progress, we have reduced program spending as a share of the economy to the lowest level in almost 20 years.

Significant progress has been made in reducing the deficit problem that this government inherited. However, more needs to be done because of the huge deficits built up before 1984.

Federal transfers to the provinces are simply too large for us to ignore. Our transfers to the provinces have been increasing over the last five years at 6.5 per cent annually. Our expenditures have been increasing at only 3.6 per cent. Cash transfers alone to the provinces represent 24 per cent of all of our program spending.

Therefore, in this budget the proposal is to hold the per capita transfers for the next two fiscal years. These transfers have not been cut, they have been capped. It is part of a responsible government's job to ensure that there is a strong, healthy future for young Canadians.

[*Translation*]

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 11 a.m, pursuant to Standing Order 24(1).

The House adjourned at 7.31 p.m.

HOUSE OF COMMONS

Tuesday, September 25, 1990

The House met at 11 a.m.

Prayers

[*English*]

HOUSE OF COMMONS

PUBLICATION OF *HANSARD*

Mr. Speaker: I wonder if I could have the attention of the House for a moment.

I wish to inform the House that *Hansard* is late today. It is expected by approximately 12.30 this afternoon.

[*Translation*]

This is due to production delays and technical problems.

[*English*]

However, a limited number of preliminary copies will be available at the table shortly. I apologize to the House for this. Every effort is being made to redress the difficulties as quickly as possible.

* * *

[*Translation*]

VACANCY

ELECTORAL DISTRICT OF BEAUSÉJOUR

Mr. Speaker: It is my duty to inform the House that I have addressed my warrant to the Chief Electoral Officer for the issue of a new writ of election for the electoral district of Beauséjour, following the resignation yesterday of Mr. Fernand Robichaud, the member for that district.

[*English*]

PETITIONS

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is an honour for me this morning to present a petition pursuant to Standing Order 36 on behalf of a number of residents of Kamloops, British Columbia.

The petitioners point out their ongoing concern with the government's intention to impose the goods and services tax on the people of Canada, and are calling upon the Liberals in the Senate, not only to plan to vote against it but, if necessary, to filibuster this legislation to ensure that this horrid tax never becomes a reality in Canada.

BILL C-21

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I rise in accordance with Standing Order 36 to present a petition on behalf of 65 of my constituents in the riding of Port de Grave, Harbour Grace, and Trinity—Bay de Verde.

These people are terribly concerned about Bill C-21. They are concerned that the unemployment insurance program which the government plans to get out of when this particular bill is passed will hurt them because of the high rate of unemployment and the scarcity of jobs. They humbly pray and call upon Parliament to reject these cuts in the unemployment insurance system and to come up with a more meaningful program.

GOODS AND SERVICES TAX

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, pursuant to Standing Order 36, I would like to place before the House a petition signed by my constituents in Broadview—Greenwood in Toronto as well as other areas.

The government promised comprehensive tax reform. These constituents humbly ask that the GST be scrapped, and that the government go back to the drawing board and review the single tax which more than

meets the Mulroney–Wilson challenge as a constructive alternative.

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, pursuant to Standing Order 36 I rise today with petitions from members of my constituency of Mission—Coquitlam, as well as from people in Langley and the lower mainland who oppose the goods and services tax that this government is planning, or has introduced and passed and is planning to impose on Canadians. The government is planning to impose it on Canadians and they are opposing it on the basis that it is an unfair form of taxation because of its lack of regard for a taxpayer's ability to pay.

• (1110)

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, I rise today to present a couple of petitions. The first is a petition from a number of residents of my riding of Moose Jaw—Lake Centre who are opposed to the GST. They call on this government to reform the taxation system so that there is an effective minimum tax on wealthy individuals and corporations and to ensure that if and when there is a broad public consensus on sales tax measures to replace the manufacturers' sales tax. The petitioners say this is not an opportunity for the government to impose a massive tax through the GST.

CANADIAN WHEAT BOARD

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, I also have a petition presented by a number of farmers from the province of Saskatchewan. It calls upon this government to amend immediately the Canadian Wheat Board Act to place oats under the jurisdiction of the Canadian Wheat Board. This would give oats and barley the same protection that wheat presently enjoys under the that act.

GOODS AND SERVICES TAX

Mr. Rex Crawford (Kent): Madam Speaker, pursuant to Standing Order 36 it is my honour and pleasure to stand in the House and present two petitions on behalf of the constituents in my riding of Kent. The imposition of the GST will create an onerous burden on small business.

On behalf of Canadians I strongly oppose this new goods and services tax which is an unprecedented tax grab from the pockets of Canadians and will hit them not only with higher taxes but with higher inflation, higher interest rates, and higher unemployment.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, if Question No. 319 could be made an Order for Return, the return would be tabled immediately.

[*Translation*]

Madam Deputy Speaker: Is it the pleasure of the House that question No. 319 be deemed to have been made an order for return?

Some hon. members: Agreed.

[*Text*]

NEW HORIZONS

Question No. 319—**Mr. Robinson:**

In (a) 1984 (b) 1985 (c) 1986 (d) 1987 (e) 1988 (f) 1989 (g) 1990 to date, has money been given for New Horizons programs in British Columbia and, if so (a) what amount (b) has any been given to the riding of Burnaby—Kingsway and, if so (i) what amount (ii) to which organizations and, in each case, what amount?

[*Editor's Note: See Sessional Paper No. 342–9–319.*]

* * *

[*English*]

STARRED QUESTION

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, would you be so kind as to call Starred Question No. 332. Due to the length of the response I ask that it be made an Order for Return and this return would be tabled immediately.

Madam Deputy Speaker: Is it the pleasure of the House that Question No. 332 be deemed to have been made an Order for Return?

Some hon. members: Agreed.

[*Text*]

ACCESSIBLE VEHICLE ACQUISITION PROGRAM

Question No. 332—**Mr. Arseneault:**

Since 1984, have there been any Capital Funding grants under the Accessible Vehicle Acquisition Program and, if so (a) what are the names of the recipients (b) what federal ridings were the recipients

located in (c) what were the names of the Members in whose constituencies these grants were made?

[*Editor's note: See Sessional Paper No. 342–Q–332.*]

[*English*]

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

INDIAN AFFAIRS

SITUATION AT OKA AND CHÂTEAUGUAY

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development) moved:

That this House commends the exemplary conduct of the men and women of the Canadian Forces at Oka and Châteauguay;

That, in the opinion of this House, the laws of Canada must apply on all Canadian territory, including Kahnawake, and that all persons currently at the Kanesatake Treatment Centre should lay down their arms and submit to the processes of Canada's judicial system, thereby encouraging the creation of a constructive climate for discussions between governments and the Mohawk people on land claims and other issues; and

That upon adoption of this motion, the said motion shall be deemed referred to the Standing Committee on Justice and Solicitor General.

He said: Madam Speaker, I rise to debate this motion regarding a most serious matter of particular concern to Canada's native people, but indeed to all Canadians, a motion dealing with an issue which strikes at the roots of what we believe we are as a country. It is a belief in justice and in an earnest endeavour to seek and find an honourable resolution of longstanding native grievances.

It is a belief shared by Indian leaders across Canada. For example, Phil Fontaine, leader of the Assembly of Manitoba Chiefs said on August 26 of this year: "To improve our lives, the lives of our people, we, in turn, improve this country."

On September 13, one of the chiefs of the Federation of Saskatchewan Indian Nations with whom we have worked so closely on treaty issues in Saskatchewan said: "If ever there was a light at the end of the tunnel where we all have a keen desire for wanting to succeed, the time is now."

These statements come from Indian leaders with whom I have met on many occasions over the past several months. They wish, as do I and the government, to make that light brighter so that under their guidance we can begin in a substantive and committed way to make necessary changes in policy and process and long overdue improvements and resolution of native issues.

We must all be more sensitive and more conversant with the perspective of aboriginal leaders who want actions so that their children and successive generations can live in dignity, with honour and respect. That is what we wish for all Canadians. I sincerely believe that I can play a constructive role in the process to bring this about. The time to begin is indeed now.

We are all aware of the good that can come from working co–operatively through consensus in a spirit of openness and honesty. We are all aware that this project of historic significance has been made increasingly difficult by the events of the last several weeks but also has now made these matters a major imperative for Canada.

The events at Kanesatake and Kahnawake pose a threat to achieving our reasonable goals and objectives. This debate is not about the existence of legitimate longstanding aspirations of native people in this country. This debate is not about the vast majority of native people who are law abiding in pursuing their aspirations in a peaceful way. What this debate is about is the fundamental respect which all Canadians must hold for the rule of law, the threat posed to society by those who reject it, and the efforts of those that seek to uphold it.

The motion states:

That this House commends the exemplary conduct of the men and women of the Canadian forces at Oka and Châteauguay; and

That, in the opinion of this House, the laws of Canada must apply on all Canadian territory, including Kahnawake, and that all persons currently at the Kanesatake Treatment Centre should lay down their arms and submit to the processes of Canada's judicial system, thereby encouraging the creation of a constructive climate for discussions between governments and the Mohawk people on land claims and other issues; and

That upon adoption of this motion, the said motion shall be deemed referred to the Standing Committee on Justice and the Solicitor General.

There are several issues relating to this motion that I want to present and review in the House today.

I want to begin with the role and conduct of the Canadian forces, a role which is now coming to an end. I want also to review the land issue at Oka and our efforts to resolve it. I wish to discuss the rule of law and its fair application throughout Canada. There can be no sovereign enclaves within Canada where the laws of Canada do not apply. I want to discuss the laying down of arms by the warriors as the only means to resolve this situation at Oka peacefully and honourably. This will enable our system of justice, the fairest in the world, to take its course and to ensure that the innocent are not in any way penalized and those guilty of crimes meet the proper remedies under the law.

• (1120)

I want to state that once this occurs, we will immediately begin full discussion on the land issues and aspirations of the Mohawk people at Kanesatake.

In concluding my remarks, I will touch on the broader issues facing Canada's native people and the government's commitment to working towards a solution of their grievances. There will be much fuller debates on these downstream questions in the days and months ahead.

Returning to the motion for today, given the situation at Oka and Chateauguay and the level of tension that has existed over many weeks, the first clause of this motion intends to recognize and commend the exemplary actions of the Canadian forces since they were requisitioned by the Government of Quebec. The nature of this requisition has to be well understood by all Canadians.

The Chief of Defence Staff responded to a requisition from the Attorney General of Quebec on August 8. As required by the assistance to civil authorities provision under Part XI of that National Defence Act, General John de Chastelain implemented a plan which sought to remove the barricades and resolve a continuing disturbance peacefully. That was the undertaking of General John de Chastelain on August 8, and he has led that action without bloodshed.

The forces personnel assigned the responsibility of following the order have carried out that order in a planned, logical, and prudent manner. Throughout their mission, they have attempted to bring about a peaceful resolution to this situation.

In the case of Chateauguay, or Kahnawake as it is known to the Mohawk people, the removal of the blockades leading to the Mercier Bridge had to be an immediate priority. The tension in the community on both sides arising from the blockage of a main commuter artery into the city of Montreal required the Armed Forces to undertake a peacefully negotiated joint removal of the barricades. I think all Canadians were proud on that day to see the soldiers assisted by unmasked Mohawk people taking down those barricades.

All the Canadians saw the skill of military officers in achieving the important first step in restoring the rule of law to Chateauguay. This includes supporting the Sûreté du Québec in the investigation into the possession of illegal weapons and their which has been graphically demonstrated and counted by all Canadians by way of television.

At Oka, we witnessed the implementation of a detailed military plan which secured, over one weekend, the peaceful dismantling of the barricades blocking several roadways in the Oka vicinity. If it were not for the intransigence of a small group who have thus far refused to accept the rule of law, the mission of the Canadian forces would have been completed several weeks ago.

As the lines between the two groups narrowed, we saw soldiers come face to face with masked, heavily armed warriors. On behalf of all members and all Canadians, I want to commend in this House those brave young people of the Canadian forces who stood firm and resolute, at the risk of death, and in the face of verbal abuse and violent threats.

[*Translation*]

Their courage, dedication, and commitment to act with minimum force to fulfil their mission was an example of the effectiveness of their training and the quality of their commanding officers.

As the motion states "This House commends the exemplary conduct of the men and women of the Canadian Forces at Oka and Châteauguay" in these trying circumstances.

Madam Speaker, all members should commend these men and women who have acted with honour and distinction throughout this tense standoff.

[*English*]

The removal of barricades is not sufficient. What is needed now is a return to normalcy and peace and to a process for the resolution of differences around a table of goodwill and understanding. A table where these matters can be negotiated.

However, the role of the Canadian forces is coming to an end. More and more the situation remaining at the treatment centre will become a provincial policing operation. Support will still be provided as investigations are undertaken and until normalcy is restored to the community of Oka, so that the residents—the children who must return to school, the neighbours, native and non-native alike—who must live together and the wounds that must be healed may be done so with the security of knowing that there no longer is a militant group of armed warriors in their community. The role, therefore, of the Canadian forces has been to restore the rule of law.

The situation at Oka started out as a dispute over land owned by the municipality and claimed by the Mohawks at Kanesatake. Suddenly, however, it became a dispute over sovereignty, self-government and immunity from the laws by which all Canadians must live together. The vehicle to address these issues is earnest and reasoned dialogue and not military assault weapons and masked warriors.

The rule in law must be applied equally and fairly to all Canadians and all people within the borders of Canada who may choose to visit here. This is the oath I swore when I took my place in the House—to uphold the rule of law. This is the obligation of all of us in the Chamber today share—to uphold the laws of Canada.

The issues of land and self-government have been and will continue to be examined and addressed carefully by the government in the fora appropriate for such matters. I firmly and strongly believe that no one in the country, except a peace officer, should take up a gun or threaten violence in order to get their way. In fact, no one should take up a gun or threaten violence to get their way. I know all Canadians believe this and I assume all hon. members also agree that an exchange of words is infinitely preferred to an exchange of bullets.

We have witnessed many tragedies this summer, not the least of which was the tragic death of Corporal Marcel Lemay. I know all members of the House will join me in expressing our sorrow and heartfelt sympathies to his widow and family.

We must also feel great sympathy for all people, Mohawk and non-Mohawk people, alike who will bear the wounds and ultimately the scars of these tragic events.

We have seen incidents of racism and intolerance which in this country, my country, our country, are deplorable and unacceptable. We have seen the stoning of men and women; people being pushed and shoved by those who cannot control their hatred—hatred driven by an element in their community hiding behind masks and armed with illegal weapons, hatred that none of us can be proud of. All of us should be ashamed of the conduct of natives and non-natives alike who may have engaged in these acts of hostility toward one another. It has saddened me greatly, Madam Speaker, as it saddens all Canadians.

Throughout the summer Canadians have wondered just how did a tragic circumstance come to be. I want to point out that the Government of Canada through my department had been working diligently on the land question at Oka for some time. Despite court rulings and decisions of previous governments and a decision of confirmation again in 1987 that a specific claim by the Mohawk people at Oka could not be received for negotiation, our government attempted to help the people at Kanesatake to achieve a land base and develop a recognized community.

• (1130)

It was the present Minister of National Defence who initiated a process which led to negotiations and it was the present Solicitor General who appointed a mediator in August 1989 in an attempt to resolve and rectify the land dispute between the municipality of Oka and the Mohawks of Kanesatake. That process commenced over a year ago and the parties endorsed a framework agreement in September 1989 which would have ensured that the land would be preserved for the use and benefit of the Mohawk people at Kanesatake.

This agreement was to have been ratified by the community by March 1990, but the community was not asked or allowed to vote on the agreement. Instead, the Mohawks chose a new chief who declared an indefinite suspension of negotiations in early March of this year.

The municipality then decided to push plans ahead for developing a golf course expansion on land which they owned by way of an option. This caused the Mohawk people and warriors in particular to put up a barricade on Route 344 around March 12 of this year. The municipality therefore,sought an injunction from the Quebec Superior Court to have the barricades removed.

During May and June I met separately with Minister John Ciaccia of Quebec and representatives of the municipality of Oka, the parish of Oka, the Band Council of Kanesatake and the Longhouse Group in an attempt to bring the parties back to the table. In May I undertook to pursue the negotiation and purchase of the lands which were the subject of the disagreement. At my meeting with leaders of the Mohawk and surrounding villages and communities in late June, I asked that the Mohawk people put their concerns and propose solutions in writing for an improvement in the process, a letter which I never received.

On June 28 I wrote to Chief George Martin, the Grand Chief of the Mohawk community at Kanesatake, and to Mayor Jean Ouellet, asking them to put their differences aside to reduce the tensions between their communities and, whatever the outcome of the injunction request, to return to the table with our federal negotiator and work toward finding a peaceful solution.

That was two weeks before the tragic morning of July 11. On that morning, acting under a court injunction granted by the courts in Quebec, the Sûreté du Québec moved in to remove the barricades. Gunfire ensued, resulting in the most tragic death of Corporal Lemay. From that moment on, the issue was no longer one of land. It became one of security and policing which is clearly the jurisdiction of the province, in this case Quebec, as stipulated by the Constitution of Canada, which we all respect and uphold in this House.

Nevertheless, I worked diligently throughout this dispute, having instant contact that very day with the Quebec minister, John Ciaccia, numerous meetings and telephone conversations virtually daily with Minister Ciaccia, Sam Elkas, the minister responsible for public security, and through discussions directly with the premier's office in Quebec. This constant contact included undertakings with respect to the federal willingness to continue the process of resolving the land issue and clear commitments to acquire and purchase the lands in question at Oka in order that we might all find a way to resolve this issue peacefully. Throughout this situation, the federal government has been reasonable, prudent and extremely vigilant to ensure that the interests of the Mohawk people at the community of Kanesatake and at Kahnawake, where a sympathy blockade had been erected on the Mercier Bridge, were fully taken into consideration by the federal government.

On July 27, I announced that my department had taken steps to acquire some 30 acres of the land at Oka and had entered into discussion with the town of Oka for the purchase of additional lands. This was consistent with what we had been trying to accomplish for several years and we had received the willing co–operation of the village of Oka in negotiating an agreement for the purchase of that land.

On August 8, the municipality accepted an agreement by which the ownership of 67 acres of land was transferred to the federal government, within 10 days after the removal of barricades and a return to normalcy. Prior to that, we also secured and purchased the lands owned by a M. Rousseau and his family, which are adjacent to the park held under option by the village of Oka. The transaction with the village of Oka was concluded and finalized on September 14 and we do indeed hold full title to those lands and they will be an important element of the solution to the land issue at Oka, once the weapons are laid down. I point this out because it demonstrates the steps that the federal government has taken, not only since July 11 but for several months and years, to ensure that the threat of adverse land development in the vicinity of the Mohawk community at Kanesatake be removed. Therefore, the resolution of the immediate land issue at Oka is a fulfilment of our offers and intentions stated well before July 11 and had been confirmed, in writing, on a number of occasions since July 11.

It is now time for the warriors to put down their arms. Throughout the process I maintained that the Government of Canada was committed to a very important principle. That principle is simply this, that we will not, and no Government of Canada ever will contemplate, I am sure, negotiating sensitive land issues where many people's interests are involved at the point of a gun. To do so would be to yield our constitutional responsibilities to the forces of tyranny. What remains at Oka, at Kahnawake, and in Akwesasne, are situations where groups of heavily armed men from various parts of Canada and the United States are undertaking activities which no law-abiding Canadian can tolerate, smuggling of illegal contraband, illegal gambling and possession of illegal weapons. When the laws of Canada are broken, then those responsible, whether native or non-native must be brought to justice and that is the fundamental principle that we are debating here today. The rule of law is based on a set of commonly agreed upon moral precepts, some of which are ancient and others which are more modern. If we do not uphold the fundamental principles of the rule of law, we endanger the rights of every Canadian and we threaten the very order and security which we seek to maintain on behalf of all Canadians, our children, native and non-native alike, in a democratic society. Without fundamental respect for the rule of law, there can be no justice for anyone in this country.

The efforts of this government at all times have been to ensure that safety and security is restored at Kanesatake and Kahnawake. It is not possible, legally or constitutionally, to exempt or exclude any community from this rule. To do so would be to encourage the creation of warrior enclaves where illegitimate and illegal businesses could be conducted. As we have seen at Akwesasne, that is something no one, particularly members of this House, should encourage because of the tragedy and virtual civil war which broke out in Akwesasne at the hands of the same warrior element I might add, only a short while ago during the month of May. To bend to warrior demands on their negotiation proposals in this area is unacceptable. Armed violence such as what we have seen recently cannot be condoned. We must all seek to have normalcy established and the rule of law respected.

• (1140)

I have met a number of times during the eight or nine months of my ministry with native leadership from across Canada, but particularly with the legitimate Mohawk leadership of Kanesatake. In fact, I have been visited by community leaders from Kanesatake, Kahnawake and Akwesasne who have all decried the lack of democracy in their communities, the taking over, the taking hostage of their communities by this warrior element and who have expressed their wish for a resolution of the land issue and the continuation of co-operation and respect between their communities and the surrounding non-native communities.

The ongoing holdout of the warriors at the treatment centre and the events prior to it have undermined that mutual respect between native and non-native people in the vicinity of Oka and Kahnawake and we must all work very hard in the months ahead to rebuild that trust and mutual confidence.

The message for the warriors is you're hurting your own people. They want justice. They want safety and security. They want democracy where they can have a say in the land and future needs of their communities after the weapons are laid down.

So respect between native and non-native Canadians has been seriously undermined these past several weeks by a contingent of armed people who have their own base interests at heart, I believe, and who have sought and continue to seek the imposition of their armed will on other members of their own society and all Canadians. In doing so, they have resorted to acts which no law-abiding Canadian can condone.

This motion, therefore, links the resolution of the situation at the Oka Treatment Centre to important discussions between governments and Mohawk people on land claims and other issues. We cannot move on to that important discussion of these broader issues until the guns are laid down and peace and normalcy is returned to those communities.

As I have stated previously, and state once more for emphasis, the warriors have to accept the rule of law and we will deal honourably, fairly and generously with the needs of the Mohawk people and all other aboriginal

people, but not through a process of confrontation and the threat of military style activity to achieve these ends.

That is the position of the Government of Canada and it should be the position of all members of this House. That is why this motion deserves the respect and support of all hon. members. The question we must all ask ourselves is: Can we allow any group in Canadian society to take up arms and to proclaim sovereign enclaves where they would be immune from the laws of Canada which apply to us all? Our answer and the answer of all Canadians, certainly those I have heard from this past many weeks, is a strong and forceful no.

The government recognizes the concerns of the Mohawk people at Kanesatake. They have had, until the illegal actions of the warriors, good relations with the rest of the community despite many long, outstanding concerns about land. This issue will now enable us, with the laying down of arms, to settle those issues about land. The government's commitment is to begin this full discussion immediately and the judicial processes, at the same time, must apply to the warriors who are presently still remaining within the treatment centre.

A federal negotiator was appointed in the month of August to conduct the negotiations. He stands ready to start those discussions, immediately the guns are laid down, but the ongoing standoff is preventing that work from commencing. Discussions cannot take place as long as armed warriors seek to dictate their will by the use of force or threat of violence.

Clearly the ends, no matter how honourable, do not justify the means being used. Armed threats will not and will never be condoned as long as this government holds office.

In this stand we are not alone, as the following statements by aboriginal leaders in recent weeks would attest. Recently Elijah Harper was quoted in *The Toronto Star* as saying: "Everybody supports non-violence, and there has been public support for that. It is essential that the Canadian people support non-violence".

Manitoba's Chief Phil Fontaine of the Assembly of Manitoba Chiefs said on August 26: "We don't condone violence of any sort, by any group. Our preferred option, our preferred approach is to negotiate and that is in keeping with our traditions and the teachings of our elders".

Notably, after a full week of discussions in camera with Canada's national aboriginal chiefs, the head of the Assembly of First Nations emerged and stated on September 15: "Anyone who picks up a gun in this country and is involved in a political cause, is threatening his cause".

Tom Porter, Chief of the Mohawk Nation Council at Akwesasne, which has seen such tragedy in recent months, said on August 20: "I don't condone carrying a gun at any time. We follow the ancient principles of honesty, truth and kindness because that is the real Indian way".

Negotiation, not violence nor the threat of violence, is the way to resolve problems. The Government of Canada believes, as do these native leaders and many others with whom I have spoken, that problems must be settled peacefully and democratically.

One prominent aboriginal leader said to me last week in the north of Canada: "Anyone who takes up an arm against a government of Canada is taking up arms against all the people of Canada".

There are the broader matters of native land claims, specific claims, treaty rights, and the essential economic and social progress which we all want to assist native communities in achieving. The resolution of these issues will take time. They have, however, taken too much time already, and the system of 120 years' duration, at least since Confederation, has not worked for Canada's aboriginal peoples. A system of dependency, supported by government members opposite for decades through this century has been changed in significant ways and must undergo even more major changes in the years ahead, because this government cares and wants to work with and to assist aboriginal people, but only in accordance with their wishes and in accordance with their guidance and advice on the achievement of their just aspirations within Canada.

The government has an agenda which has been in preparation for several months now. It has involved native leaders and will continue to involve native leaders as proposals are transformed into policies. Their perspectives, ideas and wisdom is a necessary and welcome input.

Over the past eight months as minister I have tried to meet as often as possible with native leaders across Canada, whether in small groups or in large summits. I have heard the voices of discontent and mistrust, as have many members. I have sensed the frustration and the anger. I have heard the earnest and sincere call from chiefs, councillors, and elders for changes in the policies and actions of government in the way we deal with claims, in the way we failed to live up to treaty obligations, and in the way we deal with the social and community needs of our aboriginal people.

• (1150)

I recognize, as I stated to the Assembly of First Nations two weeks ago, that a lot of native Canadians do not trust ministers. They offered the observation that I was not the first minister they had distrusted. In fact it was sort of the common way of dealing with ministers of Indian affairs. I think it is important that that trust be established. I think it is important that all native people trust this Parliament, trust in the laws and Constitution of Canada, and respect the way in which we ensure that those laws are applied fairly to their advantage, to their benefit and to ensuring the peace and security that they and we all seek in our communities.

The tragic situation at Oka will not dissuade me from my objective of earning that trust and confidence of native leaders. I am sensitive to the gulf that exists between native people and ministers. I am cognizant of the need to build a mutual respect and to establish a mutual confidence, confidence to listen and comprehend the extent and nature of the problems we all share.

I have been assigned a difficult and challenging task, one that seeks to implement with native input and endorsement, a set of initiatives which I hope will build in a substantial way upon a more trusting, generous and honourable relationship between government and native people. To do that, I will need and certainly will appreciate the support of all members in this House.

I have in meetings with leaders of first nations broadened my understanding of the honour and pride of Canada's native people. I have respect for the peaceful way in which native people have approached many of the problems in their communities.

The government can, will and must continue to build in this direction, to build on the progress we have already made, and yet to meet a much greater challenge that remains. We will not penalize the vast majority of peace loving native people by delaying progress on these issues because a small group of extremists are breaking the law to achieve their ends.

We have extremists throughout society and extremism which threatens the order and security of society must be dealt with, but at the same time we have much larger obligations. The people at the treatment centre must realize that their actions are helping to delay the settlement of this issue and they hurt the cause of other native people across Canada.

I encourage all members of this House to stand and vote together to encourage the warriors to lay down their arms and accept the army's offer of custody and the honourable application of our system of justice, which is known around the world for being the most fair and honourable system of justice available to mankind. In doing so they will have acted honourably and accepted that the rule of law applies to all people in Canada.

I hope all members of the House will support this motion because I think it in itself represents the key to breaking the impasse with the remaining few warriors confined to the treatment centre at Oka.

Some hon. members: Hear, hear.

Ms. Ethel Blondin (Western Arctic): Madam Speaker, I would like to start my speech by quoting the words of a great liberal, a great Democrat, John F. Kennedy: "Those who make peaceful resolutions impossible make violent resolution inevitable." That in no way refers to my condoning violence, absolutely not.

I would like to say that I have listened very carefully to the words of the minister. He has inflamed my sense of humanity, my good sense of reason, and has compelled me to be a bit angry because I feel that there have been reasonable suggestions made over the period of the summer, the last of which was last Thursday when there was a proposal put forward which was ignored and which was not negotiated.

I think another proposal was one that I sent forward to the Prime Minister, to the minister himself, and to the premier of Quebec to have an all-party group go into

Kanesatake to speak with the people about a peaceful and an honourable disengagement.

I received a letter from the minister in response to my letter. Just allow me to quote from it. I indicated that the native members of Parliament and senators would be going there to assist in the peaceful disengagement and to encourage that that would occur. The minister responded to me:

> I have to say that I am not persuaded that such action would contribute positively towards the conclusion I presume we all seek—that is, a peaceful disengagement which respects the rule of Canadian law.

It goes on to say:

> The bottom line for the Warriors appears to be an absolute unwillingness to submit to Canadian law and a parallel insistence on the recognition of a Mohawk state. As these demands are unacceptable to Canada a mass visit by Parliamentarians, however well-intended, may only encourage the Warriors to prolong their intransigent disregard for that Constitution you and I are sworn to uphold.

Let me say that I have a legal opinion which says that under the Constitution the minister has a fiduciary obligation to those people and it is as follows:

> 1) aboriginal and treaty rights will survive within the constitutional law no matter how much they have been regulated in the past
>
> 2) aboriginal and treaty rights can no longer be extinguished by federal or provincial legislation
>
> 3) the only possible ways now to extinguish aboriginal and treaty rights would be by constitutional amendment and, perhaps, by aboriginal consent
>
> 4) the federal government is the fiduciary for all aboriginal peoples—

As that I think he should have accepted my invitation. I think that we could have appealed in a humane sort of way to this group of individuals who are also human beings. It continues:

> 5) as fiduciary, the federal government must consult with the aboriginal peoples before regulating their rights in any way and can only regulate those rights in a manner that places aboriginal interests first above the interests of any other sector of Canada (but can place conservation of mother earth even higher as this benefits aboriginal people)
>
> 6) violation of the fiduciary obligation will be controlled by the courts through damage awards and declaring laws inapplicable to aboriginal people
>
> 7) the federal government must change its ways of developing policies and laws so that aboriginal people are involved and consent to these new policies or laws.

The conclusion of a legal advisor by the name Brad Morse who is professor of law at the University of Ottawa and legal advisor to the Native Council of Canada and other aboriginal first nations reads:

> I would conclude from this that the federal government's demand for extinguishment of aboriginal and treaty rights is a violation of this fiduciary obligation itself and must be stopped.

What has happened is that the minister has indicated to us this morning that when a group is armed he will not negotiate with them. I am telling you, Madam Speaker, that my people, the Dene–Métis, are not armed. These people are not armed and they want to negotiate in good faith a comprehensive land claims that will not force them to extinguish their rights, but this government will not allow that. It will not renew an outdated claims policy. This is divisive. This is the way in which this government is dividing the aboriginal community. It is totally unacceptable.

• (1200)

I would like to go from here to dealing with the fiduciary. The government's responsibility is to bring the aboriginal communities together and inspire confidence, not to drive them apart by using one aboriginal person against the other. I told this House yesterday that aboriginal peoples cannot afford to choose between one another, there are not that many of us. We are a community who has to believe in an old-fashioned ideology, that there is strength in unity. This is what Canada should be about. But that is not what is happening.

This country has been driven apart by a government that is bankrupt in policy, in ideology and in vision. We are constitutionally belly-up. It is not just an aboriginal problem, it is an anglophone–francophone, it is an eastern–western, it is an aboriginal–non-aboriginal, it is the rich and the poor. I do not think that is a partisan issue, I think it is a human rights issue.

The people of Canada want to belong to one country. They want to work together, to be one people, proud of the country they come from but that is not what is happening. This country is constitutionally belly-up and we are heading into a recession.

Why would we entertain such an inane motion to commend the exemplary conduct of the men and women in the Armed Forces? These people are pawns being used by the government to circumvent the democratic

process. The wrong process has been engaged in and this is not right. What should have happened?

I have a copy of a speech delivered by the Prime Minister on August 18, I believe, wherein he called this an armed insurrection. If it is an armed insurrection, what the government should have invoked was the Emergency Measures Act, which would have had the House reconvene after seven days. Why would this government, in all good sense, want the sole responsibility for this mess? Why could it have not shared it with the other parties? It is ridiculous, it borders on the sublime.

On September 20 I wrote to the Prime Minister to demand that there be an inquiry. In response the government has given this ridiculous motion. There is no way that I am going to publicly chastise or criticize people that are being used. The National Defence Act is used as a shield to circumvent the parliamentary process. I am not going to be that ridiculous and neither are the other members of this Parliament, Madam Speaker.

Why has the government missed a golden opportunity to address the real issues? Why does it continue to put forward these ridiculous motions which, again, circumvents an opportunity to deal with some of the real issues that need to be dealt with, like the government's fiduciary responsibility. This responsibility should be one of advocacy, not one of adversary. The government should be working for these people, Madam Speaker, in an advocacy manner, not in an adversarial manner. It should be promoting brotherhood, not division.

I must say that the response that I have received on the motion that has been put forward by the government is that it totally avoids the basic issues with which we should be dealing. There are certain moral and legal obligations that should be addressed. I am going to attempt to address some of those, as I have with the fiduciary responsibility of the government as set out in the Constitution.

The government during the Meech Lake debate was very much aligning itself with a larger body of legal opinion on what is right for Canada constitutionally. There are bodies of legal opinion that say, and I have a note here called "The News from Queens." "Queen's legal scholars announce proposal to end Kanesatake stand-off".

Madam Speaker, these 20 lawyers from the Queen's Faculty of Law may not be experts, but they have bothered to come forward with a proposal. I will leave it here so that the minister may have a look at it.

They bring certain matters into question, and I will quote John White, the Dean of Law.

"Canada and the Mohawks are looking for a process which can lead to the laying down of arms and a withdrawal of the military. This inquiry represents a responsible way to avoid further loss of life.

According to the 22 legal academics who signed the letter, the usual criminal process may not suffice in this context. The laws we apply must recognize international law, treaty law and the law of aboriginal rights as well as the ordinary law of criminal procedure."

There have been many concerns about the ensuing investigation that will take place in Kanesatake. Who will be overseeing it? Will it be the Sûreté du Québec? I asked the Solicitor General that question yesterday. In a latter I wrote to him I asked if it was possible to have the RCMP undertake the ensuing investigation. I referred to the fiduciary responsibility of the government. The minister said: "If Quebec so wills and if Quebec agrees, it can be negotiated". But legal advice this morning tells me that the Solicitor General can, in fact, override that because of the federal government's responsibility for aboriginal people under the Constitution. In fact, it can make provisions, make accommodations and can negotiate. At the very least it should negotiate to show that there is an element of co-operation and to build the trust the minister has spoken about.

In my letter of September 20 to the Prime Minister, I indicated that it is critical that there be a parliamentary investigation into the entire situation at Oka and the subsequent events at Kahnawake and Kanesatake. The Canadian public is entitled to know why Parliament was not recalled to deal with what has become a national issue. They want to know why the federal government chose to neglect its responsibilities to those aboriginal people. This is a very fundamental question.

Why will the government not negotiate? Why was the army directed to use 3,000 troops to deal with a dispute over land? Why has the army used force and tear gas on women and children who were not armed? Why has communication been cut off between the aboriginal people under siege at Kanesatake and the Canadian public at large? Why has freedom of press has been denied? Why has a native civil servant been fired from the federal government? How can the government justify the continuous use of intrusion and violence against a group of Canadians who are not being protected equally as other citizens? These questions are endless and the implications of not acquiring the answers through a parliamentary investigation are too monumental if the government is serious about dealing with the problems confronting aboriginal people across the country. Madam Speaker, the questions and the concerns are endless.

On August 11, the Liberal MP for Kenora—Rainy River wrote to the Speaker asking for an emergency debate on the situation pursuant to Standing Order 52(1). It is crucial that a full enquiry be called in order to establish the facts surrounding this national crisis.

I will review the incident that brought this situation to a crisis. Let us look at the cumulative of the decisions in Calder—Gérin—Sioui. Sparrow establishes that the Supreme Court of Canada is willing to be flexible in order to allow the proof of aboriginal claims. It is also willing to interpret those sections of the Constitution dealing with aboriginal peoples in a way which gives meaning to the concept of aboriginal rights. The latter three cases have been affected by Section 35 of the Constitution Act of 1982.

Madam Speaker, clearly the Constitution Act of 1982, Section 35, is worth the paper it is written on, especially in relation to the evolution of the rights of aboriginal people. Section 35 was included in the Constitution during the tenure of Justice Minister Jean Chrétien. Had the Conservative government adjusted its policies and programs to fit these Supreme Court decisions, then the crisis at Oka might have been averted.

• (1210)

Throughout the summer, calls for the Minister of Indian Affairs to become involved in this dispute were met with silence in an attempt to pass off responsibility to the Government of Quebec. This whole procedure of a termination policy and sloughing off the responsibility to another jurisdiction and making aboriginal issues and the fiduciary responsibility for aboriginal peoples a political football simply is not going to work any more.

What we need in this country is fundamental change. We need changes. Any government that is in power is going to need fundamental change. You are going to have to look at the profile of the Minister of Indian and Northern Affairs for instance. Why is it that when a Minister of Indian and Northern Affairs is appointed, it is considered a demotion? It is considered punishment for not having done a good job elsewhere. Why is that? That is ridiculous. That is the perception and if that is the case then it is up to the government to get the message out that this is a high profile position, a position that has inner cabinet support on aboriginal issues, a position that is sensitive to the needs of aboriginal people that is consultative and not confrontational. This is not a ministry that plays a power game, this is one that plays the game of co-operation with the people that it is supposed to serve.

Prior to the army moving to Oka, there were violations of the Charter of Rights and Freedoms. Electricity and telephones were cut off, repair crews were denied entry and the actions of the Quebec police were directed towards the cutting off of food and medicine to the Indian people. Media access was also cut off.

The motion put forward by the Minister of Indian and Northern Affairs is an attempt to mask his incompetence with the competence of the army. That is what it is—avoiding and not dealing with the issues head on. The army has shown restraint and discipline. We recognize that. Why should we talk about it? But the federal government has pushed many aboriginal peoples to the end of their tether, let me tell you. This issue should have been resolved long ago.

I had warned the minister of the burgeoning crisis at Oka and to my knowledge, nothing was done. When human rights abuses took place he did nothing but to condemn various components and factions, not dealing with the issue head on. This is not how you govern. You deal with the issues that are put to you in a crisis yet you do not avoid them.

The army was requested by the Government of Quebec. It was not dispatched by the federal government. This government, this minister and this Prime Minister have sat idly acting as lackeys in refusing to take leadership roles in resolving this crisis. In my mind they have abandoned their constitutional responsibilities. The big question across Canada is, why? People have asked ridiculous questions such as this. Are the aboriginal people being punished for killing Meech Lake? That is a question that is being asked. This is not my question, this is a question that is being asked because there is no trust, no faith and no confidence in this government.

The Liberal Party called for the resumption of Parliament at the outset of this crisis, yet the Prime Minister refused to reconvene Parliament. The Prime Minister speaks glowingly in terms laden with blarney about democratic processes, yet he refused to keep Parliament informed about what was going on. Ironically, he reconvened Parliament when a band of poor, destitute refugees landed on the shores of Canada and he called it a national emergency. He used Parliament to foster racism in Canada. That is how I feel about it.

Now I want to go to the whole issue of human rights. I have an article that was sent to me by Lawanahara, Ross Maracle, a clergyman from the Tyendinaga Reserve in Desoronto. He states:

> However, here "at home", the Canadian Native is an endangered species living in increasingly endangered spaces. On September 20th the news media reported that the Prime Minister warned that "violence gets you nothing except heartache, sadness and loss'.
>
> So, what's new? We have always lived with heartache and sadness. You saw on TV, Desmond Tutu stand in a northern Native village whose shacks were devoid of electricity and running water. Yes, we have always lived on the edge of epidemics, our babies have the highest rate of infant mortality and our children are plagued with diseases caused by open trench sewers. Our life expectancy is much beneath that of other Canadians. We know what death is all about. Our babies die of gastro-enteritis, our children expire inhaling gas fumes, our youth increasingly are taking their lives. So, what's new? WE DON'T NEED TEAR GAS TO WEEP!
>
> You will never gauge the depth of my emotions, when I, as a Mohawk clergyman and Reverend Greg Shisheesh, a Cree, attempted to deliver food to Kanesatake that was purchased with money that came from Elijah Harper's Reserve of Red Sucker Lake, Manitoba.
>
> How can I express my feelings! Seeing the razor wire! The searchlights! The helicopters! Tanks! Machine-guns with bayonets! And now dogs and the towers! In Canada! May this not be the resurrection of the ghosts of Dachau and Auschwitz rising out of an abyss of racial intolerance.

This is what he likens it to. He continues:

> Give us native Martin Luther King's and Desmond Tutu's, who are not afraid to identify with despised people. Who will, as the Good Samaritan, bind up the emotional and spiritual wounds of our people. Where are those that represent the Jesus Christ who would pour in oil and bind up wounds without checking the colour of his skin or asking him his beliefs?

Well, I can say that we, as Canadians, have to remember that there are two races of people only, men and women, and the rest is just colour.

Our attempt has to be to live in peace and harmony, not to divide, not to create policies that divide people. That is totally unacceptable. I can tell you as an aboriginal person and a Canadian parliamentarian, it is my goal to be fair. It is my goal to be more than partisan. It is my goal to be human and to share that humanity with my fellow parliamentarians and Canadians who put me here to represent them.

My goal is to show you when you look at my people and you look into the eyes of my people, you will see something good, something kind, something tolerant, and that you will not see criminals. You will not see the intolerance that has been spoken about, the violence. Because there is goodness there and it is a goodness that is to be shared. We are a people, as one of my elders said, "a people who have no principle and have no belief and no vision, have no future. They are a people doomed for failure". Well, I see the aboriginal people and the people of Canada as more than that.

There have been other concerns. A member of the Canadian Bar Association, Mr. Sam Stevens, wrote an article in a paper called *The National*. The Canadian Bar Association membership has 35,000 members. There is a large legal body of opinion. In his comments he said:

> The new Native Law Section of the Canadian Bar met with the Minister of Indian Affairs in August 1988 to discuss its proposals and urged him to act quickly. The minister did not adopt any of the recommendations. In the midst of the Oka conflict, CBA again forwarded a copy of its report to the Minister.
>
> We, as Canadians, now face circumstances that no longer allow us to ignore or delay the resolution of these many issues, but it has taken an

armed confrontation to force us to begin to deal with the original citizens of this country in a fair and equitable manner.

• (1220)

The Canadian Bar Association in its special report entitled: "Aboriginal Rights in Canada: An Agenda for Action (1989)" made this the central focus of how to resolve aboriginal issues but it also realized there had to be a number of other mechanisms to resolve the hundreds of outstanding claims. Their recommendations are as such: the resumption of the constitutional process; a royal commission to examine, study, and report on treaty issues; a parliamentary inquiry to examine and make recommendations on the plight of the Inuit, Métis, and non-status Indians; and the establishment of a specific claims tribunal and aboriginal rights commission to inquire into aboriginal rights, issues and claims and then to publish reports recommending solutions.

These recommendations are not made by people who scribble out messages on napkins. These are groups of professionals who sit down together, think out, and through consensus come up with an agenda, trying to assist government in taking the right approach.

Mr. Stevens states:

In the end that it will take a very long time before the bitterness at Oka and across the country subsides and aboriginal First Nations, governments and average Canadians can begin to feel good about each other.

What a heavy price to pay for something that could have been completely avoided. The solutions were there, but the commitment to do something about these problems was not there.

Sam Stevens is the Administrator of the Justice of the Peace Program for the Territorial Court in Yellowknife, Northwest Territories.

I will conclude with these comments. This country and this government will go nowhere if there is not fundamental change. We need to endorse a program, an aboriginal agenda, that does a number of things and that gives aboriginal issues within government the highest profile and the role of the minister. We need to look at what happens to the Department of Indian Affairs and Northern Development. To empower people, one accelerates devolution and makes sure that those resources and moneys that are intended for aboriginal peoples do reach the people that they are intended for.

We also must look at taking the right procedures now with this one crisis—this is one crisis, there are many that could occur—and that a parliamentary investigation or inquiry does take place. We must, in fact, entertain the recommendations about a royal commission of inquiry but the government should not use it as a blanket not to take action on current issues.

In dealing with land claims the policies, please, I appeal to the government that it should not be divisive. It is are dividing our people. We need to have our people work together. I represent 15,000 aboriginal people. I cannot have those people divided because of policies that divide them, separate them, and force them to choose between one another.

We also need to look at a legislative commission to deal with land claims and we have to deal with issues of sovereignty. We have to deal with issues of self-determination or self-government and we also specifically have to address the whole issue of the outdated claims policy.

From the day that I was elected, I have pushed successive ministers in committee on this issue of self-government and on the extinguishment clause because I could see that we were heading into trouble with the comprehensive claims. There were the former ministers, Mr. McKnight and Pierre Cadieux, and now we have the current minister.

It has been my goal ultimately to have the claims settled but in doing that there are major considerations for my people. What do they want to lose? What will the exchange be? These are the questions that are determined by the policies that government puts forward.

I say once again to Canada: "You have to realize that the aboriginal people are not the enemy." The aboriginal people are the inhabitants of this land, who have been here for thousands of years and who have carried on tradition.

Winandaga, a great peacemaker who was a Huron by birth and a Mohawk by adoption, said: "Our strength shall be in unity. Our way shall be the way of reason, righteousness and peace." What do you think the white forefathers saw when they came upon a group of people that had government based on peace, that had a group of people who were civilized enough to govern themselves? It must have been a pleasant surprise to extract principles of democracy from them for their own constitution.

It must have been a great treat to have been able to do that.

The aboriginal people have many considerations: constitutional, political, social, educational, and economic—marginalized on most fronts. But this is a problem that is not going to go away. This is a problem that the government is going to have to grasp and say, "We have the political will to make change," or it is not going to change. It is quite obvious that it is not changing.

I say that we are willing to work things out. We want to work together, but we cannot do it ourselves. I am here as a fellow parliamentarian and I am willing to work with the government on this issue.

Mr. Angus: A point of order, Madam Speaker.

Ms. Blondin: Madam Speaker, I was going to move an amendment to the motion.

Madam Deputy Speaker: Does the hon. member have unanimous consent?

Some hon. members: Agreed.

Ms. Blondin: I am sorry about that, Madam Speaker. This is a very emotional debate and one that is very much heartfelt. We felt that the motion put forward was an attempt to entrap us and to avoid. It is unacceptable as it is, so I move, seconded by the Member for Broadview—Greenwood:

> That the motion be amended by deleting all the words after the word "Chateauguay" and replacing them with the following:
>
> "and that this House condemns the complete failure of the government to address and offer solutions to the problems that led to the Armed Forces being deployed; and
>
> That upon adoption of this motion, the said motion be deemed referred to the Standing Committee on Aboriginal Affairs.

The reason we make this reference to the Standing Committee on Aboriginal Affairs is that it would be the most appropriate place. The Solicitor General, as well as the Department of Justice, could be called in for consultation to that committee.

Madam Deputy Speaker: The Chair will reserve at this point on this amendment. We will come back in a few minutes and make sure that this is all in order.

The hon. member for Thunder Bay—Atikokan on a point of order.

Mr. Angus: Madam Speaker, as members will know, on a motion like this the first speakers from the government and from the official opposition have unlimited time. Unfortunately, the Standing Orders did not provide the same opportunity for the Leader of the New Democratic Party. I think that you would find, if you sought unanimous consent, that there is a disposition to allow the hon. member for Yukon to have a few extra minutes to complete the remarks that she is about to make.

Mr. Cooper: Madam Speaker, I can confirm that we, on the government side, are more than happy to co-operate in this gesture.

Mr. Milliken: Madam Speaker, we can confirm that arrangement also. It is also my understanding that there will be the normal time for questions and comments at the conclusion of the speech notwithstanding the unlimited time.

• (1230)

Ms. Audrey McLaughlin (Yukon): Madam Speaker, first of all I would like to offer my congratulations to the member for Western Arctic who made a very impassioned and a very strong speech as an aboriginal member of this House of Commons. I look forward to the other speeches by aboriginal members because I feel that these are the people who can speak, as the member for the Western Arctic has done, from the heart and identify for us the issues.

Having said that, I would like to enter this debate on motion No. 17 which we are debating today, presented by the Minister of Indian Affairs. I would have to say at the outset how utterly disappointing this motion is. It totally fails to deal with the national and international ramifications of the situation that occurred this summer and still occurs at Kanesatake and Kahnawake. It fails to deal with the root of any of the problems that have led to that situation and it is, in my view, simply a cynical attempt, once again, for the government to refuse to accept its responsibility for the actions that were taken.

If the government had accepted its responsibility, it would have called Parliament back, but it failed in accepting that responsibility. The Government of Canada had an obligation, in a situation as serious as this, to call back Parliament and to hear the solutions, the ideas and the debate of all of the members and parties of this House. This government has not only failed on this issue and failed the aboriginal people, it has failed the people of Canada. What we have seen by successive federal governments has led to what I have seen increasingly over the years become, on the part of aboriginal people,

a rebellion of despair because there is nowhere else to turn. I want to say today in speaking to this motion that it is up to us as politicians to turn that rebellion of despair into a revolution of hope. That is our responsibility. That is the responsibility we want to see.

From the beginning of the situation at Kahnawake and Kanesatake it has been characterized by a wish more to save face on the part of the government than to save lives. That should always be the first consideration of any government. This has been much more than a summer of discontent. It has been a summer of anger and contempt. The images that we have seen this summer must surely be branded on the soul of every Canadian and of every Canadian child who watched what their country was becoming. We have seen the images of Canadians fighting other Canadians on Canadian streets. We have seen Canadians stoning other Canadians as they drive by seniors and children. We have seen masked citizens facing off against helmeted and shielded soldiers and police. I suppose the image that struck me the most is something I read the other day by a reporter who was behind the barricades. He said that he was in the treatment centre and a seven-year old child came in. That seven-year old wanted a piece of candy or something and he said to him to go away and he would talk to him later. He described how the seven-year old turned around with a look of tremendous hate in his eyes for this white reporter. It told a thousand tales. Is that the future we will see as a result of this summer? I sincerely hope not.

As politicians, we have a responsibility not just for the events of today but for what is going to happen tomorrow and as we move on into the decade and the year 2000. The minister spoke often in his comments about the rule of law.

We had a situation where the Canadian Armed Forces acted under the Defence Act and came into the situation at Kahnawake and Kanesatake. I ask the government: Let's talk about the rule of law. Why was the Emergencies Act not enforced?

I would suggest to you, Madam Speaker, that the reason that legislation was not used is that this minister, this government and this Prime Minister would have had to stand before this House and explain their actions, because under that law they would be forced to do so.

I quote from the preamble of the act: "In order to ensure safety and security during such an emergency, the Governor in Council should be authorized, subject to the supervision of Parliament, to take temporary measures that may not be appropriate in normal times."

By not utilizing this act, are the Minister of Indian Affairs and Northern Development and the Prime Minister saying to us that these are normal times, that what we saw this summer were normal times? I hope not, and I assure you that I and my party will continue to work very hard to ensure that this is not seen as normal times.

Clearly, these were extraordinary times and required the measures that were provided for in this act.

I underline the term in this act that says: "subject to the supervision of Parliament". The language is perfectly clear.

Instead, the Government of Canada, the Government of Quebec and the Liberal premier of Quebec chose to use Section 281 of the Defence Act.

Finally, we have an opportunity now to debate this issue. This motion certainly does not begin to deal with the issue in any substantial way.

[*Translation*]

And now we are finally here, and if there is anything that illustrates the failure of this government's policies or its lack of policies, it is the fact that the crisis still continues, months after it started. I don't think anyone in this House will disagree with me if I say that this summer was one of the saddest Canada has known. It was a summer of hostility, violence and confrontation, and I believe it has completely changed our concept of Canada.

I was talking recently to a friend who went to Europe this summer. He told me it was the first time in his life that he did not have a feeling of national pride upon returning to his country. For the first time, he wondered whether this country was really more humane, was really a better place to live and bring up children.

[*English*]

Today, Canadians are questioning the very character of our nation, and they are finding some of those answers very disquieting.

The crisis at Kanesatake and Kahnawake has deep roots of injustice which have been buried and therefore are easy for many of us to ignore.

The crisis at Kanesatake and Kahnawake is about justice, as the Minister of Indian Affairs says. It is about fair treatment for aboriginal people. It is about hope and dignity, and it is about fundamental human rights.

The experience of Canada's first nations is the experience of a denial of constitutional recognition and the refusal of governments to live up to past agreements.

I remind the Minister of Indian Affairs and Northern Development that agreements are the rule of law as well. With that agreement, we have a responsibility to our people.

An hon. member: Right on.

Ms. McLaughlin: But agreements have been broken. Promises have been broken. How could we have expected aboriginal people to have faith in the political system when during the Meech Lake debate, the Prime Minister of Canada promised aboriginal people that he would have a package for them that would address their issues. Once the Meech Lake Accord was defeated, no more was said about that package.

If the injustices remained, then, if a package was necessary to address them and two weeks later it was not there, how could people have faith in the political system?

• (1240)

Some hon. members: Hear, hear!

Ms. McLaughlin: Aboriginal people for centuries have had the experience of seeing their resources taken away, their land, water and air polluted without their involvement in any of that and their health and livelihood threatened.

The 1763 Royal Proclamation talked about treaties that endured so long as the sun rises and the river flows. Well, Madam Speaker, I remind the Minister of Indian Affairs that treaties are law and those are laws that should be respected.

About 120 years after the Royal Proclamation, Chief Piapot, of the Cree described the situation as follows, and I quote: "In order to become the sole masters of our land they relegated us to small reservations as big as my hand and made us long promises, as long as my arm. But next year the promises were shorter and got shorter every year until they are the length of my finger".

That is the history of Canadian respect for the law.

[*Translation*]

Listening to the government's eloquent speeches, we must not forget this is the same government that cut back financing for native newspapers by 100 per cent. This government has stifled the voice of our native people.

That same government also cut financing for native broadcasting services. It has undermined the media that help native people preserve their language and culture. That same government also made substantial cuts in funding for organizations that represent native people and it capped funding for native postsecondary education. It is a decision that is hard to understand if we consider the importance of education for the individual, the community and society as a whole.

[*English*]

Finally, Madam Speaker, it is this government along with successive Conservative and Liberal governments and provincial governments that excluded Canada's First Nations from participation in the constitutional reform process. They were shut out just as the territories of the Yukon and Northwest Territories were shut out. Those are areas where indigenous Canadians make up a sizeable percentage of the population.

Consequently, aboriginal concerns and rights were often ignored or put off to some future date.

Elijah Harper and the First Nations movement in Canada said that would not do. Empty promises were not enough. Real commitments were required and that real and immediate action on aboriginal issues had to take place.

I would say that Mr. Harper has also said that aboriginal peoples speak loudest when they speak with the voice of peace and the voice of peace with justice.

I would say that there are probably very few of us in this Chamber, if any, who condone the use of violence. But I also believe that if the rights of Canadian aboriginal people continue to be ignored, our collective rights as a nation will be diminished and our country cannot be whole. It is time to recognize that the future of Canada cannot be separated from the future of Canada's first peoples.

Some hon. members: Hear, hear!

Ms. McLaughlin: Madam Speaker, the crisis this summer, to which this motion refers, stems from the frustration of Canada's first peoples who have had their political and constitutional objectives and efforts ignored or obstructed and who have tried to negotiate with governments that are unwilling to negotiate. The role of the *Sûreté du Québec* and the role of the province of Quebec has only added to the problem. That is very sad because it seems to me that the people of the province of Quebec who themselves have been victims of oppression concerning language in their history and of exploitation very often by people from another culture, should be the first people to understand the aspirations of aboriginal people who simply have the same aspirations to some autonomy over their own affairs, to the right to their language and their culture. I think that is a very sad statement for all Canadians.

There are many events that occurred this summer, too many to go into, but I think that too will be one of the scars on the soul of our nation. I have often said that there are three areas that distinguish in many ways Canada from other countries: our vast north land, our territories and northern parts of our provinces; the history of Canada's first people, the aboriginal people; and the fact that we have within Canada, Quebec, with a rich culture, a rich language, and a rich history from which all of us benefit. If we look at our history and indeed if we look at constitutional development, it is exactly in those three areas where we continually fail. We have a chance not to fail.

Today we are discussing a motion, a superficial motion, which does not deal with the roots of one of those three major characteristics of Canada by which we define ourselves as Canadians. Let's not lose that chance. Let's take that chance and say now we are going to do something, we are going to do something noble, we are going to do something just, and we are going to do it now.

There were many events this summer and this fall.

[*Translation*]

There have been a number of events since then, which I will not describe in detail.

However, we saw provincial police withhold food, water and medical supplies from the Mohawks of Kahnesatake.

There were a number of horrifying incidents involving people from Châteauguay and Mohawks at the Mercier Bridge. The Canadian Forces were brought in. We saw a number of tense face-offs between the military and the Mohawk warriors. There were weapons on both sides. Negotiations were broken off. Three thousand soldiers moved forward and dismantled the barricades. There were a number of violent confrontations between the army and the Mohawks last week in Kahnawake, during which tear gas was used.

[*English*]

We still see food supplies withheld from Mohawk men, women, and children who are behind the barricades. It seems to me that by supplying people with the basic necessities of life we are not necessarily saying that we condone the use of arms. Where is the humanity in this? Surely in Canada we can have negotiations. We do not have to accept the actions of the use of arms and of the use of violence, but at the same time governments have to set an example that we are above that, that we do not deprive people of food, and that we will continue to negotiate.

The fundamental question in all of this in every Canadian's mind is: Who is in control and where has the federal government been? Sadly the answer seems to be that no one is in control.

The Prime Minister, instead of taking a leadership role in trying to find a solution, instead of acknowledging federal constitutional responsibility for aboriginal affairs and for the Armed Forces, has done nothing. I think it has come as a great surprise to Canadians to learn that under the National Defence Act a premier can call in the Armed Forces against Canadian citizens without the involvement of Parliament, without the involvement seemingly of the Prime Minister, and that after that both the Prime Minister and the Liberal premier of Quebec

can wash their hands of the situation and say that all of the decisions are now in the hands of the army. We elect politicians; we do not elect the army.

• (1250)

The minister spoke today as well about negotiations. There are many proposals on the table for negotiation, proposals which do not circumvent the Canadian law, and the minister is well aware of this. Minister Ciaccia from Quebec has worked, and I would say has worked nobly, in trying to reach an agreement. Sometimes it seems he has worked, because his feels so fundamentally about the issue, not necessarily under the direction of the premier of that province. Here is a man who obviously wants to find a solution, who wants to find a negotiation, who has put forth a proposal, and this government refuses to listen and says no.

People who are watching this debate have to understand that this proposal does not say and does not in any way intimate that the people involved in the treatment centre, those people who have illegal arms, would be outside Canadian law. The proposal does not say that at all, yet this government says that we will not negotiate.

Having gone to Oka on several occasions myself, having met with Indian chiefs across Canada, I have tried as well to make a number of concrete proposals, as have many, many other people: constitutional experts, legal experts. We have had Bishop Tutu here. Jesse Jackson was here yesterday. Of course as a journalist his freedom of the press was cut off and he was not able to do his job, as Canadians journalists cannot do either. I would say that there are people who have put forward in good faith, not in a partisan way, proposals to end this situation.

I have made a number of those concrete proposals this summer to get negotiations going again, to establish a relationship between first nations and our commitments based on dignity and respect, not based on the desire for humiliation of people who feel that they as Canada's first nations are defending their land. I proposed among other things an aboriginal land claims commission, which clearly in the long term must be considered, a land claims commission that takes it out of the bureaucracy of the Department of Indian Affairs, a commission subject to federal statute and accountable to Parliament. If we have seen anything this summer, we have learned that we must have Parliament involved in all of these issues and not simply within one ministry.

We must find a solution to the land claims issue. I would add that land claims, as they have done in other agreements, include issues of self–government. We must find a mechanism for co–operation and consultation instead of conflict and violence. We can do this.

I have had a number of other recommendations which I will mention very briefly. First, I have asked the Prime Minister to order the army immediately to restore food and basic necessities to the people in the treatment centre, to restore communications to the journalists on site, and to continue negotiations.

Second, I have also asked that an all–party committee be dispatched to Kanesatake and Kahnawake to investigate the situation and also for politicians to show that we are interested. I am sure the people of Canada must be wondering: Are politicians even interested? For our leaders to come out and say it is all in the hands of the army must be very curious to Canadian citizens. We have to take that responsibility.

Third, I have asked for a public inquiry, not a judicial inquiry, that should be struck immediately to investigate how this crisis has been created and how it has been handled.

Finally, I believe that the government could indeed demonstrate some good faith by restoring funding to the aboriginal programs, funding that was cut in the last budget. It is probably very ironic to those organizations that we have spent ten times the amount of money on the army, on the police, than would have been needed simply to restore the funding to those programs.

The political process must be responsive to the needs and the aspirations of Canada's aboriginal people or it will be rejected by them. We must create real hope for peaceful change. We must have real change for peace and hope.

Today I want to close by reminding the House that the year 1992 marks the 500th anniversary of contact between Europeans and the first peoples of North America. It also marks the 125th anniversary of Confederation. I believe we should look at the year 1992 as a target date

for resolution of conflicts between first nations and peoples who have settled there.

The motion put forward by the government is cynical. It does not deal with the root of the problem. As you know, Madam Speaker, I am only allowed to amend the amendment put forward by the Liberals, but I would have to say that if I had the opportunity I would have wanted to change the first part of the motion as well.

The Liberal Party has accepted to commend the exemplary conduct of the men and women of the Canadian forces at Oka and Chateauguay. I am not against the Armed Forces at Oka and Chateauguay, but the forces work under the direction of the politicians. Once again this clause which the Liberal Party has accepted and I cannot amend takes away the responsibility of the government.

I would say that it is not a question in my mind of the conduct of anyone in this situation, except the conduct of the federal government and the Government of Quebec. However, given those limitations, I move:

> That the motion be amended by deleting the words "this House condemns the complete failure of the government" and replacing them with:
>
> "this House condemns the complete failure of the current and past governments".

Some hon. members: Hear, hear.

Madam Deputy Speaker: I will start by putting to the House the amendment presented by the hon. member for Western Arctic and the subamendment by the hon. member for Yukon.

On a point of order, the hon. parliamentary secretary.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, once again the House is faced with a debate that is significant and important to all members.

As a result we had several discussions among the three parties and other members of the House regarding extension of hours to allow more members to participate freely in the debate today.

I believe, Madam Speaker, that you will find consent for the following motion:

> That this House continue to sit beyond the ordinary hour of daily adjournment, notwithstanding any Standing Order of this House, and continue consideration of the business now before it provided that when no further member rises in debate the Speaker will deem the debate concluded, a division demanded, which division will be deemed deferred until three o'clock p.m. Wednesday, September 26, 1990, and thereupon the Speaker will adjourn the House until tomorrow at two o'clock p.m. pursuant to Standing Orders and provided that dilatory motions or calls to have the House counted will not be received by the Chair after such ordinary hour of daily adjournment.

Madam Deputy Speaker: The House has heard the terms of the motion. Is there unanimous consent?

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, we are happy to make this accommodation to permit an extended debate on the motion before the House and, indeed, there have been discussions and we agree to the terms.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, we are certainly prepared to consider this favourably. Of course the understanding would be that while the debate of the evening will focus exclusively on the amendment put forward by the leader of the New Democratic Party that further discussion will take place in days forthcoming on the Liberal amendment as well as the main motion.

Madam Deputy Speaker: There is a motion, an amendment, and a subamendment before the House so we will be debating everything that are before the House.

There will be a period of questions and answers following Question Period.

Is there consent for the special order? I understood that there was.

Some hon. members: Agreed.

Madam Deputy Speaker: As it is one o'clock I will now leave the chair until two o'clock p.m.

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

BILL C-21

Mr. John A. MacDougall (Timiskaming): Mr. Speaker, over the summer months it has become very clear that the Liberal Senate does not respect the elected will of the people of Canada. It seems that the Liberal Senators are looking to redefine Canadian democracy.

There are a number of government initiatives that are being stalled in the red chamber. For their own political reasons the Liberals are playing with bills such as C-28 and the GST legislation.

One of the most serious bills that they have chosen to block is the UI reforms. Across northern Ontario this is causing many hardships. From Elliot Lake, Red Lake, Kirkland Lake, men and women are being denied the benefits of these reforms.

Three hundred and fifty million dollars in job training funding of workers has been on hold. The senators have placed in jeopardy additional training and employment programs including the fine work of Community Futures groups. Labour force development and family benefit changes have all been affected by the Liberals actions.

I say it is time that the unelected, over-paid, and self-serving Liberal senators stop playing with the lives of the needy Canadians. Pass the UI reforms.

* * *

ELECTION IN MANITOBA

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, my colleagues in the Manitoba New Democratic Party are to be commended for their showing in the recent provincial election, but particularly, from my point of view, for having nominated and elected four excellent aboriginal members to the legislative assembly, 20 per cent of our caucus.

That includes Greg Dewar of Selkirk riding, a Métis member, long-time chief Oscar Lathlin who now represents The Pas, Inuit member advocate George Hickes who represents the riding of Point Douglas, and those people join the incumbent MLA for Rupertsland, Elijah Harper, who joins Chris McCormick at the Native Council of Canada in our gallery today.

* * *

CHILDREN'S RIGHTS

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, the World Summit for Children Week in Winnipeg started yesterday and ends this weekend when the actual summit begins in New York. The week-long observance aims to focus the attention of Canadians to the plight of all children, to guarantee their basic rights to food, shelter, good health and education, and to secure their active role in society.

The *Winnipeg Free Press* recently headlined the lamentable story that slightly over half a million Canadian children turn to food banks every year; that "in Winnipeg the number of hungry who are turning to food banks to feed themselves and their families has swelled by 30 per cent in the last year."

We cannot long afford to fail them. We cannot long endure their continued loss to hunger, illness, ignorance and abuse.

The country will pay the price if we in Parliament who can act fail to act now.

I therefore urge Parliament and this government to give top priority to development of strategies that would eliminate or significantly minimize poverty within this decade.

A war on poverty on behalf of the children of Canada and of the world is a war worth our effort.

* * *

THE SENATE

Mr. Peter L. McCreath (South Shore): Mr. Speaker, it appears that the remnants of the last government in the other place have taken it upon themselves to dictate to Canada's duly-elected government.

We live in an era where democracy is flourishing. The Berlin Wall has come crumbling down and new democracies are springing up all over the world. Today we in Canada are faced with the spectre of reversing the process where the appointed become the self-appointed. What other country in the world would put up with this type of situation?

Almost nine years ago the British House of Lords had their authority to veto government financial bills re-

moved. Clearly Canada is overdue in doing the same thing. It is time that Canada reformed its upper House.

Until that time I call upon the members of the other House to respect the longstanding principles of parliamentary democracy. Pass the legislation that has been approved by the democratically elected members of Canada.

Otherwise Canadians must resign themselves to being governed by an appointed House just as they were in the days before Baldwin, Lafontaine and Joseph Howe.

* * *

CHILDREN'S RIGHTS

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, the World Summit for Children scheduled to be held in New York this weekend has been hailed by this government as a vehicle to advance the causes of children everywhere in the world. The summit will be chaired by our very own Prime Minister and is to bring to the forefront of world leaders' minds the plight of children.

So what is the government's solution to helping the children of Canada and the world? It is to produce a document entitled, *Children of Canada, Children of the World* at a cost of $72,000 which contains nothing but statistics published elsewhere, yet more uninformative rhetoric about concern for children and a huge glossy photograph of the Prime Minister. This is only one of the costs of the summit and there will be many other costs.

Could this money have been spent better? Several organizations who are in a position to know certainly say so. For example, the World Health Organization estimated that four million children under the age of five will die this year as a result of gastro enteritis when a simple ten-cent package of sugar and salt would save them. Mr. Speaker, $72,000 could have saved 720,000 lives of young children in this world.

Another 2.8 million children will die this year as a result of vaccine-preventable diseases. If the Canadian government really wanted to give a shot in the arm to the world's children, they could have spent $72,000 giving shots in the arm to 7,200 children and in the process saving their lives.

THE SENATE

Mr. Stan Wilbee (Delta): Mr. Speaker, I am not well known for my love of the Senate. In fact, I have been known to have said some rather harsh things about the other place.

My disillusionment with the function of the other place is confirmed daily when I see people, appointed on the basis of political affiliation, obstructing the will of the democratically elected representatives of the people of Canada. Their irresponsible, politically motivated actions, unprecedented in the history of Canada, will do nothing but bring greater dishonour to the other place and further disillusionment to the people of Canada for the political process.

Their actions will cost billions of dollars in the future as well as do irreparable damage to Canadian political life. I implore the senators to do the right thing and pass all of the vital legislation that they are delaying at this time.

* * *

LABOUR DISPUTES

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, during the last number of weeks some 2,400 Cape Breton coal miners were engaged in a work stoppage. This stoppage crippled the local economy.

Even though there have been difficulties for the union, management has demonstrated a complete lack of ability in terms of exercising their responsibilities. Management had a responsibility to resolve this particular dispute and to effectuate good labour management policies.

We simply do not have the economic base to avoid the negative economic spin-offs that this type of labour dispute generates. I hope that in the future we will not see this type of action again. The minister responsible for this Crown corporation has promised to undertake a study that would focus on labour relations at Devco.

I urge the minister to have this study in place and to have it in place forthwith. I also urge the minister to act upon a request which has been made by the United Mineworkers of America and every labour organization on Cape Breton Island, that is, to appoint labour representatives to the Crown corporation, its board of

directors, in order to effectuate and see, in reality, good management labour relations.

* * *

[*Translation*]

THE SENATE

Mr. Gilles Bernier (Beauce): Mr. Speaker, Parliament is experiencing a very serious power snuggle. The Liberal Senate is flouting custom and tradition by opposing a number of bills passed by the elected members of this House. This is intolerable! The general feeling is now one of apprehension and malaise.

The Liberal majority in the Senate is a burden, and an expensive one. It is costing the people of this country a fortune. They are systematically and maliciously obstructing bills initiated by the elected representatives of this House. They disregard and literally undermine decisions made by the elected representatives of this country. The Liberal senators are having a ball at taxpayers' expense, and they are costing us a fortune. This is the kind of partisan sham that the people of my riding refuse to support. Enough is enough!

The federal Liberals never cared about people. They could not care less, and it is high time they were called to order. The people of Beauce and the people of Quebec are shocked to see Liberal senators, with their more than ample salaries, thumb their noses at the elected representatives of this country. This Senate is not effective.

* * *

[*English*]

AGRICULTURE

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I rise today under Standing Order 31 to point out that the Canadian government's actions have undermined their claims that they are negotiating at the GATT to strengthen Article XI to protect our dairy and poultry sectors.

In early July the Canadian government endorsed the GATT agriculture chairman deZeeuw's position paper and accepted it as the negotiating framework to reform world agriculture trade in spite of the fact that the paper failed even to mention Article XI.

When this government went to the Houston meeting of the G–7, they failed to include the strengthening of Article XI in the statement of their main objectives. This government helped draft and endorsed a resulting statement that failed to make any reference to strengthening of Article XI. At the end of August the Canadian government failed to table documents to further outline Canada's position. Only Japan and Switzerland tabled positions.

On October 1, the government has the opportunity to indicate through its actions that it is committed to maintaining and strengthening Article XI by not including our system of orderly marketing on that list of tariff equivalents that it will table at the GATT, clearly stating that they are not tariff equivalents. This will ensure that they are not on the sacrificial list to be tabled October 15.

It is time this government showed with its actions, not its hollow words, that it is committed to strengthening Article XI to allow our dairy and poultry sectors an equitable return for our Canadian farmers.

* * *

BILL C–21

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, during the summer of very complicated and emotional issues, the constituents of my high unemployment riding have been most affected by the stalling of Bill C–21 in the Senate.

People have actually rearranged their lives and disrupted their families to improve themselves and upgrade their education by using the benefits of Bill C–21, only to have their hopes and dreams dashed at the very last moment when funding was denied. It is incredible to me that my constituents who want to get off unemployment insurance and social benefits and better themselves are denied this opportunity by callous and uncaring political ploys of the Senate.

• (1410)

Bill C–21 has been in the Senate since November 1989. It is high time that the Liberals in the Senate stopped playing political games on the backs of Canada's unemployed.

S. O. 31

THE SENATE

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, in keeping with the long NDP tradition of pointing out the corporate welfare bums in our society, today I would like to point out another dimension of the corporate welfare ethic that demoralizes and undermines the work ethic in this country.

Sometimes, particularly when new senators are needed to push through a tax that will hurt working Canadians the most, members of the corporate elite are rewarded with the greatest corporate welfare package of them all, an appointment to the Senate.

For showing leadership, in helping Brascan make $700 million in 1988–89, with an effective tax rate of 0.07 per cent, for helping Brascade to make $221 million in 1988–89 and pay no taxes, and Edper Corporation to make $129 million in 1988–89 and pay nothing in taxes, while some of these corporations gave thousands to the Liberals and Conservatives. Trevor Eyton has been recruited to help tax ordinary Canadians to death, along with Claude Castonguay, Chief Executive Officer of the Laurentian Life Corporation which made $8.1 million and paid no taxes in 1988–89.

* * *

[*Translation*]

THE BLOC QUÉBÉCOIS

Mr. Louis Plamondon (Richelieu): Mr. Speaker, allow me to point out, on behalf of the Bloc Québécois, the advent of this new group in the House of Commons.

A few members would probably prefer not to be reminded of the painful circumstances which lead to the creation of this movement. Let them be reminded, Mr. Speaker, that we are here today precisely to ensure that those events not be forgotten.

Following three constitutional setbacks in less than twenty years, Quebec can not be criticized for reconsidering forming part of Canada. It is in that context that we have decided to focus exclusively on the interests of Quebec.

Unlike the so-called "official" Opposition and the other opposition parties, we have no intention of filibustering every single government initiative. Our sole objective will be to defend and promote the interest of the province of Quebec in Ottawa until Quebec has become fully sovereign.

* * *

[*English*]

LAND CLAIMS

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, the events of this past summer at Kanesatake and Kahnawake, along with the rail and road blockades which sprang up across the country, are proof positive that the government's specific land claims policy does not work.

The Minister of Indian Affairs continues to make promises that he will speed up the land claims process to ensure that all outstanding land claims are settled by the end of the decade.

We do not want to be too cynical. However, until such time as the minister gives aboriginal leaders and members of this House some specific information on how he plans to proceed, then I am afraid he will continue to lose face.

The Canadian people watched in horror as the government called in the army against our citizens. Our reputation worldwide has been sullied as charges of human rights violations made world headlines. All of this because of policies which do not work.

I believe it is time for the government to establish, in consultation with aboriginal peoples, an independent and impartial land claims commission which will be responsible for the negotiation and settlement of all outstanding land claims.

Without concrete and positive action on the part of the government, I firmly believe we have not seen the end of events such as we have seen this past summer.

* * *

THE SENATE

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, do not be too quick to judge the Liberal senators harshly. They may not be the self-serving, partisan narcissists they appear to be. It may all just be a charade, another deceitful bluff. Not even the fiscally irresponsible Liberal senators can really oppose the GST, for surely anyone who has studied it as carefully as they have, at an

additional cost to the Canadian taxpayers of over $1 million, will know by now of its benefit to Canada.

No, my guess is when it comes to a vote the Liberals will come up short while protesting to the end. They will, at the same time, ensure the country will not be denied the stable tax base necessary to reduce the national debt they, while in government, created.

* * *

THE SENATE

Mr. Howard Crosby (Halifax West): Mr. Speaker, students of history know that delusions of grandeur prefaced the downfall of empires and emperors from ancient Rome to modern Romania.

If one wants to see delusions of grandeur in action in Canada today, look at the Liberal side of the Canadian Senate. It is hard to believe that Senators like Allan MacEachen and political gadflies like Michael Kirby would have the colossal gall to pretend an interest in the financial welfare of Canadians.

Senator MacEachen, as Minister of Finance, single-handedly orchestrated the physical collapse of the Trudeau government with his tax reforms of 1981. Senator Kirby chose Machiavelli as his model in setting the strategy for the Trudeau constitutional changes that have kept Canadians in an uproar since 1982. Now partisan political rejects want to help Canadians by thwarting the democratic process with the co-operation and connivance of their colleagues in the Senate.

Hypocrisy is an unparliamentary expression, Mr. Speaker, but can you think of any other word to describe Liberal Senators?

ORAL QUESTION PERIOD

[*English*]

INDIAN AFFAIRS

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Prime Minister. Yesterday I asked the Prime Minister to establish immediately a royal commission on aboriginal questions to develop better and quicker solutions to the many concerns of our aboriginal peoples across the country. The Prime Minister gave no answer whatsoever to that request, even though in the past he has talked favourably about creating such a royal commission.

I ask the Prime Minister once again if he will today establish such a royal commission to develop these better and quicker solutions to the real concerns of our aboriginal people?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I indicated to my hon. friend yesterday that, as soon as the matter was peacefully resolved at Oka, we would be announcing a number of initiatives that would be constructive and beneficial for native peoples. Moreover, there is a debate that is ongoing in which I propose to participate this afternoon. Some of the government's plans and intentions will be indicated at that time.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, our aboriginal peoples and Canadians generally, will not be satisfied that the Prime Minister uses the ongoing situation at Oka as an excuse for inaction. The problems of our aboriginal peoples existed long before the Oka situation and they exist all across our country on the part of people thousands of miles from Oka.

On the weekend the Prime Minister is going to be the co-chair of the World Summit on Children at the United Nations. How he can have the nerve even to go to that summit meeting when he has allowed our native children to exist in the harshest social, economic, and health conditions of any children in the country?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, that is an absolutely disgraceful statement to be made by the Leader of Her Majesty's Loyal Opposition.

There is no correlation whatsoever to the situation that originated at Oka, not because of the Mohawk people whose peaceful traditions are well known to all Canadians, but because a small group of warriors have hijacked that situation. Many of them are from the United States and have tried to intimidate the people of Canada with guns. I am telling the Leader of the Opposition, in case he does not know, that it will not work with the Government of Canada. Our policy is not to let the warriors go now to try to catch them later.

The participation of the Government of Canada in respect of the World Summit on Children is important for members of all parties and for all Canadians. I did not think that it was one that my hon. friend would want to take an easy or cheap political shot at.

Mr. Gray (Windsor West): Mr. Speaker, when it comes to taking cheap political shots, nothing matches the efforts of the Prime Minister of trying to use Oka as an excuse for ignoring the needs of our native children thousands of miles from Oka.

Some hon. members: Hear, hear!

• (1420)

[*Translation*]

Mr. Gray (Windsor West): Mr. Speaker, I would ask the Minister of Indian Affairs and Northern Development how he can possibly let the Prime Minister leave for this world summit at a time when he has no program to meet the serious needs of our native children.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, however much affection and respect I may have for the authority of the Minister of Indian Affairs and Northern Development, neither the Leader of the Opposition nor I need his permission to attend an important convention.

Yesterday's debate was highlighted by the significant and remarkable intervention of the member for Winnipeg South Centre. He spoke eloquently about the importance of the United Nations' summit this weekend and, unless I am mistaken, he did offer to co-operate fully with the government to support and promote approaches designed to help children in Canada and around the world. Having said clearly that I would indeed put to good use this outstanding gesture of leadership on the part of the hon. member for Winnipeg South Centre, I am amazed to see that the Leader of the Opposition should fail to draw inspiration from such leadership.

[*English*]

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development.

We all know that the children of Canada are the jewels in our crown and our pride and joy. In the aboriginal community, they are our sacred trust and our future investment. Having said that, this summer, Liberal members heard the testimony of members of the Oka defence fund who stated that restrictions on food impeded the free access of baby formula, resulting in children being fed sugar water.

Is it government policy to force unarmed children to go hungry? Is it government policy to make children pay the price for this minister's incompetence?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, certainly this is not government policy. We certainly all respect the needs of children. I have written a number of times and spoken with the responsible ministers in the Government of Quebec to ensure that, at all times, food was allowed through the barricades when there were barricades up. I would say to the warriors that, if they were to allow the women and children to come out—who are completely free to come out—then all of their needs could be assured.

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, I cannot believe a minister of the government who spouts the principle of democracy and does not allow people the right to choose what action they want to take.

If the minister does not agree with the statements just made, can he explain why the Canadian Human Rights Commission and the Human Rights Institute of Canada sent letters to the minister citing the need to prevent human rights abuses? Will the minister do the proper thing and resign?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, the hon. member speaks of freedom of choice. The children and women—who in a way are providing a screen for the armed warriors—are free to leave and to seek the full benefits and comforts of Canadian citizenship.

I find it surprising that the hon. member would advocate having children sitting at the knee of armed warriors, learning how to clean a revolver.

* * *

GOODS AND SERVICES TAX

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Prime Minister. It is not much wonder that Canadians have become cynical about the old style politics and have totally lost confidence in this government. Now, of course, we see the spectacle of the patronage Senate, with Liberals and Tories announcing

their intention to do what this government should have done a year ago, and that is kill the GST.

What does the Prime Minister intend to do now? Will the Prime Minister, instead of going on another binge of political and patronage appointments, kill the GST now?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I do not know what it is about the NDP. It may be biological, but they are opposed to patronage appointments until one is offered.

Some hon. members: Hear, hear!

Some hon. members: Oh, oh!

Ms. McLaughlin: Mr. Speaker, I was a bit taken aback by the Prime Minister's answer. I did not realize that he was being a stand-up comic and I was waiting for the answer.

Some hon. members: Oh, oh!

Mr. Speaker: Perhaps the hon. leader could put her question.

[*Translation*]

Ms. McLaughlin: Mr. Speaker, I should like to remind the Prime Minister that he once said "You had a choice". The choice is simple: continue handing out patronage appointments at an unprecedented rate, or drop this tax and present to the House a real tax reform which would put the interests of families and workers ahead of those of the rich and mighty.

Here is my question: will the Prime Minister take the right direction, drop this tax, and give Canadians a real tax reform?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, it is a well-known fact that the idea of political appointments is repugnant to the New Democrats. Still, another principle is involved. Generations of New Democrats have adamantly insisted that the Senate has no moral authority whatsoever to kill a legislative measure from the House of Commons where members are duly elected by the people of Canada. Whether one accepts or not the outcome of the last elections, the fact remains that the Canadian voters had been made fully aware of the GST, the free trade agreement and the other political programs, and they chose this government and its programs, rightly or wrongly. Under our system, after it has been elected the Canadian government has the right to be heard and to implement its program once it has been accepted by the elected members. New Democrats may find political appointments repugnant, but we find repugnant any attempt at undermining the moral authority of the elected House.

Some hon. members: Hear, hear.

[*English*]

Ms. Audrey McLaughlin (Yukon): My supplementary question is directed to the Prime Minister, Mr. Speaker.

The Prime Minister does not need to go to the boardroom for the country to get a vote on the GST. What he can do is either kill the tax himself or do the honourable thing, call an election, and let the people decide—

• (1430)

Some hon. members: Hear, hear.

An hon. member: Call an election.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, just in case there is any doubt in my hon. friend's mind, I just want to reassure her that I did learn that a majority government term is five years, not three.

* * *

INDIAN AFFAIRS

Hon. Lloyd Axworthy (Winnipeg South Centre): That is too bad, Mr. Speaker.

Mr. Speaker, I have a question for the Prime Minister. Today at the Canadian Bar Association meeting Roy McMurtry, the former High Commissioner to Great Britain, a very distinguished diplomat and jurist, said the following:

> My deep concern is that Canada's role in the international community is being diminished by internal difficulties at Oka. We face a depressing spectacle. We are really on the verge of tarnishing our image in the world which will be very difficult to refurbish unless we get our act together.

Taking those important words of Roy McMurtry and supported by other members of the Canadian Bar Association, I want to ask the Prime Minister this. How can we go ahead on the world stage and argue for the

protection of civil rights for other people when we are denying civil rights to our native people here in Canada?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, 20 years ago next month the government of which my friend was a member invoked the War Measures Act and threw almost 600 citizens of the province of Quebec into jail without trial and that has been forgotten by my hon. friend and somehow—

Mr. Marchi: Where did you stand on it?

Some hon. members: Order.

Mr. Speaker: Hon. members will know that there is considerable contest in this Chamber for time in the Question Period. I would ask hon. members to keep that in mind. The right hon. Prime Minister will complete his answer.

Mr. Mulroney: My hon. friend was a supporter of that government and information was supposed to be provided to the House of Commons with regard to that particular act. It never was and yet, somehow, the Government of Canada of the day and subsequent governments conducted themselves in such a way as to ensure that there was no dishonour brought to Canada's reputation internationally.

From time to time governments are confronted with difficult situations. This one here is a difficult situation. At Oka, following events that took place in May, for reasons that have a lot to do with the internal control of matters ranging from the illegal trafficking in arms, to cigarettes and to illegal gambling. There were two killings that took place on the Akwesasne reserve in the late spring. This was followed subsequently by the murder of a young member of the *Sûreté du Québec*.

Ms. Blondin: Murder?

Mr. Mulroney: This is deeply regretted and deeply deplored by all—

Ms. Blondin: Are you the judge?

Mr. Tobin: Judge and jury.

Mr. Mulroney: Well, there was one of the members of the *Sûreté du Québec* who was killed in the line of duty. The responsibility of the Government of Canada is to deal with this. We have sought to do so in a manner which ensures the ongoing respect for the rule of law, even if it means from time to time that we have got to get a black eye internationally in some fora. We will not accept that people will dominate this country at the point of a gun because that is alien to everything that Canadians stand for.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I will not take the supplementary to debate all the points but I would remind the Prime Minister that he has colleagues, including the gentleman sitting next to him, who also voted for that same act in 1970.

I want to ask this question: While it may be important to defend law and order, it is equally important to recognize fundamental human rights and fundamental civil liberties. Those are being denied to the people at the treatment centre on the reserve and this government has not moved to deal with the issues that are providing so much frustration and sense of grievance to native people.

Today, we are asking in Parliament: Why not set up a parliamentary inquiry or a royal commission? Why not show native people that we are prepared to deal with them fairly? Then you will get them to listen.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend should not be exercised to that extent.

I have already indicated, as has the minister, our intention to join with him and other members of the House of all parties in devising and in setting out programs and policies that will bring a much greater degree of social justice and fairness to the native peoples across Canada.

An hon. member: With greater consultation.

Mr. Mulroney: Indeed, with greater consultation.

My hon. friend is quite right: indeed, with a greater degree of consultation. I think that my hon. friend from Winnipeg would acknowledge the fact that before these matters can begin, it would be very important that those people who have hijacked an otherwise very peaceful group of native peoples near Montreal put down their guns and abide by Canadian law. Then we can get on with business.

Mr. Jim Peterson (Willowdale): Mr. Speaker, yesterday the Prime Minister refused to give us the names of Canadian native leaders with whom he has met to resolve the issue at Oka.

When are the Prime Minister and this government going to stop hiding behind a band of armed warriors just to ignore their responsibilities to all Canadian native

people? When is the Prime Minister going to sit down and start meeting with Canadian native leaders?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I would offer the observation that the hon. member has it quite wrong.

It is the masked warriors who are hiding behind a barricade of razor wire from the justice system which all Canadians must abide by.

I will continue to meet aboriginal leaders, Grand Chief George Erasmus and the leaders of the various provincial first nations across Canada, as I have been doing for many months to help to address the important, social and economic needs of their people.

Mr. Jim Peterson (Willowdale): Well, Mr. Speaker, the minister has not been successful so far.

We want the Prime Minister involved. It should be the top person in government.

[*Translation*]

The Minister knows that the native children are faced with higher rates of poverty, illiteracy, malnutrition, disease and death than other Canadian children.

Considering such a deplorable situation, how can he justify to the Canadians and to the United Nations Summit on Children the fact that he has completely abolished the $60 million program for native children?

[*English*]

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, the hon. member could check the estimates. I can provide him with another copy of the vital information that I circulated to all members in June.

I will provide him with clear evidence of our increased commitment to the needs of aboriginal children. Certainly we recognize there are special social problems and higher than acceptable levels of difficulty in relation to child welfare, child sexual crimes and other matters. We are working on a new set of initiatives to address these in co-operation with the provinces.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, yesterday in the House of Commons, the Prime Minister said:

> The Government of Canada responded to a—request from the Government of Quebec pursuant to the National Defence Act to provide the Canadian army for peacekeeping purposes—

However, at a news conference on August 8 to announce the decision, the Prime Minister contradicted his friend, the Liberal premier of Quebec, and said that it would be inappropriate and misleading to describe the army's role at Oka as one of peacekeeping. Can the Prime Minister explain to the House on which occasion he was telling the truth?

• (1440)

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, rather than play on words, I think it is more important that the NDP recognize that the Canadian forces have been requisitioned under the National Defence Act in the aid to the civil power. It is a provision in the act that is available to every province in Canada when they need assistance because they cannot enforce civil law, have peace and security for their people, by either the municipal policing authorities, their provincial policing authorities or, in this case, the Royal Canadian Mounted Police.

The Canadian forces were called in, have responded and, to the greatest extent possible, carried out their responsibilities with diligence, patience and understanding that I think even the hon. member would recognize.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, given that the army has been accused of provoking hostility, withholding food, denying human rights and trampling freedom of the press, why does the Prime Minister, with his Minister of Indian Affairs, continue to hide behind the army and why will he not take the responsibility now and commit himself to finding a political solution to this three-month-old conflict?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, this government has been committed to finding a political solution to these matters for at least three years. I would like, because it is important, with the indulgence of the House, to read a short paragraph from a letter I wrote to Grand Chief George Martin and Mayor Jean Ouellet on

June 28, a full two weeks before the tragedy occurred at Oka.

The letter reads:

> Over the course of the past week I have met with both of you, and your councils, to discuss the current situation in Oka and the long term needs of your respective communities.
>
> With respect to the former, I understand that the Village of Oka's application for an injunction to remove the blockade of the Chemin du Mille is to be heard on Friday, June 29, 1990. Regardless of the outcome, I urge you both to meet, immediately following the court's decision, to discuss ways of diffusing the tensions that exist and restoring a climate of harmony until long term solutions can be found.
>
> I am prepared to offer the services of Mr. Yves Desilets to assist you in these discussions. I am confident—

Mr. Speaker: I think the hon. minister has read the appropriate parts.

[*Translation*]

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, in a letter to John Ralston Saul, Chairman of the Pen Club International, a writers' association, the Defence Department stated, and I quote: "Material and films belonging to journalists can go through military barricades and we will allow journalists to receive food supplies." The Minister refuses to respect those commitments.

I ask the Minister of National Defence why he refuses to admit that these rights are absolutely fundamental in a democratic society?

[*English*]

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I think the hon. member has to understand that there are basic rights in a democratic society. The first right is that of respect of law. There are suspected law-breakers in the treatment centre at this time. The Canadian forces are acting as peacemakers and peace officers in this instance. With regard to food, I can tell the hon. member that we estimate there are some 53 people in the treatment centre. We are providing rations for 60 people. The other day we provided four eggs per person, some 240 eggs. They were so desperate for food that the warriors threw them at the army.

Some hon. members: Oh, oh.

Mr. McKnight: Now, if the hon. member believes there is a shortage of food, she should take a further look at it.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, first, I would like the minister to tell us what laws the journalists have broken.

Second, I would like the minister to tell us whether or not he believes that the public's right to know the real story at Oka, Kanesatake and the treatment centre is not a fundamental right.

Does the minister think that stopping access to films and tapes and the filing of stories is an absolute abridgement of fundamental rights in this democracy, that it is censorship?

An hon. member: Censorship.

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, the hon. member should recognize that there are suspected law-breakers in the treatment centre.

Mr. Gauthier: Journalists?

Mr. McKnight: If that is recognized by the hon. member then she, I believe, will concur with the actions that have been taken by the Canadian forces to limit inflow. There has been no limit to reporters wanting to leave. If reporters wish to leave, the door is open. If anyone wishes to leave, the door is open.

I ask the hon. member to understand that this is not a public event. These are actions that have taken place by people suspected of breaking the law. The Canadian forces are acting as peace officers under the jurisdiction of Canada. Perhaps the member will understand that these are not equals: one is enforcing law and the other is attempt to break law. We are making every effort possible to make sure there is a peaceful resolution.

Some hon. members: Hear, hear.

* * *

[*Translation*]

THE ECONOMY

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, my question is directed to the Prime Minister. In view of the Minister of Finance's statement that the economic slowdown in this country will be good for Canadians, could the Prime Minister tell us just how many bankruptcies and jobs lost the government and the Prime Minister will need before bringing in a revised budget which reflects the true economic reality of this country.

Hon. Gilles Loiselle (President of Treasury Board and Minister of State (Finance)): First of all, Mr. Speaker, I wish to congratulate the hon. member for Acadie—Bathurst on his confirmation as his party's financial critic.

May I remind him that in our most recent budget, we had indicated that the economy was under pressure following seven years of record growth and that it would require some slowdown in order better to adjust. Of course, we are now in this transition period and we certainly are quite concerned about the many bankruptcies, but the hon. member should recognize that there is a reduction in the number of businesses compared with an unprecedented high in Canada.

A look at some figures will show that nearly 150,000 new jobs per year have been created over the past ten years. Compared with 1982 when we had a Liberal government—admittedly a very difficult period—there are fewer bankruptcies today; there were then nearly 800,000 businesses, while there are now 1,600,000 businesses with the same number of bankruptcies. It is therefore a difficult and necessary situation which we monitor very closely in our efforts to avert inflation.

[*English*]

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, my point in asking the Prime Minister the question is that the high interest rates we are suffering were not foreseen by the Minister of Finance. The deficit which the finance minister predicted is not at all in line with what it is going to be. Inflation is going to be fuelled by the GST. That is being confirmed by, for example, the IMF. These are all prime indicators that would require any thinking person to recognize that we must have a revised budget in this country that reflects economic reality.

I ask the Prime Minister: Is it not time to recognize the kind of damage his government is doing to the economy and to ask his finance minister to bring in a budget that reflects economic realities in Canada?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I would like to tell the hon. member that we are fully committed to deficit reduction. If we look at the situation last year when interest rates were high, we succeeded in coming in $1 billion below our projection.

If I look at the Liberal performance in 1982–1983, a projected deficit of $10 billion; performance, $27.8 billion; a difference of practically $17 billion.

* * *

• (1450)

AGRICULTURE

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, my question is for the Minister of Agriculture.

Canadian grain farmers are in a crisis position as far as cash flow is concerned. They have lots of grain but are unable to move it off the farm at any price. For a variety of reasons, among them the embargo against Iraq, prices have fallen and no grain is moving at all, which means the producers are virtually without any income.

Will the government now provide some immediate cash flow to grain farmers by providing them with an interest-free advance on this year's harvest?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I can assure the hon. member and other members of the House that I am very much aware of the serious cash flow situation in which the farmers find themselves.

I should also tell the hon. member that deliveries, notwithstanding his suggestion, are somewhat higher this year over last year in the first six weeks of this particular crop year. Having said that, we all know that with the record crop, a serious slump in sales and the low prices that situation will deteriorate further still down the road.

We are looking at some options. As a matter of fact, the deputy ministers of agriculture are meeting in Toronto at this particular time. I think the hon. member would agree with me that what is in the best interest of agriculture is to provide some form of improved long-term safety net and stabilization program.

We are actively working on that, and I hope I can count on the hon. member's support in pursuing that objective.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, I have a supplementary question for the same minister.

The crisis in cash flow is right now. When can the farmers expect some payment, either by payment for cash in the bin or deficiency payment for crops that will be sold to the Wheat Board later on? When can they expect some cash in hand?

I know the Saskatchewan election is on hold. Does that—

Mr. Speaker: I think the hon. member has put his question. Does the minister wish to reply?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, as the hon. member knows, the federal government did provide some $500 million in the form of an emergency payment, which I understand is still in the process of being distributed, so there are funds that are being distributed right now.

I can only say to him as well that had the provinces matched that contribution on a dollar-for-dollar basis, it would have certainly covered a much broader range to meet the current situation in which we find ourselves in western Canada.

I can only assure the hon. member that I am very much aware of the current situation. We are working at it, and I will certainly keep him informed as to the success of the discussions that are taking place.

* * *

[*Translation*]

THE ECONOMY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Prime Minister. Last week, the Minister of Finance practically admitted Canada was again on the brink of a recession. I have the following question for the Prime Minister. Since according to the Economic Council of Canada, the GST will aggravate the so-called slowdown or recession we are seeing now in Canada, is the Prime Minister prepared to join the members of the Senate of this country who want to kill the GST?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, the hon. member forgot to mention, and her party certainly has not mentioned it either, that the GST has some very definite advantages—I am thinking of the role it will play in enhancing our exports—and will help inject into the Canadian economy $9 billion worth of additional activities in the course of one year. That is something we should not forget.

Meanwhile, I may add that our policies are working if we consider that during the last few weeks and months there has been a gradual drop in interest rates. We find this very reassuring.

[*English*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, maybe the minister has not heard the predictions of the Economic Council of Canada, but the Economic Council of Canada is predicting that there will be a 2 per cent inflationary result caused by the GST. Eighty per cent of Canadians know that the Liberal senators are right when they say "kill the GST".

Will the Prime Minister either relieve the Minister of Finance of his obsession with the GST or will he admit that the Canadian people are right, that the respect of Parliament lies in making sure the wishes of the Canadian people are met, and will the Prime Minister show some leadership and kill the GST?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend raises very important questions about the structural problems in the Canadian economy.

A statement was made, and I quote it to my hon. friend: "It worries me that serious structural problems have been identified in the manufacturers' sales tax. To name just a few, in some cases its burden falls less heavily upon imported goods than on domestic goods. It falls unevenly upon competing goods which are marketed at different trade levels. It does not currently permit a meaningful appeal system. These problem areas in the law cannot be tolerated indefinitely—Before long, I will have to assess the merits of all opinions and make a decision on the best course for the government to follow."

That was a statement by the Minister of Finance, Jean Chrétien, on November 22, 1977.

Some hon. members: Hear, hear.

* * *

BILL C-21

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is for the Minister of Employment and Immigration.

Hundreds of people in my riding have rearranged their lives and disrupted their families to upgrade themselves by taking advantage of the new training programs offered by Bill C–21, only to have their hopes and dreams dashed by the refusal to pass the bill in the other place. They have made their grandstand play but my people are suffering.

My question is: What can regular people do to get access to these programs that they need so much? When can we expect the other place to appreciate the real heartache and disappointment experienced by my constituents and pass Bill C–21?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I am very glad to hear that someone is taking an interest in something that is of great concern not just to members of the hon. member's constituency but to Canadians across Canada.

There is considerable difficulty for people who do not meet the current entrance requirements, for young parents having new families without qualifying for the new parental benefits, and for unemployed workers who are seeking training.

The minister of social services in Newfoundland has said publicly that he would like to see Bill C–21 passed through the Senate, and in a recent letter the chairman of the Saskatchewan Indian Training Assessment Group calls for the Senate to pass Bill C–21 so that we can provide relief to the hon. member's constituents and to many other Canadians.

[*Translation*]

Mr. Speaker: The hon. member for Lac–Saint–Jean. One question, please.

* * *

IMMIGRATION

Hon. Lucien Bouchard (Lac–Saint–Jean): Mr. Speaker, my question is directed to the Minister of Employment and Immigration and it concerns the agreement that was to be concluded by the Quebec government and the federal government in this area.

Press reports indicated this summer that we could very shortly expect an agreement to be concluded that would transfer most federal powers and responsibilities with respect to immigration to the Government of Quebec.

However, in an article that appeared recently in *Le Devoir*, we read that the negotiations had fallen through. Now for my question.

What is the status of these negotiations now? Are they deadlocked? If so why?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, negotiations with the provinces on immigration were part of the Meech Lake Accord. Of course, we have had the Cullen–Couture Agreement since 1976, and there are also other agreements with the other provinces. If there is any change in this situation involving Canada and Quebec or the other provinces, I will inform the House immediately.

* * *

• (1500)

ENERGY

Hon. Bob Kaplan (York Centre): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources and it relates to recent sharp increases in oil prices at the pumps in practically all Canadian cities.

The minister knows full well that there is no real market to regulate those prices. And he knows as well that the higher–priced oil resulting from the Gulf crisis has not yet arrived in Canada. Given those facts, does the minister feel that the increases are justified?

[*English*]

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, concerning the prices at the pumps presently, I remind the hon. member that in the last quarter of 1988 and the first quarter of 1989, the price of oil per barrel western WTI was $15 on average.

If one takes a look at the price of oil before the invasion of Kuwait by Iraq, the average price in Canada as well as worldwide for WTI was about $20. Prior to August 2 the benchmark was around $21 to $23.

The Government of Canada moved away from the National Energy Program which did not keep prices down and moved toward a market orientation. If the hon. member looks at the price at the pumps he will see the increased cost of energy from the first quarter of 1989 to prior to August 2.

Points of Order

PRESENCE IN THE GALLERY

Mr. Speaker: I draw the attention of hon. members to the presence in the gallery of Mr. Mykhailo Horyn, Deputy of the Supreme Soviet of the Ukrainian S.S.R.

Some hon. members: Hear, hear.

* * *

POINT OF ORDER

TABLING OF LETTER

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Speaker, during Question Period I read extracts from a letter I had written on June 28, 1990 to the Grand Chief and Council of the Mohawks of Kanesatake and to the Mayor and Council of the village of Oka.

I would like to table the letter, if it be the House will, for the record.

REMARKS DURING QUESTION PERIOD

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I have a point of order. I see the Minister of Justice in the House and I would ask her, if she has the chance, to pay attention to the point of order.

During the course of Question Period the Prime Minister, in answer to a question, talked about the murder of an officer of the *Sûreté du Québec*. Later he clarified, after some heckling, that the officer was killed in the line of duty. He then went on to say that we must respect the rule of law. The greatest respect of the rule of law means getting a fair trial. In my view, there is the possibility of jeopardizing fair trials for people in the Oka situation.

I think it is very dangerous and out of order for the Prime Minister to use terms like this. He should have learned from the Douglas Small case. He is going to inflame the situation further in Oka and that is the last thing we need.

I ask the Speaker to rule on this matter and to warn the Prime Minister and other members in this House that we cannot use terms like this when there are probably going to be trials arising from this situation.

Mr. John Nunziata (York South—Weston): Madam Speaker, I rise on the same point of order. During Question Period the Prime Minister referred to the killing as a murder. In effect, he is pre-judging the death of that particular police officer was caused deliberately, and is a breach of the Criminal Code of Canada.

As the Prime Minister of Canada, it is inappropriate—

Mr. Marchi: Who are you, God?

Mr. Nunziata: —and would be tantamount to an obstruction of justice to pre-judge an activity that has not been investigated yet.

I would ask, Madam Speaker, that you direct the Prime Minister of Canada to indicate to the House what evidence he has to suggest that a criminal act took place and, if he has no evidence that there was a breach of the—

Madam Deputy Speaker: I think both hon. members are now getting into debate. At a later occasion they may want to ask questions of the Prime Minister. He is not here at the moment so I really cannot see that this would be a point of order even though the hon. member may have a very valid point.

It is not for me to judge but it is certainly not a point of order.

On a different point, the hon. member for York South—Weston.

Mr. Nunziata: Madam Speaker, the Minister of Justice is in the House today and she is responsible for the administration of justice in this particular case.

I would like the minister to stand up and indicate to the Parliament of Canada what the status of—

Some hon. members: Order.

Madam Deputy Speaker: This is the same point of order really, just put in a different way. This is a question that certainly could be put to the Minister of Justice during the next Question Period.

Mr. Waddell: Point of order, Madam Speaker. I am not going to reiterate the argument, but I think we are entitled to a ruling. Either we have a point of order or we do not have a point of order. If the Deputy Speaker wishes to reserve on the point I have no objection to that but I would like to hear the Speaker of the House comment with respect—

Mr. Andre: Order, order.

Madam Deputy Speaker: The Deputy Speaker does not wish to reserve on this. This is not a point of order. I do not see under what rule or regulation of the House

the hon. member would put his point of order now. This is not a point of order and I cannot accept it as such.

Point of privilege, the hon. member for York South—Weston.

Mr. Nunziata: You have ruled and I accept your ruling that it is not a point of order. I would like to raise it as a point of privilege and if the Speaker is not in a position to rule today, to defer judgment. I am required—

An hon. member: Get on with it.

Mr. Nunziata: If you would keep your yap shut and listen a moment—

Some hon. members: Oh, oh.

Some hon. members: Order.

Madam Deputy Speaker: Order. It is impossible for the Speaker even to hear what a member is saying in the House and I would be very grateful if all members allowed me the possibility to hear. It would then be much easier to make a ruling of any kind. The hon. member.

Mr. Nunziata: I am suggesting to you that my privileges and the privileges of each member in the House have been affected by the comments of the Prime Minister.

During Question Period, the Prime Minister referred to the death of a police officer earlier this summer as a murder—

Mr. Andre: Shut up, for crying out loud.

Mr. Nunziata: Murder is clearly defined in the Criminal Code of Canada.

Mr. Andre: Finally, after five minutes.

An hon. member: Zip it up, Harvie.

Mr. Nunziata: The Prime Minister, by referring to the death as a murder, in effect has pre-judged the criminal investigation into this particular death. Charges might very well be laid in this particular incident.

Here we have the Prime Minister of Canada already concluding that in fact the Criminal Code of Canada has been breached, that a murder took place. The privilege is—would you like to listen?

An hon. member: No.

Mr. Nunziata: Madam Speaker, we are elected representatives in this House. It is essential as a very basic fundamental principle of our criminal justice system that individuals are presumed innocent until proven guilty by a court of law.

It is also a fundamental principle of democracy in the administration of justice that politicians, and especially the Prime Minister of Canada, not in any way affect the fairness of the trial—

• (1510)

Madam Deputy Speaker: The hon. member for York South—Weston has now changed what we thought earlier was a point of order into a question of privilege. Even though the hon. member may have a valid grievance, I cannot see how this does anything against his privileges as a member. This is not a question of privilege and I must rule it not receivable at this time.

A point of order, the hon. member.

Mr. Waddell: Madam Speaker, I had wanted to make a submission on your ruling on the presumption of innocence affecting us here as a point of privilege, but you have made the ruling and I am therefore not entitled to do so.

However, on a point of order, I really do not like and I object strongly to watching the Government House Leader, who does not get up and speak but screams and appears to be directing the Chair. That is not the way the House of Commons should work and the Chair should not accept that. If he wants to get up and speak and make a point, he should get up and speak like we do.

Some hon. members: Hear, hear.

Madam Deputy Speaker: I think the hon. member will realize that with the amount of noise there is in the House right now that the only person that the Speaker can hear through the earphone is the person in front of whom there is a microphone. All I hear, except for the person who really has the floor, is a lot of noise.

I have a point of order, the hon. parliamentary secretary.

Mr. Cooper: Madam Speaker, I think it is very clear that a point of order or a point of privilege is not to be used as a vehicle for debate. We have now listened for

something like 12 minutes to various points of order, various points of privilege which are essentially nothing more than a thinly disguised debate.

The leader of the NDP finished her remarks at about one o'clock and there was to be a period of questions and comments. All of us are interested in that 10-minute time frame. Why do we not get on with it?

Madam Deputy Speaker: A point of order, the hon. member.

Mr. Waddell: Madam Speaker, I think I am entitled to reply to that point of order. The Prime Minister mentioned a murder of a police officer which is—

Some hon. members: Oh, oh!

An hon. member: That is not a point of order.

Madam Deputy Speaker: The Chair has listened very attentively to the points made by the hon. member, by the hon. member for York South—Weston and by the parliamentary secretary as the Speaker should. I think it is now time that we returned to the business of the House.

A point of privilege, the hon. member for York South—Weston.

Mr. Nunziata: Madam Speaker, with the greatest respect, you just indicated that I had had an opportunity to present my case, but it was the Government House Leader continuing to heckle which caused you to rise. I had not finished my submissions with respect to my point of privilege. You proceeded to rule on the point of privilege without me completing my submissions, without hearing from other hon. members that might want to make submissions on the same point.

It is an important point of privilege when the Prime Minister of Canada calls an action a criminal action. We would have thought that the Prime Minister would have learned when he called the Doug Small actions criminal. It is important to the administration of justice in this country that the Prime Minister withdraw his comments that a murder took place. It is up to a criminal court of law to determine and conclude that—

Madam Deputy Speaker: I can assure the hon. member that the Government House Leader making any kind of remark would not cause me to rise or stop any member from expressing his or her views. The hon. member went from a point of order which was ruled not a point of order into the same point making it a point of privilege and that is not acceptable either. This is the only I interrupted the hon. member.

GOVERNMENT ORDERS

[*English*]

INDIAN AFFAIRS

SITUATION AT OKA AND CHÂTEAUGUAY

The House resumed consideration of motion of Mr. Siddon (p. 13271).

Madam Deputy Speaker: When the House rose at one o'clock, the hon. member for Yukon had completed her speech. The question and comment period following the hon. member's speech is now available to members. The Hon. Member for Winnipeg South.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Madam Speaker, we are back to the very important business of the day. Prior to the recess, we listened to the hon. Leader of the NDP make a very important intervention. I was very interested to hear what she had to say.

I know that the hon. member has a great concern for people of native extraction, Indians and Inuit, many of whom live in her riding, and I know she has a very deep and underlying concern about the condition of these people. She mentioned a lot in her talk about justice and fair play in Canada, and I heard that with a great deal of sympathy, as I am sure many other Canadians did as well.

The hon. member talked about how Canadians view themselves and this very special idea that we have about what we are like. We are tolerant, fine, fair-minded people who have a sense of social justice, who want to reach out to help their neighbours and each other. We certainly want to deal with the many injustices that we both feel Indian people have suffered over the centuries, certainly in the 120-odd years of Confederation.

The hon. member also pointed out that Canadians view themselves as a peace loving people. There was some dichotomy in what I heard because, if we are a peace loving society, how can we then assume that might is right and that he who carries a gun somehow has the moral authority to command special attention? Yet, the hon. member was espousing that very idea. If someone has a weapon combined with a just cause, that somehow gives him or her some special authority to get attention that we would normally not accord to anybody in our

society who took up arms against any other sector or segment of society.

Is the hon. member saying that when anybody wheels a gun, he or she deserves special consideration for his or her particular interest? Does this mean that anybody who feels he or she has a just cause can take up arms and then get some sort of special consideration? Should we sit down and negotiate the terms of the particular problem that that interest group might have at the point of a gun? If that is so, I find it difficult to put together in my mind with what the hon. member said about the just society, the way Canadians see themselves and how we deal with the perception, even internationally, that other people have of us.

It seems to me that there are many peace loving, law biding Mohawks and other Indians out there who do not condone the use of guns. In fact, Mohawk warriors are hiding behind the very legitimate concerns of the Indian people in the rest of Canada.

How does the hon. member condone the use of force and the use of guns? Does she believe that people who pick up arms should be given food because he or she points a gun in a certain direction? I wonder if the hon. member condones the use of guns.

Ms. McLaughlin: Madam Speaker, no, I have never condoned the use of guns. It is for that reason that I did not support the actions of the *Sûreté du Québec* when it went in in a very violent way and, sadly, a young Canadian lost his life over this.

The hon. member across the way referred to these people, the aboriginal people. These people are Canadians and we cannot lose sight of this. Not only are they the people who the previous speaker refers to as "these people", but they are the first people of this country. There are many treaties that have not been honoured.

No, I do not condone the use of violence. I support Elijah Harper who has said that aboriginal people speak loudest when they speak with peace. No, I do not condone the actions of others who have also undertaken violent actions against aboriginal people, or indeed when aboriginal people do the same thing. But we cannot avoid a discussion of the root causes of this issue simply by focusing on it and talking only about guns.

• (1520)

We are avoiding the issue of aboriginal rights and the acceptance of aboriginal rights in this country. By dealing only with the issue of guns and by pointing out that it is necessary to deal with the historical obligations of Canada and the historical and constitutional justice of aboriginal rights that are in our Constitution, and, indeed, rights to self-government that reports commissioned by the House have developed, we are simply avoiding the root issue.

No, I do not condone the use of violence. But I do not condone it by residents of Châteauguay, I do not condone it by the Mohawks, I do not condone it by the police, and I do not condone it by the army. The member across the way, of all people, should think that there is a different way to do things. Why do we always have to use the old way and, if I dare say, the macho way? Maybe it is time we started to sit down to negotiate and to deal with some of these issues properly.

Some hon. members: Hear, hear!

Ms. Lynn Hunter (Saanich—Gulf Islands): Madam Speaker, my question for the Leader of the New Democratic Party is one that concerns not only this issue, but a larger issue of which this is a microcosm, that is, the disrespect for the political process that we have seen this summer.

We have seen the abdication of political responsibility at both the federal and provincial level. As a leader of a major political party in Canada, how does she see this tragedy?

Ms. McLaughlin: Madam Speaker, I think the hon. member for Saanich—Gulf Islands raises a very good point. It really is not the time to point blame at one group or another, but to look at what we are going to do collectively using good common sense in the House so that we are never faced with this kind of debate again. Is this not what we should be doing?

If the government had had respect for all of the members of the House, they would have recalled the House this summer to discuss the situation. This is an extraordinary situation. None of the aspects of the situation are happy, not for Quebecers, not for Canadians, and not for aboriginal people. It is not a situation we all wanted, but surely it was a time for the government to show leadership and to recall Parliament so that everyone in the House could offer their solutions for this crisis.

The kind of leadership needed in the country is leadership that listens to all the solutions. We cannot afford any more to only look at things from one perspective. If we have learned anything this summer, surely we must have learned that it is necessary to listen to all the voices in Canada. There are very legitimate concerns in Quebec after the failure of the Meech Lake Accord. There are very legitimate concerns of aboriginal people. There are very legitimate concerns of the people who, as we did in the debate yesterday, raised questions about our role in the Middle East.

Surely, it is the time to show some real statesperson-ship, to have people together to debate and discuss these issues. It takes everyone. Real leadership and government that cares about Canadians to ensure that that takes place.

[*Translation*]

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, the citizens of a region of my riding, particularly the residents of Oka–Kanesatake, Saint–Placide and Saint–Benoît, have lived through a summer of fear and terror. The nightmarish nights of women and children who were ordered out of their houses at gun point by masked Warriors on July 11, 1990 is an image which these peaceful people will never forget.

This is why I thank the House for this opportunity to express what I have been living through since 1984, and to shed some light on incidents of which members and Canadians alike have a right to be aware.

I was told during the 1984 election campaign that native people did not vote. At the time the chiefs asked me to leave Kanesatake. I was surprised because I believed that native people were Canadians like all others and that they ought to exercise their right to vote.

After the elections I had many meetings with the residents of this Mohawk community who did not agree with the system under which the chiefs and the grand chief are elected by the clan mothers. Next came the compilation of duly signed petitions from 85 per cent of the people of Kanesatake urging the government to intervene.

In 1987 we asked for a referendum and the case was referred to the courts by then chief Alex Montour. The case is still pending and should be heard in the near future.

Right now, Madam Speaker, however well–intentioned, nobody—Conservative, Liberal, New Democrat, it does not matter—can negotiate with the Kanesatake Mohawk community. I would suggest there are too many chiefs and not enough Indians.

Six chiefs have held power since 1984. Only the highly–paid lawyers are interested in maintaining the existing system. The Mohawks must change this practice, for their future in Oka depends on it. Moderate Mohawks want to elect their leaders—I am talking on behalf of 85 per cent of the people of Kanesatake—for a term of at least three years and achieve the kind of political stability which, we are sure, will lead to economic stability. I agree with them and I am behind them all the way.

The government will have to deal with me if it seeks to negotiate the after–crisis and the land claim settlement within the current system and with chief George Martin who left his people in the dark when he fled from the reserve during the hostilities. He no longer speaks for the majority of his people. Perhaps I will antagonize some, but I certainly urge him to resign.

I urge the clan mothers not to insult their people by appointing another chief; the next chief has to be elected by the band majority, for only then will they have a strong voice which will make it possible for the government to settle the issue and bring the prosperity which the people of Kanesatake deserve and to which they are entitled.

I think that the unbelievable crisis we are experiencing could have been avoided. Tensions have gone up a few notches since the incident at the treatment centre where the Warriors are holed up. I hope the centre will not be ransacked as were the homes of white people, I hope

they have enough honour left to restore the building to its original condition so that native people who suffer from alcoholism may be treated. The centre had been the subject of controversy and we had to resort to various measures to make sure it would be built.

Then Jean-Roch Simon, a Kanesatake Indian who lives in the village and who has no use for municipal by-laws, decided he would build an eight-unit apartment building on his federal land. That is one of the problems at Oka. It is like a checkerboard, Madam Speaker, white land next to native land, and that makes for shaky relations between the two communities. And now we have all heard about the famous golf course. Does that case give a handful of armed warriors the right to hold a whole population hostage?

In passing, I might say that women and children who are victims of violence would be quite justified to ask the armed dissidents to protect them against their violent mates who seek them out in shelter homes. We are the laughing stock and this charade has lasted long enough! We must take drastic measures if that is the only way to force the fifteen-odd Warriors out of the centre so they will face Canadian courts.

Madam Speaker, after the Akwesasne incidents of last May I personally told the authorities and my caucus that the ongoing crisis out there was nothing compared to what was brewing in Oka. Arms have been piling up in Oka since last April. A couple of Warriors used their guns to intimidate ordinary citizens. There have been many blunders. I will mention first of all the hasty statements which Mr. Caccia made at the very beginning and which were challenged by the municipal authorities. I am not here to say whether the municipality was right or wrong concerning the golf course affair. Mayor Jean Ouellet did not nothing but carry out an injunction from the Superior Court ordering these Warriors not to block a public road.

• (1530)

At the time, Sam Elkas, the Quebec Minister of Public Safety, stated that he would not send the *Sûreté du Québec* to act as cowboys in Oka. Well, on July 11, 1990, he sent the members of his *Sûreté* to behave like Rambos, with the tragic consequences we all know.

Yves Désilets, a Federal negotiator, was sent to convince the Warriors to lay down their arms. The negotiation process he used at the time was wrong. I can really say objectively that this man was both arrogant and incompetent. I can understand that he may have been tired, but that is no reason for being incompetent, and he should have resigned at the very beginning and asked the Department to appoint somebody else to replace him. An investigation will show clearly the decisive influence he had, because the citizens from Oka got together as a group to defend their rights. It should be said also that the Kanesatake Mohawk people did not find in Mr. Désilets a worthwhile negotiator.

The whole staff of the Quebec Department of Indian Affairs should be fired and replace with new blood to manage the after crisis. Madam Speaker, how could we compensate our fellow citizens whose houses were broken in, wrecked and spattered with human feces and especially the older people who suffered enormously? Moreover, in their statements, the leaders of human right associations never mentioned the hard times the white people and the moderate Mohawks lived through behind the barricades. For the media, only the Warriors existed! I denounce misinformation. Has this been said? People should know that during the crisis, some reporters went swimming in the swimming pool of one of the evacuated citizens. That is unacceptable, Madam Speaker! The right of property was seriously infringed upon. How do you think the people in my region feel towards these Warriors? They call them savages! These people who ruined the reputation of the Mohawk nation should be damned! Canada and the rest of the world were in a state of shock when they heard that a man with a single semi-automatic rifle had terrorized and killed a group of young women at the Montreal Polytechnical School. In contrast, these Warriors with an enormous quantity of scary weapons were allowed to roam as they pleased. Yes, the Army did a magnificent job. They should have been sent for at the very beginning. Such an action would have spared millions of dollars which could have been spent improving the quality of life for the Mohawks in Kanesatake and the white people in the area.

Madam Speaker, I must admit I was filled with shame when the Ministers signed an agreement in the presence of an armed Warrior. I was also humiliated when some white people stoned Mohawks who were leaving the Kanhawake reserve and when Mohawks stoned soldiers who had been ordered not to reply in kind. I am proud of our soldier's sense of duty, self-control and proper behaviour. This crisis has at least made it possible for us to know the Canadian Army better.

Madam Speaker, the leader of the New Democratic Party mentioned a while ago a seven year old Mohawk boy who, following the crisis, was looking at a white reporter with hatred in his eyes. I can tell her that I saw the same hatred in the eyes of white boys looking at Mohawks. How unfair this is!

I have no objection to the setting-up of a Parliamentary Commission which the two Opposition Parties are seeking to look into the Oka and Kanetasake events to make sure that they will never happen again and that the guilty people will pay. I want to remind the House that a Royal Commission would help shed light on all the claims made by Indians in Canada to see whether or not they are realistic and reasonable.

Finally, I want to give the people in my riding the assurance that we will do everything that is necessary to restore a climate of trust in Oka-Kahnesatake. To do this, everyone will have to give a little. I want to say to those fifty or so people who do not want to go back to their homes that they will get all the attention and compassion they deserve. There will be a special project for the entire region which has already been proposed by the Regional Municipality of Deux Montagnes and I am sure it will be endorsed by the new leaders in Kahnesatake.

People who will not be eligible for unemployment insurance this winter because they simply were unable to work will receive special attention from the government.

The Mohawks must redefine their relationship to the Warrior society. The Mohawks must choose their leaders and put an end to fruitless discussion. The white community must negotiate with them to decide on the territory they are to have, so that peace and harmony will return to this area. Stop the scare tactics and decide once and for all: a reserve or no reserve! The talks should be public. White people and Mohawks should discuss their future together and do so in public. In Oka-Kahnesatake the situation is different because it is not a reserve and because these two communities have been living together, are living together now and will have to live together in the future.

We will have to investigate the role played by reporters. I feel that instead of informing the public, they often helped to increase tension. There should be an inquiry into the proliferation of arms in reserves, and we must find out why the Canadian Security Intelligence Service was unable to inform the authorities in time of these stores of weapons in Akwesasne, Kahnawake and Kahnesatake. The Quebec and Canadian departments must find a way to either act as one or at least agree on policy in order to avoid duplication and confusion in native affairs in Quebec.

Although he signed the document in Oka it was probably a trap, Madam Speaker—in the presence of armed warriors, I would like to congratulate Minister Tom Siddon who in spite of everything, and as Minister of Indian Affairs during a very difficult and unusual period, stood firm before the native leaders when he denounced violence and the use of weapons.

Madam Speaker, there will have to be a lot of love and friendship on both sides if we are to restore the trust and respect the two communities have always enjoyed in Oka-Kahnesatake. We must make sure that Canada will never again have another crisis like the one experienced by the moderate Mohawks, and this is very important, Madam Speaker, because in Kahnesatake there is a serious leadership problem. For six years we have been unable to negotiate what they were entitled to, which was a more uniform territory. Every time we were close to an agreement, they changed chiefs. Of course, the Mohawks could say that we on this side changed ministers of Indian Affairs, and they would be right.

The fact remains that it is a very difficult situation, because the Mohawk community in Kahnesatake no longer recognizes its present leaders, and the community insists there should be a referendum on the electoral process. Only after a referendum is held and proper elections have taken place—this is not what I want but what they are asking— I say we must ensure this request gets the attention it deserves because we will never be able to negotiate any kind of agreement or settlement that will restore peace to Oka-Kahnesatake

unless Mohawks and White people can talk to each other and sign lasting agreements, Madam Speaker.

On the weekend, Chief Martin who was outside—these are moderate Mohawks who signed an agreement with the Quebec Provincial Police to have native people act as security officers. The next day, the agreement was defeated by other Indians by a vote of 45 to 42.

So you see, Madam Speaker, this is a very divided community, and so it is very difficult, almost impossible to conclude agreements. That is why I want to say to our various governments, to my own Prime Minister and the Minister of Indian Affairs and to the Premier of Quebec and Mr. Ciaccia, Minister of Native Affairs and to the Minister of Public Safety that as soon as there is a surrender in Oka, involving the Warriors, and as soon as peace is restored, a referendum must be held before we start negotiations that will ensure that, in the future, Mohawks and white people will continue to live together and that fairness and justice will prevail.

• (1540)

[*English*]

Ms. Ethel Blondin (Western Arctic): Madam Speaker, I would like to take the opportunity to thank all members for speaking to this very complicated and very sensitive issue.

I would like to ask the hon. member her view as to a body of opinion from Queen's University, a group of 20 scholars headed by Richard Spaulding and the Dean of Law, John Whyte, who indicate three points.

"(1) That there are legal arguments in favour of the Mohawk's assertion that their aboriginal and treaty rights entitle them to exclusive policing authority over Mohawk people.

The 1664 Treaty of Fort Albany under which the Mohawks first confirmed their relationship with the British Crown contains specific undertakings on this question.

(2) The actions of the federal and provincial governments and of the agents acting under their authority are unconstitutional if they interfere with aboriginal or treaty rights and cannot be justified on the basis of both the purposes they serve and the methods they employ. (See the Crown *v.* Sparrow).

(3) Governments bear the burden of persuading the courts that actions which violate aboriginal or treaty rights are justified. Statements that the rule of law must be applied or that there is only one law for all "Canadians" will not suffice as legal justifications for actions which infringe on aboriginal or treaty rights".

These are comments that came from Queen's University. Since these people do not vote, how does the member feel about representing these people who believe they are sovereign and should be dealt with on a nation-to-nation basis?

[*Translation*]

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, I think the hon. member's question would be best answered by a royal commission of inquiry that would establish once and for all how Canada's native community should live with a new situation that has developed as a result of land claims. I think 20 academics— she mentioned 20 scholars from Queen's. Perhaps 20 scholars from the University of Montreal would have a different opinion. That is the problem, and I am convinced that these matters should be dealt with by a royal commission of inquiry, and I am sure that is what the hon. member wants as well.

Hon. Jean Lapierre (Shefford): Madam Speaker, I was listening to the comments made by the hon. member for Argenteuil—Papineau who is also a Parliamentary Secretary, and I must say it is very disturbing for a member to hear an admission of defeat from a colleague who is sensitive to the needs of her riding.

During the past few weeks, I heard the hon. member being interviewed on the radio. In fact, she was trying to warn her government through the media, since the House was not sitting. Today, I find it very disturbing to hear a government member say the army should have been there from the very beginning, that she was ashamed of her ministers, that heads must roll and that people don't understand what happened, and especially when we realize that for quite some time the hon. member had been raising these concerns with her government. Today, the hon. member had to rise in the House and practically apologize for the fact that her government had ignored a situation she had most certainly brought to the attention of the Minister of Indian

Affairs and Northern Development—in an interview I heard her say she had been after the Minister of Indian Affairs and Northern Development, day after day to tell him that a crisis was brewing in this area. That is the very essence of Parliament. Today, we see a member who despite her convictions and arguments was unable to get the government to act, and who now has to admit defeat.

Madam Speaker, I think that today's debate has borne out the hon. member's concerns. I want to say to the hon. member that we heard her this summer, and that when she said it would take a lot of love and friendship, we knew she must have spent her entire vacation working on this problem. I want to say to the hon. member that if her government had shown the same sensitivity to these issues, there would have been no crisis.

While applauding the hon. member's efforts, I also want to tell this government it is a disgrace that the local member should have to come before the House today with this admission of defeat.

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, of course everybody in my riding, like all Canadians, felt it was disgraceful for ministers and a Quebec Superior Court judge to sign an agreement with a masked and armed person. I am only echoing what I have been hearing all summer. That image is imprinted in the minds of my constituents and in that of all Canadians, I am sure.

Madam Speaker, I say this, but I believe I also mentioned having been fully consulted by the Minister of Indian Affairs through the course of the summer. I was in constant contact with him through the phone. He never expected, as no one would have, the day would come when fifteen or so people would make a whole nation shake at gunpoint and could hold out against the Quebec Police Force and even the Canadian Army.

What I have said is that the time to act was in early April, when there were only two or three armed Warriors. Then was the time to prevent the situation from deteriorating and turn into a national or international conflict, as it turned out, over a golf course. That is absolutely incredible!

However, I want to assure the member that the government has always considered Indians to be peace-loving people and still does. But the government never expected that there would be such people among the Indians, and among the Canadian population for that matter—We have seen Hell's Angels with guns too. Let's face it, the White people are not faultless!

An hon. member: But they were apprehended!

Mrs. Bourgault: That's right, they were apprehended. So, Madam Speaker, the minister never expected, and neither did the government, that the Warriors would pursue their action and that the native leaders would keep almost condoning there use of guns.

[*English*]

Mr. Sid Parker (Kootenay East): Madam Speaker, I would like to ask a question of the government member.

I too am appalled at the use of arms to try to resolve situations, but what are native people to do when as young natives they are facing a 60 per cent to 70 per cent unemployment rate and they are not even acknowledged in the Constitution as being a founding people? It should come as no surprise that some native people have resorted to violence. The real surprise is that it has not happened sooner.

I would like to ask the member who represents this area what her thoughts were when the Prime Minister was selecting cabinet ministers. Four cabinet ministers have been replaced in the last six years in the Department of Indian Affairs which represents natives from all across Canada. To have a government majority of this size and to have to change ministers four times in five years shows the priorities of this government. Did the hon. member speak out against that and for a stronger selection of representation for the native people?

[*Translation*]

Madam Deputy Speaker: A brief comment from the hon. member for Argenteuil—Papineau.

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): At the outset, may I say it must feel quite safe, in circumstances as complex

and unbelievable as the ones we have lived through, to be sitting on the opposition benches.

Madam Speaker, Mohawks and other aboriginal people in Canada most certainly have other means of pressuring the government than calling upon the Warriors society. There are other peaceful means which would be quite as effective.

In that regard, I must congratulate the hon. member, although I disapprove of his action in killing the Meech Lake Accord which would have finally allowed the premiers to hold a constitutional conference on aboriginal rights. I will never forgive him for killing the Meech Lake Accord, but on the other hand, he was the first to declare that the use of violence by aboriginal people was wrong and should be condemned.

There are all kinds of pressure tactics other than arms.

Madam Deputy Speaker: The time allocated for questions and comments has now expired. Resuming debate. The Hon. Member for Nunatsiaq.

[*English*]

Mr. Jack Iyerak Anawak (Nunatsiaq): Madam Speaker, I would just like to make a short comment. I believe I just heard the hon. member saying that she will never forgive—and I do not know who she meant—somebody for the failure of Meech Lake. Is it the aboriginal people?

However, I would now like to begin my speech. It is with great sadness and disappointment that I rise to speak on the motion of the government regarding the Oka crisis. How can the hon. minister move a motion commending the army when the standoff is still in progress, when Parliament does not yet have all the facts and when things still may happen? It is like jumping before looking.

I would also like to comment on some things that have been mentioned by hon. members across the way about how heavy the Mohawk artillery is. We have to make it quite clear that never have we said at any point that we condone violence. However, I would just like to point out that various members from the government side have referred to the arms, the arsenal, or the artillery in the Mohawk camp.

While this may be true, it does not excuse the fact that the army moved in with tanks, with machine guns, and with I do not know what else—with more arms—but it moved in with 3,000 to 4,000 army personnel against a group of something in the neighbourhood of 50 Mohawks, of which a number were warriors. I would say that is overkill. It is like sending the three frigates that we just sent over to the Persian Gulf against a canoe or a kayak.

It is important for everyone in this debate to rise above the actions of particular individuals and to focus on the broad issues which underlie this summer's tragedy. We risk missing the forest for the trees if we do not focus on principles.

Throughout this crisis Canadians have experienced a range of emotional highs and lows—shock, horror, disbelief, sympathy, compassion, anger, confusion, fear, sadness, frustration, helplessness, et cetera. I feel in particular for the children of this dispute, those who have been trapped in it from the beginning physically and emotionally, but also for all Canadian children who have seen or heard the events. What legacy is this crisis leaving them? What memories of fear, sorrow and horror have been inflicted upon them? What emotional scars will they carry with them for the rest of their lives? Surely it is obvious that once again history has repeated itself and the sins of the fathers are being visited upon the children. As the innocent world of these children has been shattered, so too has the Canadian innocence been lost. Canadians have witnessed ugly episodes of racism and hatred. We have seen a dark side of this country that we wish we had never seen and we will never be the same for it.

This is a complex situation. This is a unique situation. It cannot be seen in terms of black and white. There are many grey areas which I believe most Canadians sense intuitively. Certain means and methods may be condemned, but we cannot deny the justness of the cause.

That is why I have problems with this government's resolution. Canadians have experienced a summer of sorrow. Canadians have suffered throughout this ordeal. Canadians have been hurt. Canadians feel betrayed by their governments and they know they deserve better.

The government's motion, however, shows that it does not understand these emotions. The motion shows that the government does not understand the issues confronting it or the people it is dealing with. This government's approach is simplistic. It is one sided. It is

misleading. It is not conducive to a positive and just resolution of the issues involved.

We all want this crisis resolved peacefully and with good will. The Armed Forces at Kanesatake and Kahnawake should not be there. The families of these soldiers should not be in the positions they are in now of worrying about their husbands, fathers, sons, and brothers or sisters. The people in Kahnawake and Kanesatake and Oka should not be in the positions they are in now of worrying about their families. All Canadians should not be in the positions they have been put in of worrying about the safety of all involved and praying for no loss of life.

It has been said before, many times this summer, but it needs repeating: it should never have come to this. This crisis should not have occurred.

I want to express my deep regret and sorrow, as well as that of the rest of the members of the House of Commons, over the death of Corporal Lemay. All Canadians and all aboriginal people regret this unnecessary loss of life.

At times this crisis has seemed unreal: a nightmare. How many times did Canadians ask themselves: "Can this really be happening? Is this Canada? What has happened to us? What went wrong?"

These are questions we will be asking for a long time. The answers will not be easily arrived at. We will have to search within ourselves and not be afraid of what we may find in either our past or our present. This we must do if we want a future in which such a situation will never happen again.

Federal government ministers have made much in recent weeks of the necessity of having the rule of law apply and the government's resolution today says the laws of Canada must apply on all Canadian territory. While on the surface this is all very well and good, the government's definition and interpretation of the law is very selective.

Basic freedoms in this country—freedom of association, freedom of communication, freedom of movement, freedom of speech, and freedom of the press—are being violated in Kanesatake as we speak, but the government does nothing about these violations. It is, therefore, truly hypocritical for politicians to accuse aboriginal people of being selective about which laws apply to them. These politicians are truly speaking with forked tongues.

In addition to permitting violations of the Canadian Charter of Rights and Freedoms, the government does not tell the Canadian people about the obligations it has toward aboriginal people which it is ignoring. It does not tell the Canadian people that it is in violation of its own laws all across the country when it comes to aboriginal people. The government's motion does not tell the Canadian people that Indian lands already have a unique status in this country.

• (1600)

Provincial laws do not apply on Indian lands and there are existing arrangements within this country where some federal laws do not apply to some Indian land. In addition, recent court decisions have thrown into question the application of certain other federal laws such as federal fish and game laws to Indian people.

The Constitution of Canada, the highest law of this land, recognizes and affirms aboriginal and treaty rights. This is not an empty affirmation. The past week the weight of the the highest court of this land, the Supreme Court of Canada, in a recent case known as the Sparrow case, confirmed that aboriginal and treaty rights have significant and contemporary meaning.

The court also issued a set of guidelines to the government on how it should conduct itself in its relations with aboriginal people. The court confirmed that the relationship of the federal government to aboriginal people is fiduciary—it is a trust relationship. The federal government has a constitutional obligation to protect aboriginal rights and interests, it said, and furthermore the government is obliged to justify any regulation, law or action which infringes upon and denies aboriginal rights.

The court said that the honour of the Crown is at stake in all of its dealings with aboriginal people. The special trust relationship and the responsibility of the government to aboriginal people must be the first consideration in assessing federal actions.

The Supreme Court has served notice to the federal government. The federal government is in breach of trust if it does not protect aboriginal rights from unjustified interference and infringement.

I suggest that the government has breached that trust and has failed the Supreme Court's test on numerous occasions since it took office. The tragedy of Oka is simply the most recent and glaring example of government failure.

Throughout this country, aboriginal rights have been, and continue to be, ignored and trampled upon. Justice has been delayed and denied, over and over again. Lands claimed by aboriginal people continue to be alienated by the government even while negotiations are proceeding. Exploration and development rights have been issued by the government to private companies on the traditional lands of aboriginal people with whom settlements have never been reached. Logging, mining, and other forms of resource development are allowed to continue on lands which still belong to aboriginal people.

Towns and cities have been built upon lands which have never been given up by aboriginal people. On the prairies many Indian bands are still owed lands that were promised to them a hundred years ago in treaties they signed. For over a hundred years these people have waited for what is rightfully theirs and they still do not have what was promised to them and are legally entitled to.

Across Canada aboriginal people continue to be harassed in the exercise of their aboriginal hunting, fishing, and trapping rights, despite court decisions in their favour, and the recognition of those rights in the Constitution of Canada.

When the 1987 constitutional conference on aboriginal rights failed, this federal government refused to re-establish aboriginal constitutional negotiations. In fact the Prime Minister shut down the 1987 conference several hours before it was scheduled to end. He threw up his hands and walked away from the table and then his government cut off constitutional funding to the aboriginal organizations.

As well it is this government that cut back post-secondary education funding for aboriginal students and denied native students the opportunity to pursue a higher education because the budget was capped.

It is this government which terminated funding to aboriginal communications societies and political organizations. It is this government which decided to increase the freight rates on food items shipped to northern and remote communities and now northern people are paying almost $6 for one litre of milk.

All this happened under the Prime Minister who, in a public statement in April 1985, said that the special relationship between Canada and the aboriginal peoples should be strengthened. Aboriginal rights, especially the right of self-government, he said, should have constitutional protections.

The same Prime Minister went on to say that the current funding levels of programs designed to correct the serious inequities which exist for native people and native communities will be maintained. He added that policies regarding aboriginal people will be made after open, public consultation, especially at the grassroots level.

Is it any wonder that aboriginal people are frustrated and angry? Aboriginal people have seen their traditional lands and resources alienated; given away and sold without their consent and without, for the most part, any benefit to them. When there are some benefits, they are minimal and given grudgingly and only because the aboriginal people fought hard for them.

The land claims process in this country is not working well. The current comprehensive claims policy requires aboriginal people to extinguish their rights. The current policy does not allow for constitutional protection of self-government. How can the government justify requiring aboriginal people to extinguish their rights which, since 1982, have been recognized and affirmed in the Canadian Constitution?

The government has not taken any action to reconcile its policy with what the Constitution says. It is not prepared to recognize that self-government is an inherent right; that this right of aboriginal self-government does not come from this federal government or any other non-aboriginal government. It is inherent in aboriginal people and needs only to be acknowledged and recognized by the federal government.

These are issues which are causing much concern to aboriginal people. The government knows that if these issues are not resolved to the satisfaction of the aboriginal people, final settlements in the north may not be achieved.

In addition to the limited number of claims the government is currently negotiating, there are hundreds of specific claims which remain unresolved and numerous comprehensive claims, most from British Columbia, which have never even made it to the negotiating table because the government refuses to deal with more than six claims at a time.

In many ways, I am bothered by the term "claims". I reject the implication or suggestion that aboriginal people are clamouring for something which the government may, in its generosity, give to us. We are not claiming anything from Canada. We are asserting what is rightfully ours; what belongs to us and what we are entitled to.

This government must understand that it is not doing us any favours when it enters into negotiations. It is we who are doing the government a favour by agreeing to sit down with them and determine how we will share with Canada, our land and our resources.

Most people in this country do not understand the land claims process. The government, in these negotiations, tries to keep the most it can. It gives up the least it has to. And it, for the most part, has held the big stick in these negotiations.

Many land claims negotiations have taken place under the threat of imminent resource development. Often settlements have been reached many years after developments have taken place and what the people have fought for has largely been turned over to someone else.

At times, the government has cut off negotiation funding or threatened to cut off funding when negotiations are not going its way. It has also threatened to stop negotiating altogether. In the negotiation of land claims, the aboriginal people have always been subjected to federal threats, intimidation and power plays.

Aboriginal people are saying "enough". We are standing on the power of our rights; rights which are affirmed in the Constitution of this country and which the Supreme Court has upheld. We have the power of the law on our side and the Government of Canada is subject to this law. Who determined that the Arctic was Canadian land? Were the Inuit ever asked? Where did the King of France get the right to give Mohawk land to Sulpician priests? These are the kinds of questions that Canadians must ask themselves. How would anyone feel, seeing the land you have lived and made your home on, sold to others without your consent? How would you feel being squeezed onto smaller and smaller portions of land?

• (1610)

These kinds of expropriations without compensation have gone in this country since the arrival of the first Europeans. Last March, I asked the Minister of Indian Affairs and Northern Development a question in the House of Commons about the reports of the Canadian Human Rights Commission.

In 1988, the commission referred to the situation of the aboriginal people in this country as a national tragedy. In 1989, it said it had no reason to alter that judgment. I asked the minister at the time what immediate action the government was prepared to take to turn this tragedy around.

The minister gave the usual government response referring to how much money the government has spent, but at the same time agreeing with the human rights commissioner that the situation confronting the aboriginal people in this country needs to be vastly improved.

What has the government done to improve matters since I asked that question? Nothing, absolutely nothing. What the government has done is send in the army, between 3,000 and 4,000, to battle a group of 50 or less warriors.

From the beginning of the Oka crisis, the government tried to distance itself. It tried to absolve itself of any culpability and refused to accept any responsibility. An initial conflict over a golf course, a cemetery and sacred land escalated into a military confrontation the likes of which had never been seen in this country and which we hope will never be seen again.

The government's mismanagement of the Oka crisis has brought aboriginal people together in an unprecedented way.

In conclusion, we have all been shamed and diminished by the events in this summer of sorrow. But let us learn a lesson from this bitter experience. Force and violence solve nothing. They only breed more force and violence.

We need an independent commission of inquiry into the events at Oka, Kanesatake and Kahnawake estab-

lished immediately. Its structure and mandate should be determined in consultation with aboriginal people.

The Minister of Indian Affairs and Northern Development in his speech this morning made the most astonishing claim about the Canadian justice system. He said that our system of justice was the most fair and honourable system of justice known to mankind. I would like to ask the minister whether he asked Donald Marshall that question.

Has the minister not read the Marshall inquiry report which said that the legal system failed Donald Marshall at every turn? Does the minister not understand that the Canadian justice system of which he boasted this morning condemned a man to 11 years in prison for a crime he did not commit, because he was an Indian? If that is the rule of law the government wants aboriginal people to submit to, then we say: No thanks.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Madam Speaker, I listened to the hon. member from Nunatsiaq with a great deal of interest because we have many times stood in this House and had an opportunity to share some of our mutual concerns about native people across this vast land of ours.

I heard what he said about the Arctic and the land claims there. He asked the question: "Who gave permission for this land to be used?" But I wonder if he could tell us how he feels about the situation we are actually faced with today. In fact, in Canada we do have more than one peoples living in this land, and we do have treaties in many of the areas of the country.

I believe the member was talking about comprehensive claims rather than specific land claims having to do with certain treaties and certain parcels of land. How does he put that together in his own mind? How do we solve these issues that have to do with conflict of opinion over who owns what land when there are treaties involved and when there are people currently occupying these lands.

Perhaps the member could give us the benefit of his very valid advice on this matter.

Mr. Anawak: I am sorry I did not hear the entire question.

One point I would like to make which I mentioned earlier in this presentation, as I think the hon. member mentioned, is that there are no treaties in the eastern Arctic—absolutely none. No land has ever been given by the Inuit to any European or any other group of people other than the Inuit. As far as we are concerned, we live on that land, know the land, and own that land. If the government wants to negotiate with the people about who owns that land, then it should sit down on the basis that at this moment no other body owns that land, rather than saying: "We have one and a half million square miles of land and we would like to give you some."

All I am saying is that the attitude has been that somebody else owns the land and that we should claim back some of it.

In terms of treaty rights and treaties, we must remember that the Europeans came over, I think, starting in 1492. I must also remind the hon. member that while she can record history in Canada by hundreds of years, we can record ours in thousands and tens of thousands of years.

When the Europeans came over they had in mind that this land was to be claimed for the Europeans. The people in North America, who had no concept of privately owning land and who shared the land at all times, were willing to share that land with the people who came over. There was a miscarriage of justice when the European people who were making those treaties were at an advantage. I have heard of treaties being signed with an *x*. Where is the justice if the treaties that were signed by people who did not understand what was in those treaties?

On the other hand, some of those treaties have not been honoured. I think the hon. member would be well advised to talk to the various aboriginal leaders and ask them what can we do to correct the situation? What can we do to correct the injustice that has been done to the aboriginal people?

Mr. Ron MacDonald (Dartmouth): Madam Speaker, I have listened with great interest to the member from Nunatsiaq. I think it does this place good to listen to somebody speak from a firsthand knowledge of the plight of native Canadians, the original Canadians, the first nations.

The member alluded in his comments to a statement made earlier today by the Minister of Indian Affairs and Northern Development concerning the justice system in the country.

I am from Nova Scotia and anybody who has lived in Nova Scotia or can read newspapers has read with great horror the findings of the Marshall commission of inquiry about the administration of justice in Nova Scotia. Madam Speaker, I do not know if you or other members of the House have read that document, but if they have not, they should. It is a stinging indictment of the justice system in Nova Scotia and a stinging indictment against systemic racism in the justice system right across the country.

I know that the issue of Oka is sometimes hard to separate when dealing with native issues, fundamental rights, weapons, the army, and all the other things, but there is one thing that is clear. It is clear that successive governments have asked the native community to live by our laws and told them that our way is a better way than their way. In doing that we have destroyed their language, we have assisted in destroying their culture, and we have almost destroyed the entire first nations of the country.

• (1620)

There is a double standard when we talk about justice and why the natives have to put down their arms because the law of the country must be supreme. The Minister of Indian and Northern Affairs is nodding. He knows that in Nova Scotia the Micmac community took the Government of Nova Scotia to court on the Treaty of 1752. The court affirmed the native rights when it went to the Supreme Court. Yet the Province of Nova Scotia, a province of the country and a sovereign government, has still denied the native community the rights the Supreme Court said they had subsequent to the Treaty of 1752. So, what we have is a double standard.

It is very, very easy to talk about upholding the law, but at the same time successive governments of Canada—Liberal and Conservative—and New Democratic governments in provincial jurisdictions have absolutely refused to honour the treaties they have with native peoples. The rights of everybody in this country—native and non-native—have been treated with a double standard.

I want to ask the member specifically about the UN Charter of the Rights of the Child. The Prime Minister is off this weekend to participate in the international conference and I hope he is listening. One of the articles deals with the right of children everywhere to be educated in their own language and their own culture. Yet, when the sub-committee travelled, it found that one of the number one concerns of the native community was that no resources were provided by the government to ensure the development of native curriculum and that languages of the native communities across the country were maintained.

I would like him to make a comment on that.

Mr. Anawak: Madam Speaker, it is very true that we are suffering from either a lack of funds or the way the funds are allocated within the education system in terms of our aboriginal languages curriculum.

Today in the Northwest Territories we have eight official languages, of which six are aboriginal languages. They also include French and English. I would hope that both the Government of Canada and the Government of the Northwest Territories would recognize the need to implement programs instituting or introducing aboriginal languages as a full part of that curriculum as we have down here with French and English. I must admit that in certain parts of the territory it has to be that way. In the eastern Arctic they should implement a full Inuktitut program. In some parts of the western Arctic they should implement some other languages.

I would hope that the Government of Canada and, through them, the Government of the Northwest Territories will recognize the need to put as much money as possible into language programs or reallocate the funds to them.

Very briefly, I would also hope that the Government of Canada would reconsider the post-secondary funding to the aboriginal people.

[*Translation*]

Madam Deputy Speaker: The time allocated for questions and comments has now expired. Resuming debate. The Right Hon. Prime Minister.

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, since July, television has been bringing into Canadian homes alien images of barricades and masks and assault rifles. A dispute that began in Oka over land was hijacked by a group of heavily armed people, motivated by ideology and seeking to protect illegal commerce. Their tactics have been the tactics of terrorists. High-powered weapons, threats against the autho-

rities, trade in contraband goods, intimidation of law-abiding Mohawks, interruption of transportation, and destruction of property disqualified any claim the Warriors had to represent the grievances of law-abiding Indians.

What is taking place at Oka is not civil disobedience; it is violent activity that no community should be expected to tolerate. The ostensible reason for the conflict at Oka— and I do not in any way wish to downgrade major historic land claims by Native people, and I will get back to this later—was long ago removed when in July, the federal government acquired the disputed land, before the incidents took place, for the Mohawks of Kanesatake. This step, incidentally, is in keeping with the goals of the framework agreement concluded a year ago this month between the Mohawks of Kanesatake, the town of Oka and the federal and provincial governments, an agreement that unfortunately was repudiated in March by a number of Mohawk leaders.

[*English*]

What has been at issue these past weeks is not the land, rather the warriors acting against all of the peaceful and noble traditions of Canada's Mohawks. The warriors, advised by foreign legal counsel, have been seeking recognition that their communities are independent and that the laws of Canada do not apply to their lands and to their activities which in the past have included smuggling and gambling on a very large scale. They have sought by various means to circumvent the Canadian justice system.

The warriors' demands are not simply ideas on which reasonable people can agree or simply agree to disagree. They strike at the very heart of what Canada is all about.

The warriors have been acting as if the concept of native self-government means national independence. I want to be very clear on this point. Native self-government is something that can bring great honour, great accomplishment, and great justice to native peoples and, indeed, it shall. But it does not and cannot ever mean sovereign independence within Canadian territory. Mohawk lands are part of Canadian territory and Canadian law must and does apply to us all. Everyone in Canada—members of this House, members of every house, warriors included—is subject to the Criminal Code of Canada. If exceptions to the Criminal Code were made on the basis of colour, race, or creed, where could the line be drawn in a country as diverse and as complex as Canada? What could be more repugnant in a democracy than a legal system based on birth rather than equality?

There are many non-violent avenues, political and judicial, open to people in the country to promote change. In fact, the traditions of Canada's native peoples have been peaceful and noble down through the decades, often under great assault and under great personal challenge. Any student of history, I am sure, would have wondered at the forbearance and the generosity of native peoples given some of the matters to which I will come very shortly. But the warriors opted for firearms and violence, concepts that are fundamentally alien to Canada and to the interests of all native peoples.

• (1630)

[*Translation*]

Two Mohawks were killed in a dispute over gambling at the Akwesasne reserve last Spring. Corporal Marcel Lemay of the *Sûreté du Québec* was killed in the police assault on the barricades last July. These are the consequences when people decide that the law does not apply to them.

Conferring on the claims of the Warriors the legitimacy of the grievances of Canada's aboriginal peoples does the later's cause an enormous disservice. And glorifying violence and romanticising those who have recourse to it does democracy, itself, a terrible wrong. Masks and guns make compelling pictures and raise ratings and circulation. But they don't equate to noble purpose.

The armed forces have brought the barricades down and are gradually turning their responsibilities over to the *Sûreté du Québec*. As this phase-out begins, I think all members would agree that perhaps the most edifying aspect of this whole tragic episode has been the professionalism of the Canadian Armed Forces.

The Canadian Forces, from General de Chastelain to Lieutenant-General Foster to Brigadier-General Roy are to be commended for the level of professionalism that has been evident throughout.

Mr. Lapierre: It isn't over yet!

Mr. Mulroney: No, it isn't over yet. The hon. member is right. However, they still deserve the respect and gratitude of Canadians for the truly outstanding way in which they carried out this difficult mission.

Lieutenant Colonel Robin Gagnon, Major Alain Tremblay, Private Patrick Cloutier—the young soldier who stood his ground coolly in a face to face challenge—and all the other personnel of 5 Brigade showed great courage and almost superhuman self-control in the face of extraordinary provocation.

There are no plans to attack the centre. No one is being interned there—least of all the innocent children who should be in school. They are welcome to leave at any time.

[*English*]

The armed people, behind the razor wire, can lay down their weapons and accept the offer of the Canadian forces to be placed in custody, and they should, they must. If they persist in staying there and they want to stay there themselves, let the children go. The children should be released; they should be in school.

Some hon. members: Hear, hear.

Mr. Mulroney: Otherwise they can confine themselves to the detoxification centre indefinitely. Either way, the ultimate result is going to be the same. They will have to submit themselves, as all Canadians must, to the Canadian criminal justice system. Members of this House have an opportunity today to speak with one voice in calling upon the warriors to lay down their arms and submit themselves now to one of the finest justice systems in the world, the justice system of Canada.

Some hon. members: Hear, hear.

Mr. Mulroney: Once the guns are down—

Mr. Skelly (North Island—Powell River): Aboriginal exceptions.

Mr. Mulroney: My hon. friend is quite right. There are very tragic exceptions to this and I will be happy not only to—

An hon. member: Aboriginal exceptions.

Mr. Mulroney: Well, indeed, and I will be very happy to deal with it because the fact that we have an excellent justice system which stands up admirably in comparison to any other in the world does not mean that there have not been serious errors and serious abuses. As long as those errors and injustices arise, and they have in recent times affected particularly native peoples, that is a special tragedy and that is one that all members of the House want to correct.

Once the guns are down, we will be in a position to hand over the disputed land to the people of Kanesatake. There will also be freedom to explore new ways to resolve their historical land claims. In the meantime, there is much to do and many legitimate grievances to address there and elsewhere in Canada.

Over the past year, we have quietly discussed an agenda with native leaders to address issues of concern to all of Canada's native peoples. It is time to begin to put this agenda into operation. Canada's original peoples deserve a special place in this country as our first citizens based on the aboriginal and treaty rights recognized in the Constitution. Those realities have often been denied over decades and centuries in Canada and it is time that we began the process of making up this injustice.

Our agenda will be anchored in reality. It is no myth that native leaders have too often been treated insensitively, unfairly and often times illegally since the days that the first Europeans set foot on this continent. Canadian history records that Indian decency was too often met with cynicism and that Indian generosity was too often repaid with exploitation.

The cultures of Canada's native peoples have been poorly understood and little valued. Many people still remember Indian children being punished at school for speaking their own languages.

The first Canadians, our first Canadians, were denied freedom of speech in their own land.

Thanks to the Indian Act of 1876, people who had never known national boundaries found that they could not even leave reserves—pitiful, mediocre reserves—without a pass. In fact, only in 1960—to show the dimensions of both the tardiness and the enormity of the tragedy—were Canadian Indians fully enfranchised. And I may say, because I will be unveiling a statue of the Right Hon. Lester B. Pearson tomorrow, that this particular act was done while he was in the House and when the Right Hon. John Diefenbaker was the Prime

Minister of Canada, and it was roundly supported by all political parties.

Some hon. members: Hear, hear.

Mr. Mulroney: The ultimate irony is that the first Canadians were the last to get the vote, and it is a further reality that contemporary Canadians do not have to scour their history books for examples of the racism, paternalism and dependency that have been so destructive of native peoples' welfare and self-respect.

There is ample evidence that things remain seriously wrong to this very day, for example and most recently, the injustice done to Donald Marshall Jr., the Micmac Indian from Nova Scotia. I suppose that of all the tragedies of recent times that this one stands out for its poignancy. It is a tribute to Mr. Marshall and, indirectly I suppose, to all Canadians that even though it took that time, it was eventually corrected. My hope, as Prime Minister of Canada, is that that evil will never again be repeated against Indian people.

These failings sully our reputation and stain our history. If progress requires that we acknowledge historical realities, it also demands that we acknowledge contemporary realities as well. One of these realities is that Canada's aboriginal peoples benefit, as all Canadians benefit, from being part of a socially progressive and economically prosperous country.

Canada's native people enjoy the same rights as all Canadians under the Constitution even though you would sometimes have serious questions about understanding the application of those rights, and they are supposed to enjoy special rights available only to them, although those too are sometimes placed in jeopardy. In recent years Canada's aboriginal peoples have made progress. Consider the following excerpts from a statement by George Erasmus, national chief of the Assembly of First Nations, in his annual report to his fellow chiefs meetings in Whitehorse this past May. I quote:

> In the past twenty years, the landscape has changed a lot for us—
>
> I can sum it up by saying that we have taken a good deal of control over our lives and affairs as First Nations persons.
>
> Just look at where we were in 1970: all funding in 1970 was controlled by the federal government through the Department of Indian Affairs (DIAND); now, twenty years later, we're managing the bulk of our finances.
>
> In Education, there's a tremendous number of schools now under our control; twenty years ago, either Ottawa, the bureaucracy, DIAND or the churches were in total charge.
>
> In 1970, we didn't have as many as 1,000 post-secondary students; today, there are nearly 17,000!

• (1640)

In fact, our figures show 18,500.

> On-reserve housing continues to be a major concern but even here there has also been improvement in the past couple of decades.

Chief Erasmus is right that despite the poverty that is too prevalent on too many reserves, progress is being made. More than 30 per cent of the current Indian housing stock has been built since 1984 and a further 35 per cent has been extensively renovated since then.

There has been progress in other spheres as well. For example, in 1960 the life expectancy of status Indians was 60; by this year it reached 70.

In 1960, the infant mortality rate was 82 per thousand live births; this year it has reached 13. These figures are either encouraging or depressing, depending on how one wants to look at them. But, I believe that if you place them in the context of what George Erasmus was saying, progress is often incremental, progress is often difficult to achieve. I agree with Chief Erasmus that when Canadians of good will combine and harness their activities with those of aboriginal peoples, solid and tangible progress can and has been made in Canada. I view the future for native peoples with optimism, provided we can maintain that degree of co-operation. I know that all members of all parties in this House of Commons are pledged to achieving precisely that.

It is also encouraging to note that while there were very few Indian-owned business on reserves in 1960, there are over 5,000 today.

Progress by Canada's native peoples in persuading the courts to endorse their aboriginal rights to the land has been substantial. In 1973, following the rejection by the natives people of the then government's white paper, the Supreme Court's *Calder* decision led to a re-evaluation of policy with respect to land claims. Substantial progress has been made since then in resolving comprehensive land claims.

I am referring to a series of agreements reached on claims with the Conseil Attikamek-Montagnais in June 1988, with the Nisga Tribal Council in July 1989, with the Council of Yukon Indians in March 1990, with the Dene-Métis in April 1990, although some Dene have

subsequently sought some changes, and with the Inuit of the Eastern Arctic in April 1990.

The Arctic claims, by way of illustration, just the Arctic claims, if ratified by all concerned, will put 575,000 square kilometres of land firmly and irrevocably under Indian and Inuit ownership and transfer more than $1.3 billion to them. Together, the land area passing into Indian and Inuit ownership is more than the combined area of the four Atlantic provinces and will make the northern natives the largest land-owners in North America. This I believe is not a miracle, but it is solid progress and it is an indication of what Canada can accomplish when all parties and all of us work together.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Mulroney: So, progress is being made working within the law. On the constitutional agenda, progress on aboriginal issues, as on other issues, has proved more difficult. Neither proposals the federal government made on aboriginal self-government nor others made by provincial governments and aboriginal groups have been able to attract sufficient support to result in a constitutional amendment. And this summer, the planned series of First Ministers Conferences dedicated to matters of interest to aboriginal peoples died with the failure of the Meech Lake Accord. These setbacks aside, the Constitution, and the growing body of case law based on it, have strengthened the right of aboriginal Canadians.

Nevertheless, no one doubts that we still have a very long way to go.

[*English*]

I would like to outline very briefly, perhaps in a summary manner, the course of some of our government's plans to preserve the special place of our first citizens in this country based on their aboriginal and treaty rights recognized in the Constitution.

The agenda I believe we ought to be addressing will have four main pillars: land claims, the economic and social conditions on reserves, the relationship between aboriginal peoples and governments, and concerns of Canada's aboriginal peoples in contemporary Canadian life.

Consultation with aboriginal peoples respecting the fiduciary responsibilities of the Crown toward them will be built into the process from the very start, but we intend to go far beyond the *status quo*. On no issue is action more urgent than on land claims.

We intend to take three parallel initiatives. The first will be to accelerate the settlement of specific claims, that is those claims that result from past government non-performance or malfeasance with respect to existing treaties and to the Indian Act. We recognize that increased resources will be essential to make good on this undertaking, and they will be provided.

The second initiative that we propose to take is to ensure that the legal undertakings regarding land transfers to treaty Indians, given in some cases as much as a century ago, will finally be honoured. We have already reached agreement with the Government of Saskatchewan and with the Federation of Saskatchewan Indian Nations to begin negotiations. We are eager to initiate the same process in Alberta and Manitoba. I believe that once undertaken and once pursued with vigour by the federal government and encouraged by all parties in the federal Parliament, this will bring about major and historic beneficial results for Canada's aboriginal people.

Some hon. members: Hear, hear.

Mr. Mulroney: Third, we will accelerate negotiations on modern treaties, the comprehensive claims which until now have had to be limited to six at any one time.

Comprehensive claims are negotiated where aboriginal title has never been legally ceded to the Crown, thus clouding land title for natives and non-natives alike.

Most of the outstanding claims, certainly thus far, are in British Columbia. In July Premier Vander Zalm reversed a decades-old British Columbia policy pursued by both NDP and Social Credit governments opposing provincial participation in such claims negotiations. That policy was wrong, and I want to salute Premier Vander Zalm for reversing a policy that should have been reversed a long time ago.

Some hon. members: Hear, hear.

Mr. Mulroney: To accelerate claims settlements the federal government will no longer limit itself to handling

six claims at any one time. We will consider other innovations such as regional or province-wide negotiations.

• (1650)

The second dimension of the government's agenda will be addressed to improving living conditions on Indian reserves. We are prepared to work jointly with Indian leadership and with provincial governments on a range of improvements in basic community programs and services such as water and sewage facilities so urgently required in so many areas across Canada.

We will expect those native communities with the resources to take on increasing responsibility for financing enhanced services and economic development.

Ensuring that all native Canadians have opportunities comparable to those of other Canadians to participate in the growth and prosperity of a country of this size is not an easy task.

I know there has been a contest in some quarters about the numbers, but it is a fact of life that federal and provincial governments already spend far more money on native programs than any other country in the world. The federal budget alone contains over $4 billion a year and still, in spite of these enormous expenditures, terrible problems persist.

The money has been spent. God knows we have the bureaucrats to prove it. Some of them are excellent and have done tremendous jobs, but the fact of the matter is that the problems are terrible. Unacceptable social problems persist from unemployment to problems with drugs, alcoholism, and abuse. All of these issues cannot be solved overnight.

An hon. member: What about education?

Mr. Mulroney: And education. I know that throwing money at it is not alone the solution, but certainly all Canadians recognize that we can do a lot better in Canada than we have done in the past.

[*Translation*]

Progress requires more than money. Progress will only be made if the degrading, antiquated and wasteful statutory relationship between Indian peoples and the government is changed.

The Indian Act is largely unchanged since the Victorian age. It fosters Indian dependency on the state, frustrates Indian self-sufficiency and undermines Indian self-respect. It deminishes Indians and non-Indians alike.

In the new year, building on work that is going on now with Indian leadership, we will bring in the first of many changes to the Indian Act. Consultation, and respect for the fiduciary responsibilities of the Crown toward aboriginal peoples, will be built into the process from the start.

But we intend to go far beyond the status quo. The objective will be the enlargment of aboriginal capacity for self-government, within the framework of the Canadian Constitution. While it is not perfect, the Constitution is sufficiently flexible to afford aboriginal people ample opportunity to develop their communities, enhence their social and education systems and build their economies—in short, to live their lives according to their own cultures. For example, this government will find practical ways to ensure that aboriginal communities can exercise greater control over the administration of justice.

Self-government can mean a new relationship between aboriginal and non-aboriginal Canadians based on human dignity, trust and respect, all within Canada's Constitution and protected by Canada's laws.

[*English*]

Building such a relationship requires the understanding and the support of all Canadians. That is why later this autumn we intend as part of a broader initiative on Canadian unity to seek a thorough review of the fundamental place and the role of aboriginal peoples in contemporary Canada.

The agenda I have outlined is, I believe, very far-reaching. Its goal is to create a new relationship between aboriginal and non-aboriginal Canadians. There is no guarantee of success. There is ample precedent of failure over decades to indicate to all of us how difficult and how challenging it will be and, once we embark upon it, how important the responsibility that we all accept. It will take creativity and perseverance.

I believe that it will take the courage to see things as they are, the honesty to acknowledge them for what they have become, and the common resolve to correct them for future generations. Most of all, it will take sustained and firm leadership on the part both of governments and of aboriginal peoples, but with native and non-native

Canadians working together and with all members of the House of Commons co-operating on this vital dimension of our national life it can be done. I give Canadians the assurance of the Government of Canada that every effort will be deployed to ensure that it will be done.

Some hon. members: Hear, hear.

Ms. Blondin: Madam Speaker, I rise on a point of order. Would it be possible to ask a few questions of the Prime Minister? He is the main spokesman for the government and the main guardian of aboriginal peoples. I hope I can demonstrate that it can be done in a very co-operative and non-confrontational manner, which I am sure he will not deny.

Madam Deputy Speaker: Our rules do not provide for a period of question and comments when the orator has had unlimited time. Of course I am a servant of the House and I would need unanimous consent. Is there unanimous consent?

Some hon. members: Agreed.

Ms. Ethel Blondin (Western Arctic): Madam Speaker, I want to thank the Prime Minister for taking the opportunity to address this very important question.

It has been a very difficult summer for all of us and things have become rather heated at times. I understand the onerous burden it is to deal with the specific problems facing the aboriginal people and the government at this point in time.

I appeal to the Prime Minister through a question. Why is it that through a series of moves over the last six months, Bill C-269, an act to establish an aboriginal language foundation, was denied? It would have helped to guarantee the linguistic and cultural rights, to some extent, of aboriginal peoples. I needed unanimous consent and the NDP agreed, but the government did not.

Why could we not have the suggestions of the Charest committee considered in our constitutional debate over the last six months? Why could we not get two sentences in the Constitution to recognize the specific wording the aboriginal people wanted to recognize them as a fundamental characteristic? Why is it that we have undergone some severe cutbacks in native programming like native communications?

I say this to the Prime Minister because there is a real element of mistrust. I say to the Prime Minister in all sincerity that trust seems to be the problem here. The aboriginal community does not feel the element of trust is there. It does not feel that the efforts to negotiate a peaceful and honourable disengagement honestly, sincerely and genuinely have been exhausted, that all possibilities have been exhausted.

Can the Prime Minister assure the aboriginal people of Canada, including all Mohawks, that in fact what has happened is not an attempt to humiliate the aboriginal community because of Meech Lake and for other reasons?

• (1700)

Mr. Mulroney: Normally, I would not dignify that last part with a comment because I think my hon. friend knows full well that we undertook the Meech Lake Accord with a view to seeking a specific agenda. It failed, notwithstanding the very strong support it received from the Liberal Party in the House, the NDP and the Conservatives. At an appropriate time history alone will judge whether it was a beneficial attempt to bring about a degree of harmony and unity in Canada.

I would like to give the member an illustration of why I thought it was important. One of the duties that I inherited when I became Prime Minister was the responsibility of chairing meetings under the 1982 Constitutional Accord, seeking to bring about a constitutional amendment for aboriginal self-government. I believe I chaired two of those first ministers' meetings.

We came within a hair of securing an historic constitutional amendment that would have provided fundamental justice and a very beneficial change for the aboriginal communities across Canada. I do not know where it would have led but I had this strong view—and it was the view of the aboriginal leadership—that it had all of the earmarks of making a fundamental difference in the lives, eventually, of aboriginal peoples.

That constitutional amendment failed in 1985 and in 1986, because when it came time to go around the table to count heads, we were short one, and that was Quebec. Quebec was not participating at that time because in 1982 it felt that its own concerns, for reasons we will not go into here today, were not met. Therefore, to achieve

greater justice for aboriginal peoples it was necessary, in my view, to bring Quebec back, willingly, into the constitutional fold so that they could be there to vote in favour of aboriginal self justice.

Among my many regrets about Meech Lake—and as I say, we will let history look at it for all of us—is that I firmly believed the bringing back of Quebec to the constitutional table would bring about an affirmative position by the Government of Quebec and provide justice for the aboriginal peoples of Canada.

In response to the comment, I would like to tell my hon. friend that while no one gets everything he or she wants entirely, what I would want most of all in Canada, would be equality, fairness and justice for the native peoples of this country. Their denial and the denial of these fundamentals are something that one sees on a daily basis.

This is one of the problems that often occurs, for example, in an adversarial system in this House of Commons. Mention was made of the fact that there were cutbacks. That is true. What is not mentioned is that in the same time frame, there was an increase of $200 million to the aboriginal peoples of Canada in areas such as education and health and welfare. We decided in co-operation with others that it was better to take $20 million out of a given area and put $200 million into another.

An hon. member: It was a mistake.

Mr. Mulroney: My hon. friend says it was a mistake.

Mrs. Finestone: I said it was from communications.

Mr. Mulroney: My hon. friend from Mount Royal reminds me, and she is right. We took it out of communications and we put it into health and welfare and we increased it tenfold and I think that was a good decision for native people.

Some hon. members: Hear, hear.

May I just conclude with an observation in regard to how I, as Prime Minister of Canada, view our fundamental obligations. We were able to conclude—I was there in the Northwest Territories and the then minister was there—a large number of new treaties on comprehensive land claims. I am not suggesting that they are perfect.

Ms. Blondin: The people are divided.

Mr. Mulroney: I realized that. I realize that *ex post facto* there is a difference of opinion as to whether this particular treaty is good. That happens not infrequently. However, we were able to conclude an extraordinary land claim arrangement with the native peoples in the territories. Such a huge tract of land, such a huge amount of money that was invested, that is there. I think this has the elements of bringing together and providing the native peoples with what I believe they always wanted; land, a degree of control and the money to ensure that they become self-sufficient, because self-sufficiency for the native peoples means dignity.

What the native peoples want most of all and what I am committed to working towards is dignity for the native peoples of Canada.

Some hon. members: Hear, hear!

Madam Deputy Speaker: I think we have gone through a ten minute period of questions and answers.

A point of order, the hon. member for Vancouver East.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I wonder if the Prime Minister would agree that in fairness that he also have a question from this side of the House. I think it is important that we be fair about this.

Madam Deputy Speaker: It is after five o'clock and we should be going to Private Members' Business. But if there is unanimous consent to take one more question from the other party, I am the servant of the House. Is there unanimous consent?

Some hon. members: No.

Madam Deputy Speaker: I do not have unanimous consent.

It being five o'clock p.m., the House will now proceed to the consideration of Private Members' business as listed on today's Order Paper.

Private Members' Business

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

COMPETITION ACT

CONCENTRATION OF CORPORATE OWNERSHIP

Mr. John R. Rodriguez (Nickel Belt) moved:

That, in the opinion of this House the government should amend the Competition Act so that the Director of Investigations and Research shall consider, when reviewing a proposed merger, the extent to which concentration of corporate ownership is in the public interest, avoids conflict of interest between merged financial and non-financial commercial operations and promises lower prices, innovation, employment and other public benefits.

Madam Deputy Speaker: I am sure that hon. members could continue their conversations in the appropriate lobbies so that the Chair can hear the hon. member at the end of the House.

Mr. Rodriguez: Madam Speaker, the House will be aware of the ruling in April of this year by the Quebec Superior Court that the Competition Act is unconstitutional. It seems to me that that was a clear signal to review the Competition Act and M-58 aims to do exactly that. M-58 proposes to look at the Competition Act, which has been in place since 1986, and with which we have had three year's experience. I think the time has come to look at our experience with the new Competition Act of 1986.

• (1710)

Much has happened in the last four years. We have had three record breaking years in terms of mergers and acquisitions with takeovers worth close to $30 billion in each year from 1987 to 1989.

This is a major restructuring of ownership in this country. It seems to me it is on a scale rarely seen in Canadian economic history. Many of us are very familiar with some of these major changes; Molson's acquisition of O'Keefe, PWA buying Wardair, the Amaco-Dome deal, Imperial Oil's takeover of Texaco Canada to name just a few.

M-58 aims to deal with one aspect of the Competition Act that is a source of concern. The fact is that mergers may be approved if "efficiency gains" can be seen as emerging from a proposed merger. I believe that this criterion is too vague when assessing the major restructuring that we are now witnessing in the Canadian economy. It seems to me it gives too much discretionary power to the director of investigations and research at the competition bureau.

My motion's aim is to give greater guidance and direction to the director when assessing whether a proposed merger should or should not be approved. M-58 would ask the Competition Act to consider whether a proposed merger would lead to higher levels of corporate concentration and whether these higher levels would impact negatively on the Canadian economy.

Canada is one of the few countries where competition legislation does not take into consideration levels of market share in assessing mergers, for example, in comparable industrial economies in the industrialized world. German legislation limits markets shared to 40 per cent for a single firm for a particular industry. The limit is only 25 per cent if a conglomerate is involved.

Britain and the United States also have size criteria aimed at limiting corporate concentration. In any case, it is highly unlikely that these countries would allow a situation where two companies would control over 90 per cent of the beer market.

In Great Britain, for example, Elders who owned O'Keefe, were prevented three times from taking over another brewery because it would lessen competition. Our competition legislation makes no specific provision to ensure that a proposed merger will guarantee employment levels, or indeed, lead to increases in jobs. Surely, achieving higher levels of employment can be considered as "efficiency gains". It should be specified as such.

Another consideration is that of innovation. Our competition legislation should guarantee that innovative and dynamic firms are not stifled by larger firms more concerned about shutting out competition than with developing new products and new technologies. M-58 aims simply to make the Competition Act more specific in describing efficiency gains.

It seems to me quite a paradox that in a society where the corporate world stresses the marketplace and competition that we have even to consider legislation that forces them to compete.

The key principle of this Motion M-58 is that smarter, not bigger is better. It is an important principle if we are to develop a dynamic, competitive economy.

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, the hon. member for Nickel Belt has asked the House to consider legislative amendment to the Competition Act to allow the Director of Investigations and Research to consider the extent to which concentration of corporate ownership is in the public interest when reviewing a proposed merger and whether the proposed transaction promises lower prices, innovation, employment, and other public benefits. However, the act already requires consideration of a number of these issues. Hence, there is no need for the House to consider further legislative reform.

Around the world, there has been an increased recognition of the desirability of market-driven approaches to foster economic growth and structural change. This is evidenced by the greater reliance on market mechanisms in a wide range of countries, both developed and developing. This trend reflects the numerous benefits of competitive markets.

From the perspective of consumers, including those who are less affluent, competition is a force that generates considerable savings and increased disposable income. It keeps industries sharp and efficient, characteristics which are of increasing importance in the more global trading environment.

Competition constrains the unilateral or collusive exercise of market power. It preserves a place for small businesses, providing opportunities for new enterprises and rewarding innovation. Moreover, freely competitive forces simultaneously preserve the democratic nature of Canada's political and social institutions. Thus, it is clear that competition is not promoted as an end in itself but, rather, as a means of enhancing society's welfare.

In Canada, the Competition Act is the principal piece of framework legislation which exists to protect and promote fair competition. The act is a general law of general application. To the extent the competition policy protects the forces of competition, it results in the movement of prices to levels which more accurately reflect demand and cost conditions, facilitating the flow of resources toward their most productive use. By promoting the efficient use of resources, competition policy lessens the need for alternative, more interventionist forms of control such as regulations and public ownership.

In principle, it should only be necessary to ensure that market structure and conduct are such as to provide an acceptable degree of competition. The attainment of efficient industry performance can then be left to market forces without the need for detailed government intervention. To this end, Canadian competition legislation has consistently sought to prohibit certain practices in restraint of trade which serve to prevent the nation's scarce resources from being most effectively utilized.

The objectives of today's competition policy, as embodied in the purpose clause of the Competition Act, reflect these concerns and I quote:

> The purpose of this Act is to maintain and encourage competition in Canada in order to promote the efficiency and adaptability of the Canadian economy, in order to expand opportunities for Canadian participation in world markets while at the same time recognizing the role of foreign competition in Canada, in order to ensure that small and medium-sized enterprises have an equitable opportunity to participate in the Canadian economy, and in order to provide consumers with competitive prices and product choices.

• (1720)

Merger review under the Competition Act is governed by this statement. Furthermore, the question of providing consumers with competitive prices and product choices is central to the notion of merger review. Mergers which are likely to substantially prevent or lessen competition in Canada, that is those which are likely to result in an increase in prices or decreased quality, et cetera, may be subject to an order of the tribunal except where there are offsetting efficiency gains. Clearly, consumers' interest in lower prices is protected by the existing legislation.

By forcing the movement of prices to levels which more accurately reflect demand and cost conditions, competition policy facilitates the flow of resources toward their most productive use. This in turn allows the Canadian economy to employ fully its labour force in those industries where we have a comparative advantage from a trading perspective and so the issue of employment is implicitly addressed.

The extent to which a proposed merger will affect research and development and innovative activity is specifically outlined by the act for consideration in merger review. Subsection 93(g) instructs the

competition tribunal and the director of investigation and research to consider the nature and extent of change and innovation in a relevant market when determining whether or not a proposed merger is likely to prevent or lessen competition substantially. The amendment which the hon. member seeks relating to innovation is a factor already explicitly contemplated by the existing legislation.

Finally, the act instructs consideration of "any other factor that is relevant to competition in a market that is or would be affected by the merger or proposed merger" when making the substantial prevention or lessening of competition assessment. I have complete confidence that the director of investigation and research is competently addressing the issues of lower prices, innovation and others when making merger assessments as the legislation instructs. Consequently, there is no need to legislatively amend the Competition Act as suggested by the hon. member.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I want to compliment my colleague from Sudbury on bringing this matter to the attention of the House. It is certainly apropos, as will be seen in a few moments when I try to outline the effects of the Competition Act, how it affects Canadians and how it affects workers, contrary to what we have just heard from a member on the government side of the House.

I also want to compliment my colleague from Sudbury for being so perceptive in 1989 and bringing this matter to the House today. As I progress in my remarks, Mr. Speaker, you will see why it is apropos of the situation that we have before us.

We are talking today about the Competition Act. It is interesting because the Competition Act has to do with the economy of the country. Although we are all interested in other matters of great importance before the House, such as what is happening in Oka and the Middle East, we must always remember that there are other Canadians who are concerned about the economic conditions as they affect rural and small-town Canada: their livelihood, what is happening in the workplace, lay-offs and terminations. I am so pleased today to be able to speak on behalf of those people and how this Competition Act is affecting those people in rural and small-town Canada.

Perhaps I should talk about the failure of the Competition Act, the failure of its terms but perhaps more so the failure of the way the director of the Bureau of Competition Policy and the bureau itself to interpret properly the terms and the statutory obligations outlined within this act. Let me assure you, Mr. Speaker, as I carry on with this prime example of what this act is all about, that the interpretation of this act will be challenged in a tribunal other than this. It will certainly be up to the deputy directors who are entrusted with the administration of the act, the Bureau of Competition Policy itself, and even the Minister of Corporate and Consumer Affairs, who have to start applying this act, and the terms of this act, in the best interest of the Canadian citizen and the Canadian worker in the market-place.

The facts that I am going to relate are fairly simple and have to do with this act. There are two companies, two mega-giants in the food industry, Beatrice Foods and Palm Dairies. Beatrice Foods is a food producer across the country and Palm Dairies is a milk producer in western Canada.

Beatrice made an application to buy out Palm. It came to the Bureau of Competition Policy and it was approved. When Beatrice bought out Palm it was approved across all the centres in western Canada, including Thunder Bay. What happened in Thunder Bay? At that time there were only two milk producers in the city of Thunder Bay, Beatrice Foods and Palm Dairies. There are no other milk producers in the whole district.

Now that went to the Bureau of Competition Policy and the director of the bureau act to conduct an in-depth investigation into the affairs of how the elimination of competition in that market-place would affect the consumer. It was my understanding—and I am sure the understanding of all Canadians, particularly the people in Thunder Bay, the area I represent—that we would be protected by this act and the people who are charged with the responsibility of dealing with this act.

On August 28 there was no longer any competition in the milk industry in Thunder Bay. The director who was entrusted with completing an in-depth investigation into the affairs of the Beatrice-Palm sale issued a proclamation that after having reviewed the substance of this transaction he would not stop the sale of Palm Dairies to Beatrice Foods.

He stated in his reasons for making that decision that we were afforded the protection of the Competition Act. In that decision he stated that he would not stop the sale and that, even though there was a substantial lessening of competition, he would monitor the effects of the sale for the next three years to ensure that the consumer in the market-place was protected.

Now we all know that you cannot monitor situations on an ongoing basis in competitive industry. You either have competition or you do not have competition.

When the director chose to ignore that there would be a substantial lessening of competition in the most basic of industries, the milk industry—a basic food industry in the country—he chose to ignore the wishes of the people of that area and said that he would allow the sale of Palm Dairies to the Beatrice interests to go forward. There was no substantial lessening of competition. There was no threat of a lessening of competition.

In allowing that transaction to go through he completely eliminated any competition in that most basic of industries, the milk industry, thereby affecting almost every citizen in that community, especially young families.

He conducted what he said was an investigation as to how it would affect the market-place but in our conversations he said that we were conducting our own investigation.

Mr. Speaker, let me tell you just what we did so that the director could make an informed decision, we thought, with proper information.

When we found out that Beatrice and Palm were going to amalgamate, when Palm was going to be eliminated from the market-place, we went out into the market-place to the independent grocery stores and independent merchants. People signed petitions and in a period of two days we got the signatures of over 2,000 people on a petition which stated that the people of Thunder Bay did not want Palm Dairies to be consolidated with Beatrice Foods because it would be a substantial lessening of competition. There are over 200 independent merchants in that particular area. We have over 200 petitions from those independent merchants exclusively which state that they do not want the elimination of competition by Palm Dairies selling out to Beatrice Foods.

• (1730)

The Corporation of the City of Thunder Bay, the city council of Thunder Bay, realizing the import of this decision on the citizens of Thunder Bay, passed a resolution imploring the Board of Competition Policy not to proceed with allowing the sale of Palm Dairies to Beatrice Foods. That was followed by many of the other small communities: Nipigon, Red Rock, Hurkett, Dorion, Murillo, and other small centres that said they would be affected, and implored the director of the bureau to stop the sale of Palm to Beatrice.

Given all of that information, they still made the decision to allow Palm to be sold to Beatrice in the community, which eliminated all competition. Just to bring it into focus, because I know my time is short, let me just read a press release on the results of that sale and let me put it down in perspective as to what this Competition Act truly means to the Canadian consumer when the terms of that act are not used in the best interest to protect the citizens of this country. This is dated today: "Beatrice Foods announced today that it plans to consolidate its Thunder Bay operations. This facility will undergo a major expansion of $1 million over the next 18 months to provide Thunder Bay with a modern processing plant."

Part of the consolidation plan—and their consolidation plan means closing the Palm Dairies plant, which is the newest and the most modern in the area and using the older one—is closing the Balmoral station, closing of the current Palm Dairies plant on Balmoral Street. With the move, approximately 20 people will be offered employment at the Beatrice plant and 35 people will be laid off effective tomorrow.

What this means, and this is an actual fact of what we are talking about here today, is that the Competition Act in this country is not being applied for the best use and the best interest of the average Canadian citizen. That is the result of what we are doing. We have got to stop it. We should not allow it.

[*Translation*]

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, the hon. member for Nickel Belt has suggested that the government should amend the Competition Act so that the Director of Investigations and Research shall consider, when reviewing a proposed merger, the extent to

which concentration of corporate ownership is in the public interest, avoids conflict of interest between merged financial and non-financial commercial operations and promises lower prices, innovation, employment and other public benefits.

Mr. Speaker, the concentration of corporate ownership is a complex phenomenon which cannot be attributed to a single factor. It is the result of various corporate decisions, dealing for instance with expansion projects aimed at greater efficiency and diversification.

The hon. member's suggestion seems to be based on the notion that concentration of corporate ownership is on the rise. As a matter of fact, since 1984, there has been a slight reduction in the number of concentrations generally and in the total assets, sales and benefits recorded by the top 25 companies in the economy. The level of global concentration among the top 1,000 corporations has remained the same since 1976. Therefore, I urge all hon. members to be careful when they interprete statistical data.

These matters are not so important as the impact of corporate concentration on the Canadian economy. It may have a positive impact such as the growth of Canadian corporations and the improvement of their position with respect to exports and world competition.

Just the same, Mr. Speaker, concentration of corporate ownership can give rise to a number of problems. The tools already exist to remedy them and we have shown that we are prepared to use them.

We showed we were ready to use them.

The government adopted a Competition Act whose deterrent effect on anti-competitive mergers have been proven. The Act enables the Director of Investigations and Research to prohibit mergers which prevent or substantially impede competition or will probably have that effect. Since the Act was passed in 1986, over 600 mergers and takeovers have been subjected to scrutiny. In more than 20 cases, changes were made or the case was simply dropped.

The federal government is presently reviewing the Canada Business Corporations Act to make sure that it protects efficiently the minority shareholders' rights in the context of increasingly important and complex public offers.

Investment Canada reviews takeovers by foreign interests and approves only those that directly benefit Canadians.

There are also governmental programs to help workers who lose their job for some reason, such as retraining programs and mobility incentive programs.

Mr. Speaker, business concentration also causes concerns because of the concentration of wealth in Canada. I believe that the question is not so much to know who owns what, but to determine if the Canadian economy is growing and prospering. In fact, Mr. Speaker, our economy has grown by 16 percent since 1984. Between 1984 and 1987, the growth rate of the economy was higher in Canada than in any other OECD country.

Mr. Speaker, let us not be blind to the fact that concentration of corporate ownership also raises issues concerning the profitability and growth potential of smaller businesses in Canada's modern economy.

Canadian small business is indeed responsible for creating most new jobs and for an important part of the commercial growth, innovation and trade leadership. This sector has been very prosperous in the past five years, Mr. Speaker, and small businesses have held their own against larger companies over the last ten years.

Our government has launched a number of familiarization programs designed to promote the growth of small business. They include new tax incentives to encourage the management of retirement funds to invest in eligible small- and medium-sized businesses, not to mention other incentives like access to small business which makes it easier for them to land government contracts. Madam Speaker, these programs enable small businesses to take every advantage of opportunities flowing from freer trade and world-wide market expansion.

Madam Speaker, the increase in the number of takeovers and mergers in most countries—this is not restricted to Canada—points clearly to the need for a greater number of multinationals to be more competitive on world markets. This situation can easily prove to be a boon for small businesses that act as suppliers, which is a good thing, and in many cases the partners of the larger concerns they supply, for they gain better access to world

markets and new research and development opportunities.

Given the complexity of problems created by the concentration of businesses and its links with other fields of economic policy, the government has chosen a many-faceted approach instead of relying on only one legislative lever as advocated in the motion introduced by the member for Nickel Belt.

• (1740)

[*English*]

Mr. Blaine A. Thacker (Lethbridge): Madam Speaker, thank you for the privilege of saying a few words on this private members' motion of the hon. member for Nickel Belt.

I congratulate him for throwing into the public mill a private members' motion that draws attention of members of the House, and more particularly Canadians, to problems as different people perceive them. We might have a little different perspective as to whether it is a serious problem at this moment, but nonetheless the extent to which governments permit the concentration of power in any one industry has always been a problem in every nation.

Of course, people are notorious for abusing their monopoly positions. It does not matter whether it is private business or people with too much power in public or private life. It tends to be abused, so the secret and magic of our society is to try to keep power dissipated so no one gets too much over anyone else.

For example, in the hon. member's home town of Nickel Belt, I suppose Inco is a very powerful player. I do not know even under the existing law whether Inco would have been permitted to become so big and powerful in Canada because, as he knows, for I guess 70 years the Competition Act was never changed. The merger test required the proof of criminal intent.

I think over the whole 70 years there was something like one conviction, many years ago. Successive governments had a chance to change that, including 1972 to 1974 when the NDP were really directing the Liberal Party and could have got it. None of us took time to do it when we had power, except 1984.

There are a host of other major problems that this country should have faced and solved 10, 15 or 20 years ago, whether it was the growth of government *per se* becoming a monopoly, whether it was the lack of intellectual property protection, whether it was drugs or private breeders' rights or the Integrated Circuits Topography Act. There were all sorts of things that this country should have faced in the last 15 years but did not. The Prime Minister did take them on.

Free trade was done. The privatization of some Crown corporations was done, although there are still many Crown corporations. As a policy, the Conservative government agrees that there is a role for Crown corporations in this mixed economy of Canada. We have set some up. We will set more up.

One was the Competition Act. We came out with a whole new statute that took this criminal test on mergers, under which you could never get a conviction, and changed it to a civil test; the balance of probabilities. Under that, if my recollection is correct, there are at least four—I think there might even be up to six—mergers that have been absolutely prohibited. That is just one part of it, but it is significant in itself when there had not been any for 50 years.

The real point is that a host of proposed mergers were refused by the director, unless they made certain changes. For example, in western Canada, Safeway bought out a competitor and the director demanded that they sell certain stores in certain towns and cities. That has worked very well.

I think that is the type of power you need to have because each merger in each industry has to be assessed from a different perspective.

Every merger creates an opportunity. These firms have to compete not only in Canada, but on a global scale. I wonder if Inco would have amounted to the company it is and I wonder if Inco would be able to pay the tremendous salaries it pays now to my hon. friend and his constituents, because if it could not have operated around the world, it might have just gone right out of business.

What I am pointing out is that this thing is not just simple, but that does not take away from the spirit of the motion that my hon. friend from Nickel Belt has put in the House.

I can assure the member that this motion has been looked at very carefully by officials in the policy part of the department and in the directorate to see whether some ideas could be added to the statute. I want to tell

him not to write this off if it does not get through today. He might take it back and refine it a bit after talking with people and hearing members in the House give examples. He might well be able to come up with a motion for the next session that is much more appropriate and indeed will be accepted.

Another thing has happened, for those of us who have been around for a while. Private members' motions were never accepted in this House, but since we have become the government the Prime Minister and our government have accepted more private members' motions than ever before in the entire history of Parliament from 1867. There is a host of private members' bills. It has made life much more satisfying for us as individuals, because of course we come here thinking we have some ideas that are important for the private and public spheres.

I wanted to say in a more specific way what these merger tests involve. The issue of corporate concentration is best dealt with once one distinguishes three distinct areas of concern. There is concentration of markets, there is concentration of power, and there is concentration of ownership. We need to note that while any one of these three forms of concentration may coexist with another, the presence of one form does not necessarily imply the presence of another. Concentration of markets refers to the share of an industry's total output that is accounted for by a small number of firms. Typically this form of concentration is accentuated by horizontal mergers. Market concentration necessarily affects competition and thus possibly prices, but concentration of power and ownership in and of themselves do not do that.

This government has responded, as I have said, to concerns about the impact of market concentration on the Canadian economy by passing the Competition Act. Merger review in Canada has always considered the existing and prospective levels of market concentration when assessing the likelihood that a proposed merger will result in a substantial prevention or lessening of competition.

The legislation stipulates that this assessment is not make solely on the basis of market share or concentration figures. Other characteristics of market structure, such as levels of foreign competition, product substitutability, barriers to entry, and whether effective and vigorous competition remains post-merger must also be addressed. The law also provides for consideration of efficiency gains or cost savings arising from the transaction. The Competition Act, by being designed to maintain and encourage competition while promoting efficiency and adaptability of the Canadian economy, has addressed market concentration concerns. There is no need for further legislative review.

That is the official position at the moment, but again I encourage my friend not to forget about his motion. If he feels that strongly about it, he should change some of the words and he will very likely have a successful motion when he brings it back the next time.

Concentration of power refers to the ability of a firm or a group of firms to influence regulators, legislators or other institutions. The government has taken action to ensure that large corporations do not have undue political influence. To ensure that the government's dealings with the private sector are open we passed the Lobbyist Registration Act, a statute that we should have had for years and years but just did not get done because of other priorities of other governments.

This legislation is intended to foster greater openness in the process of policy formation by allowing all Canadians to see who is lobbying and for what purpose. Canadians are then able to judge for themselves whether any particular group has undue influence.

The Competition Act also provides another example of open and arm's length dealings with business. The Director of Investigation and Research is statutorily independent of government policy makers and hence is free from government interference in matters subject to the Competition Act, including merger review. Moreover, the courts and competition tribunal, an independent, quasi-judicial body, perform all adjudicatory functions related to the legislation. In establishing the competition tribunal Parliament sought to combine the important element of judicial process with expertise in the fields of business and economics. I think it was a wise decision to go that way even though there have been some problems in the courts.

• (1750)

I appreciate that my time has expired. I know there are other members who wish to speak to this motion, so I will sit down now.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I am pleased to rise to speak in support of my colleague's motion before this House, the member for Nickel Belt. The matter which he raises is an extremely important one and an extremely timely one.

As I know the House has already been informed, a company that now is the sole operator of a dairy concern in Thunder Bay and northwestern Ontario advised the media this morning that it was closing a plant it had just purchased, putting out of work 35 employees and affecting their families. This is all a direct result of the lack of a federal Competition Act which takes into consideration the needs of the smaller as well as the larger communities, the small as well as the large companies.

Let me elaborate, Madam Speaker. Earlier this year Palm Dairies, a company based in western Canada, owned by Peter Pocklington, decided that it wanted to find a buyer. What happened is very interesting because the initial purchaser–to–be was a western based co–op which the federal authorities deemed to be an inappropriate purchaser, because in their words the acquisition of Palm Dairies by this western based co–op would lessen competition so they ordered Palm Dairies to find someone else to purchase them.

They went to Beatrice Foods, a very large company which had already acquired one family owned and operated dairy in Thunder Bay a number of years ago. They agreed to purchase the assets of Palm Dairies in order to prevent a lessening of competition as decreed by the federal bureaucracy.

That was all well and good. I do not want to pass judgment on the impact on competition in Manitoba, Saskatchewan, and Alberta, but one thing that became eminently clear to us in Thunder Bay and in the Thunder Bay milk market was that the acquisition of Palm Dairies by Beatrice Foods would lessen competition in terms of fluid milk and, some of us believed, would eliminate competition in terms of fluid milk or what we call milk at the corner store.

We had already seen indications of that lessening of competition as store operators were advised that under the new hierarchy the dairy would no longer come in and stock the shelves or rotate the stock. Over time it was suggested that the free freezers and the free refrigerators that were provided as part of a marketing plan by both Beatrice and Palm would no longer be provided. In fact the retailer would have to purchase those or find his or her own. Then we knew, based on what happened elsewhere in the country when an unregulated monopoly situation occurred, that prices would go up.

I take us back to Sault Ste. Marie, Ontario a number of years ago when it found itself in a monopoly situation for fluid milk. In a very short period of time that city by itself became the highest priced city in Ontario for the purchase of milk at the retail level. There was no competition. In the outlying communities such as Wawa and other areas around Sault Ste. Marie the price was even higher.

The only reason today that milk prices are lower in Sault Ste. Marie is the reality of American competition with a very high Canadian dollar that attracts Canadians across the border to pick up groceries like milk. That is the only reason that prices are depressed in Sault Ste. Marie. Because of this merger and because of the permission of the competition bureau, Thunder Bay and the area from White River to Upsala will now be in a virtual monopoly situation.

What did the competition bureau decide after literally hundreds of people from Thunder Bay, from Atikokan, and from along the north shore sent in comments and evidence indicating that they were concerned about the impact on them as retailers, as consumers, and as producers of milk? The bureau ruled that it could go ahead and they would monitor it over three years, as required under the Competition Act.

There is no longer going to be three years, because the moment that Beatrice closes Palm Dairies there is nothing to restart. The assets will be sold. The people will be moved out of town and will find other employment.

It just shows what kind of a farce is the existing act, the prime component in terms of which there is no appeal process. A bureaucrat in this national capital region makes an arbitrary decision based on confidential information provided to that person by the companies involved, and not to be released to any of us who have raised concerns about this matter. He and he alone has the decision–making authority. We cannot even appeal

to the minister because under the act he does not have the ability to overrule that decision.

This means that for the 35 employees who were told sometime today, I am told—or perhaps they are not even going to be told until tomorrow that they are out of a job—the company will try to find them employment elsewhere in their system, perhaps in Sault Ste. Marie or in western Canada. However, that is 35 less jobs in the community of Thunder Bay and on the routes that they service. It may in the long term lead to a reduction in the production of milk because, as we know, when the price of a commodity goes up the volume goes down, so there may be a direct impact on the milk producers in the Thunder Bay area.

We need motions like that of my colleague. We need a change in the act to change both the amendments made by the current Conservative government and the original bases for the act which are part of the appeal mechanism I was talking about that was put in by the former government, because it is unfair to see men and women put out of work just for the sake of corporate concentration.

We need a different way in this country. We need a better way. We need legislation, policies, and a government that cares about people first, not about the corporations.

[*Translation*]

Mr. Charles DeBlois (Beauport–Montmorency–Orléans): Madam Speaker, I always enjoy listening to the hon. member for Nickel Belt who, eloquent and knowledgeable as he is, can get his parliamentary colleagues interested in various kinds of measures designed to make life easier for Canadians.

Unfortunately I believe that in fact the member for Nickel Belt is suggesting that the Competition Act, now enforced by the Bureau of Competition Policy, should be expanded into a domestic investment review legislation closely patterned—in spirit and scope—after the Foreign Investment Review Act of the previous administration in office before 1984.

The way I see it, widening the scope of the Competition Act to make it into a Domestic Investment Review Act would be a useless and unwise move.

Useless because the necessary mecanisms required to deal with the potential negative impact of a merger are already available to the Canadian government.

Some mergers may give rise to questions concerning the competition policy and have a negative impact on consumer prices and consumer options. The Competition Act which was amended by this government in 1986 has proved to be a very effective legislative tool to deal with all major mergers in all sectors of the economy.

Since the legislation was passed in 1986 more than 600 mergers and take–overs have been reviewed and in more than 20 cases they did not go through or they had to be changed because according to the Director of Investigation and Research they might have an impact on competition and consumption. If we compare the impact of this legislation with that of the former Combines Investigation Act, our conclusion must be that the latter failed to deliver a single conviction with respect to a merger. Other sections of the Competition Act, such as those dealing with abuse of dominant position and the refusal to sell, provide ways to deal with anti–competitive behaviour by larger corporations after a merger has taken place.

• (1800)

The merger provisions of the Competition Act apply both to foreign mergers involving Canadian assets and to purely Canadian mergers. Furthermore, Investment Canada is responsible for examining foreign investments to ensure that they contribute to economic growth and enhance employment opportunities in this country.

Some people are concerned that certain mergers may cause a loss of jobs. The enhanced competitive position of Canadian companies has increased employment opportunities. Since 1984, there has been a large number of mergers and takeovers in Canada. During this time, Canada has ranked first among OECD countries on number of jobs created. If they need assistance, workers who lose their jobs for whatever reason have access to a wide range of manpower adjustment programs that provide financial support while they look for another job, and also offer training and assistance in moving to another location.

As pointed out by the hon. member for Nickel Belt, mergers also raise concerns about conflict of interest, links between financial and non–financial corporations and corporate power. I repeat, the instruments we need to deal with these matters are already in place. The

Canada Business Corporations Act has been effective in providing shareholders with a mechanism to protect their right to fair treatment and adequate disclosure of financial information. Furthermore, the government recently passed the Lobbyists Registration Act to promote openness of relations between lobbyists and the public sector. The government's policy on business ownership is incorporated in new regulations for the financial sector in the form of legislation that will soon be tabled in Parliament.

Clearly the government already has a number of instruments to deal with any situation in which a given transaction raises or appears to raise concerns, and with any matter related to mergers in general. That is why I feel that the wide reaching legislation proposed by the hon. member for Nickel Belt to examine domestic investment is unnecessary.

If I may draw a parallel with the Foreign Investment Review Agency, abolished by the present government and replaced by Investment Canada, it is my firm belief that turning the director's office into a domestic investment review agency, to be established by amending the Competition Act in order to create business and employment opportunities for Canada, would in fact discourage Canadians from investing in their own country and thus lead to a substantial loss of investment.

[*English*]

Mr. Larry Schneider (Regina—Wascana): Madam Speaker, this is the first time I have had the opportunity to rise on this side of the House. In spite of the fact that I am still with the same government, it is a geographical change.

Mr. Peterson: Shame! Come on over.

Mr. Schneider: I crossed the floor and no one made an issue of it. I cannot understand that. The trouble with being a mere five foot eight is that when you undertake something like this it is hardly noticeable. So to my taller friends across the way, my sympathies to you because you cannot do anything without being recognized, whereas those of us who go about busily enduring the work of the day, we get little credit for it, but at the end of the day, when we put our heads on the pillow, we know that, indeed, the job has in fact been well done.

With that preamble to the matter before us, Madam Speaker, I would like to tell you and the hon. member that presented the motion before us this evening that I, too, desire competition. I desire competition for it has very many beneficial effects on the entire consumer economy. There were several examples this evening that I would like to offer some comment on that are particularly related to the experience at Thunder Bay as it relates to Beatrice Foods and Palm Dairies.

The city of Regina, where I come from, had a similar situation that happened in reverse. Dairy producers made a bid to purchase Palm Dairies but they were unable to do that because of the competition laws or the manner in which the competitive laws in this country were applied. As a result of that we do not have this monopoly that was anticipated but instead, Regina will see competition provided by Beatrice Foods.

I would suspect too that the same situation could prevail in the operation of the diary in Thunder Bay. There would be room for some competition. We need no government regulations and in fact, we could see that void would be filled very rapidly. I say that from experience because in the city of Regina a similar situation happened. As was mentioned, in Alberta Safeways had purchased several other grocery stores and were ordered to sell some of these grocery stores. What happened in Regina is that this provided an opportunity for the smaller business sector to become involved through the private ownership of IGA grocery stores. They have picked up some of the slack that was left when Safeways was forced to sell some of these stores.

One might say that big Safeways operating alone with just the smaller independents really would not experience the presence of competition. That, in fact, may have been so, except for the fact that that void was filled very ably by Westfair Foods Superstore, which in turn has provided the greatest spirit of competition that our city has ever seen.

Madam Speaker, these matters seemingly serve as problems on the surface but in the end, if the market is such, these voids will be filled by those seeking the bottom line, the profit picture, or that which provides wages for employment.

Another example that I have had in our community is that in the restaurant business.

Madam Deputy Speaker: Unfortunately, I will have to interrupt the hon. member.

[*Translation*]

The time provided for the consideration of Private Members' Business has now expired.

Pursuant to Standing Order 96(1) the item is dropped from the Order Paper.

Pursuant to the order made earlier today, the House now returns to Government's Orders.

Resuming debate. The hon. Member for LaSalle—Émard.

[*Editor's Note: For continuation of proceedings see Volume B.*]

HOUSE OF COMMONS

Tuesday, September 25, 1990

[*Editor's Note: Continuation of proceedings from Volume A.*]

GOVERNMENT ORDERS

[*Translation*]

INDIAN AFFAIRS

THE SITUATION IN OKA AND CHÂTEAUGUAY

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

That this House commends the exemplary conduct of the men and women of the Canadian Forces at Oka and Châteauguay;

That, in the opinion of this House, the laws of Canada must apply on all Canadian territory, including Kahnawake, and that all persons currently at the Kanesatake Treatment Centre should lay down their arms and submit to the processes of Canada's judicial system, thereby encouraging the creation of a constructive climate for discussions between governments and the Mohawk people on land claims and other issues; and

That, upon adoption of this motion, the said motion shall be deemed referred to the Standing Committee on Justice and Solicitor General.

Mr. Paul Martin (LaSalle—Émard): Madam Speaker, today, we are confronted with a so-called Indian crisis, but strictly speaking, it is a crisis concerning relations between different groups of Canadians. The basis of that crisis can undoubtedly be traced back over 400 years of Canadian history. That crisis was aggravated by the government's inaction in the last six years, it has become an inextricable mess because in mid-july that government chose to let things degenerate.

[*English*]

Madam Speaker, Oka was no accident. This House needs no reminder of the tragedy that lies before us. Infant mortality rates simply stagger the mind. These people have a reduced life expectancy by 10 years of the average Canadian citizen. Those of you, and I, who have visited and spent much time on reserves, know that we are looking at a people uprooted, a people decimated. We are looking at each individual aspect of their lives. Whether it be housing or their traditional economic way of life, we as a society have left a blight upon this nation's landscape. The government must now move to demonstrate that it understands the historical injustices that have been perpetrated on the aboriginal peoples of Canada.

• (1810)

This afternoon the Prime Minister indicated that finally he understands that a different approach is required. I would say that far more than that, the government must now be prepared to endorse fundamental and deep-rooted change. The government must stop the pablum. The government must now get specific. The time for pious wishes and promises without follow-up is over.

What must we do? Certainly, the first thing is we must recognize the absolute necessity of entrenching in the charter aboriginal self-government. Self-government is not something that you give to a people who have governed themselves for 15,000 years before the first white man or women arrived on these shores. Self-government is not something that needs detailed definition any more than freedom of association did. It is part of our system to establish concepts and let them evolve. Self-government is the culmination, the aspirations and the hope of a people who want to build and make for themselves a life comparable to those who live around them, and indeed in the terms of the exploitation and development of their own culture want to demonstrate that they can stand proud with anyone in the world.

Second, we must enhance the participation of aboriginal peoples in federal decision-making. Federal governments have consistently violated the fiduciary relationship which they have with the aboriginal peoples. You cannot consistently go to court with those with whom you have a trust relationship and expect that trust relationship to be valid any longer in law. As a result, I believe that the government should move immediately to establish a joint committee of ministers and aboriginal leaders to oversee the transition away from the Depart-

ment of Indian Affairs, to oversee the development and the ultimate implantation of aboriginal self-government.

Third, we have land claims. The government should appoint a minister whose sole responsibility is to deal with the task of concluding comprehensive land claims. This should be done in consultation with aboriginal leadership.

Fourth, the government should move to establish a specific claims tribunal. There are over 500 specific claims that remain unsolved, and the number is growing. Indeed, they are a profound source of friction and disaffection and that cancer must be removed.

Fifth, the government should rectify the injustice caused by constant broken treaty promises. It should establish a treaty commission whose sole purpose is to recognize explicitly that you do not solve the problems and the developing interpretation required of treaties by constantly going to court and engaging in litigation. It must be done by a body that understands the cultural background in which both treaties were signed historically and the modern needs of a modern nation.

Sixth, the government should take the lead in working with urban aboriginal Canadians. It must establish support of political, cultural, social and economic institutions so that those aboriginals living in large and small urban centres are not simply put on the dung heap of some suburb.

In the city of Winnipeg there are 600,000 aboriginal Canadians. We are talking about cities within cities, and as of yet this government has not even begun to recognize the nature of the problem.

I would join the Canadian Bar Association in the seventh and final recommendation. The government should accept its responsibility for Canada's Métis people. The Métis people of this country have been a ping pong ball between the federal and the provincial governments since Confederation. If you go into the urban cities that I have just described you see what the result is. It is politically immoral for the two levels of government who normally engage in fights over which has the jurisdiction to engage in fights over which should have the jurisdiction trying to put off their responsibility.

What I have recommended is not all that earth-shaking. What indeed is earth-shaking is that what I am recommending has never been done. We in the House sit here and debate many issues. They are important issues. In not all of these issues, however, does the world simply stop and take note of our debates. In not all of these issues do we have it within our power to totally affect the world. But there are certain areas of human endeavour where we in the House can make a fundamental change in the way the world regards certain aspects of its policy. There are others where only those of us in the House can bring about fundamental change.

The problems of aboriginal Canadians is a Canadian problem. It is one that we must solve within this House. If there is any reason for any man or woman having gone into public life in this country, it is to make sure that in the course of the next decade we make sure that we leave a legacy so that never again must Canadians look upon armed standoffs on Canadian soil. Never again must we see Canadian soldiers putting barbed wire around other Canadians who are holding arms. Never again must we see the terrible sight of Canadians throwing stones at each other or bridges barricaded. We have our chance within this decade, within the hands of the men and women in this House. We have an opportunity to make an historical legacy not given to very many. We must not miss this chance.

There is one last point that I would like to raise within the context of this debate.

[*Translation*]

One month ago, the Quebec Government announced an indemnisation plan for the people of Oka and Châteauguay affected by that so-called Indian crisis. But really, we are talking about a matter that comes under federal jurisdiction. Yesterday, I asked the following question to the Minister of Indian Affairs and Northern Development, without getting an answer, I must say: Is the federal government ready to share the tax burden with the Quebec government? I asked at the same time: Is the federal Government ready to fully idemnify the residents of the South Shore, Lasalle, Émard, and the South West of Montreal who have received no compensation? I repeat because I think that it is capital, if we want to resolve the crisis currently affecting my province:

[*English*]

Reconciliation will not be attained if a group of people who should not have borne the brunt of this crisis feel that because of the historical injustices that have been meted out to the aboriginal Canadian that they are asked solely to bear the financial burden. I believe that it is the

responsibility of the federal government to share in the compensation for the southwest portion of Montreal, the south shore, and indeed for the inhabitants of Kanesatake and Kahnawake. I believe that we have an opportunity now as Canadians to do something that very few have had before. But we will not grasp that nettle if the only thing that we do in the House is engage in empty rhetoric; if the only thing that we do in this House is make more vague promises; if the only thing we do in the House is talk, as opposed to laying down specific goals, objectives, and targets. If for the first time we say that the time for talk is over, the time for action is now. If we do that, then we will have justified our existence. Thank you.

• (1820)

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Madam Speaker, I listened to my hon. friend with a great deal of interest because I thought I was hearing an echo. Many of the things that he has suggested this evening have already been suggested in the House just a very short while ago when the Prime Minister spoke.

If you will just bear with me for a moment, Madam Speaker, I will repeat some of the agenda that the Prime Minister very briefly shared with us this afternoon. He said, first, that consultation with aboriginal peoples and respect for the fiduciary responsibilities of the Crown toward them will be built into the process of negotiation from the start. The second initiative is that legal undertakings regarding land transfers to treaty Indians given as much as century ago will finally be honoured. Third, he said that we will accelerate negotiations on modern treaties—the comprehensive claims, in other words—which until now have been limited to six and, to accelerate claims settlements, the government will no longer limit itself to handling only six at a time. We will consider other innovations, such as regional or province-wide negotiations.

He said that the second dimension of the government's agenda would be addressed to improving living conditions on Indian reserves.

I will not get into all the specific details, but further he said that one of the very important objectives of the government would be the enlargement of aboriginal capacity for self-government within the framework of the Canadian Constitution.

I heard many of those things mentioned by my hon. friend opposite. Since as part of his government in power for so many years he had a wonderful opportunity to stop some of the inequities that he spoke about from ever happening in the first place, will he now be willing to stand when some of these these issues come before the House, to vote with the government as we pursue this very comprehensive and very positive agenda for the betterment of the Indian people in Canada?

Mr. Martin: Madam Speaker, I was delighted to learn of the Prime Minister's speech in the House this afternoon. If what I said tonight bears some resemblance to his speech, perhaps it is because what I said today is a summary of the speech that I gave this summer in Yellowknife. My great delight was not so much hearing the concepts coming from the Prime Minister's mouth but the recognition that the Prime Minister read the speech which I sent him.

Mr. Crawford: Robbed again, Paul.

Mr. Martin: That is what happens. Plagiarism, Madam Speaker.

I would certainly like to tell the hon. member a couple of things. In my speech this summer, and indeed in the speech which I just made, I did not use the words "consider", "examine", "reflect upon", or "think upon"—all those words which our Prime Minister uses when he wants to make a fancy speech but does not want to come to grips with the issues.

The Prime Minister has talked about improving living conditions. Did it really take barricades on a bridge in Montreal in order to bring the government to the point where it recognized that it has to improve living conditions on reserves? Is it only within the last two weeks that 600,000 urban aboriginals moved into Winnipeg to live in conditions that no one should have to live in?

Mrs. Dobbie: You've got that one wrong.

Mr. Martin: The member used the words "the enlargement of the word self-government". The Prime Minister talked about enlarging self-government within the context of the Canadian Constitution. If the member understood the concept of self-government, she would not

talk about enlarging upon a notion which is already as large as the sky itself. Self-government, as I mentioned before, is the hopes and the aspirations of a people. You do not enlarge upon something that had been given and that a people had before we got here.

I must say that words are important because they demonstrate, certainly in the Prime Minister's speech, and certainly as reflected in the hon. member's comments, a lack of understanding of what I am trying to deal with here. Self-government is giving a people the means of lifting themselves out of a problem which they are in. You do not talk about enlarging on a concept any more than you talk about enlarging upon the basic freedoms. You have them because that is what it is to live in this country. You have self-government on the same basis.

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, I have a question for the hon. member who just spoke. On a couple of occasions both in his speech and in his recent questions he talked about 600,000 aboriginal people in Winnipeg. That is the population of Winnipeg. I assume he must mean 60,000, or something like that, which is closer to reality.

I am not trying to be cute here, but I could listen to the kind of speech we just heard if it came from the hon. member from Western Arctic, who probably ten years ago was not a mover and shaker in the Liberal party, but I know that the hon. member who just spoke has been a mover and shaker in the Liberal party for long time before he reached the House. In that context, I remember the effort made by the NDP caucus in 1980 to have aboriginal rights included in the Constitution. We had to bargain very, very hard, threatening to withdraw our support for the constitutional initiative of former Prime Minister Trudeau, in order to even have that considered. Then, in the end, in the final document when it came out after the last First Ministers' Conference, many of us were tricked by the Liberal Government of the day when, instead of having aboriginal rights recognized, we had the word "existing" injected into the final document, at which time there was very little that anybody could do about it. We either had to vote for that or risk having the whole thing collapse.

So, to listen to the hon. member go on quite eloquently about self-government and about aboriginal rights, knowing full well from my own personal experience how we got hoodwinked at the last by a government of which he was a supporter and probably a fund raiser, is pretty hard to swallow.

Mr. Martin: Madam Speaker, many years before I had any idea of getting involved in political life, I was involved with aboriginal affairs in the Northwest Territories where I worked. I was a founding director some ten or twelve years ago of the Canadian Council of Native Business, and I will not take a back seat to anybody in terms of my own involvement and interest in this particular area.

Mr. Blaikie: But admit what happened in 1980.

Mr. Martin: Just a second. The one thing I will accept from the member is the correction in terms of the numbers. The member is correct, I added one more zero. I have obviously been away from business too long.

The one thing, however, I would like to say is that I have an enormous amount of respect for this particular member. I am somewhat appalled to see him engage in base political partisan finger-pointing on this particular issue. This is an issue that no federal or provincial government can really take great pride in. I think that ought to be recognized.

I was involved in a housing project in Manitoba when there was a NDP government in power and I had a terrible time getting them to come to grips with it. I know the history of the CCF and the NDP governments in Saskatchewan. In terms of aboriginal matters, they were no more enlightened than any other government. I do not say this with any degree to attack and I certainly do not say it with pride. Every single government, federal, provincial, and, indeed, municipal, has very little to be proud of in this area. I do not think we should be pointing fingers. We should be doing something about the problem.

Madam Deputy Speaker: A very short question from the hon. member for Broadview—Greenwood.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, first, I want to thank my colleague from LaSalle—Émard for being very constructive and taking the high road in this debate. I believe that is what the people of Canada want us to do. They know there is a complex issue here and they do not want us to be self

righteous. They want us to take the high road. I think he came up with some good ideas.

I also want to salute my colleague on his new appointment as critic for the Environment for the Liberal Party of Canada.

Specifically, I want to ask him a very short question about some of the most serious problems that natives have in the country. I cite Barrière Lake and the Algonquins which we talked about a year ago, the James Bay second phase with the Cree, and the Athabasca situation with the pulp and paper mills.

Could the hon. member take a couple of minutes to talk about how important the preservation of wildlife preserves and so on, are to native peoples? Quite often that causes a lot of the frustration that leads to the sort of condition we have in Oka.

Madam Deputy Speaker: There is very limited time for the hon. member from LaSalle—Émard.

• (1830)

Mr. Martin (LaSalle—Émard): I will respond as briefly as I possibly can, Madam Speaker.

First of all, I want to thank the hon. member for his question. This member has tremendous credentials in terms of the environment. Indeed, the question could not have come from a better source.

I think that the most succinct way of putting this is that one of the questions that is often asked in terms of aboriginal matters is, are they going to lose their culture when they come into the cities, as they develop? I think that the real answer to that is, let us hope, over time, that there is a merging of cultures and not that the aboriginal Canadians lose their cultures but that we in fact begin to imbibe the richness that they have to bring. No greater area is that than in terms of the environment. There are no people who are at one with the ecosystem as the aboriginal Canadians. There are no people on this earth who understand the need for preservation.

Madam Speaker, I am being cut off. Let me simply say that I hope, in the process of acculturation that we, in this society and in this House understand the tremendous contribution to the environment of aboriginal Canadians.

Madam Deputy Speaker: The period for questions and comments has now expired.

A point of order, the hon. member for Winnipeg Transcona.

Mr. Blaikie: On a point of order, Madam Speaker. The Chair and I have engaged in this discussion before, but the Chair continues, in my view, to violate the spirit of the question and answer period by recognizing people who are of the same party as the member who spoke when there are people of parties, other than the person who is to be questioned, rising at the same time.

If you read the McGrath report, which I have urged you to do I do not know how many times, you will see that the purpose of it is to permit members of other parties—if members of other parties are not rising, then someone can get up and have a kissy, kissy type question like they just had now. But the purpose is to have real questions, not the kind we just had.

Madam Deputy Speaker: A point of order, the hon. member for Broadview—Greenwood.

Mr. Mills: Madam Speaker, I want to try and be very specific on this. The hon. member put his question forward. Our colleague answered it, but it does not preclude us from participating in the question and answer period on this debate.

I take exception to your tone because I believe that the question that I asked was relevant and specific to the debate that we were talking about.

Madam Deputy Speaker: I think if anyone should take exception it should be the Speaker. I do know that the hon. member for Winnipeg Transcona has made this remark on a few occasions and we have discussed it in a very friendly way. I will make him notice that I did recognize people from other parties. First, there were two minutes left, the hon. member had been asking for a question and I thought it would be proper.

[*Translation*]

Resuming debate. The hon. member for Laurier—Sainte-Marie.

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Madam Speaker, Quebec lived through difficult times this summer. And as this debate is going on in the House of Commons, it is worth mentionning that this crisis has not yet been settled and that the Canadian Army is still on Quebec soil.

This Summer 1990 had begun with the failure of the Meech Lake Accord: the rejection by English Canada of an agreement considered by all in Quebec as a very strict minimum and by many as not enough. This failure was deeply hardly felt as a rejection of Quebec by English Canada.

It must be made clear that Elijah Harper blocked passage of the Meech Lake Accord because the national rights of aboriginal peoples were not recognized in it, whereas English Canada opposed Meech because they refused to recognize Quebec distinctiveness.

Following this rejection, this failure, thousands of Quebecers got together in the streets of Montreal last June 25 with a sense of pride and quiet confidence in their future. Quebecers never considered the problems in Oka as a revenge against the aboriginal peoples.

The aboriginal crisis broke out in a context where a majority of Quebecers were coming out in favour of Quebec sovereignty. And I want to say right away that we cannot but recognize, as the Quebec National Assembly did on March 20, 1985, the existence of aboriginal nations and that, yes, we have to speak in terms of self-government as Gil Rémillard, the Minister of Justice for Quebec, said the Government of Quebec was ready to do without waiting for the federal.

According to some public opinion polls, there was in English Canada, unqualified support both for the Warriors and the aboriginal peoples themselves. This prompted a response from some chiefs asking that a distinction be made.

Moreover, these public opinion trends and others have been completely unfair toward Quebec and Quebecers on the subject of land claims. We must then set the record straight.

To begin with, I want to say that the inalienable rights of the native peoples do not justify the actions of the Warriors and that the unacceptable actions of the Warriors must not let us forget the historic and present rights of the native peoples.

We must also say that the governement of Quebec has not waited for this crisis to occur in order to do something. Indeed, the 20th of March 1985, the governement of Quebec, then led by René Lévesque, made the following statement recognizing ten native peoples on his territory, and took tangible measures designed to make real progress on the subject of the recognition of these peoples' rights. I will now read this resolution of the Quebec National Assembly:

> That this Assembly recognizes the existence in Quebec of the following nations: Abenaki, Algonquin, Attikamek, Cree, Huron, Micmac, Mohawk, Montagnais, Naskapi, Inuit.
>
> That it recognizes their existent ancestral rights and their rights which are written in the Conventions of James Bay, the North of Quebec and the North-East of Quebec.
>
> That it considers that these Conventions, together with any other convention or future agreement of the same nature have the value of treaties.
>
> That it subscribes to the negotiations entered into by the government with the native peoples in order to further recognize et clarify their rights, that process being based on historical legitimacy and on the importance for the society of Quebec to establish with natives peoples harmonious relations based on mutual trust and the respect of everyone's rights.
>
> Urges the government to continue its negotiations with the native people on the basis, but not exclusively, of the 15 principles which were approved on February 9, 1983, in response to the proposals which it had received on November 30, 1982, and to make, with the nations which so wish or any of their communities agreements guaranteeing them:
>
> a) the right to self-government within Quebec;
>
> b) the right to their own culture, language and traditions;
>
> c) the right to own and control lands;
>
> d) the right to hunt, fish, trap, gather, and participate in the management of wildlife resources;
>
> e) the right to get involved in the economic development of Quebec and benefit from it, in order to develop as distinct nations having their own identity and exercising their own rights within Quebec;
>
> Declares that native rights apply equally to men and women;
>
> Affirms its determination to protect in its legislation the rights resulting from agreements with the native people of Quebec; and
>
> Agrees that a permanent parliamentary forum should be set-up for native people to express their rights, aspirations and needs.

Moreover, since 1986, the year the policy statement of 1973 was amended, following therefore the adoption of this global land claim policy, the Federal government, according to an information bulletin published by the Department of Indian Affairs and Northern Development in August 1990, signed four territorial agreements with native groups, including three in Quebec and one with the Inuit in Northwest Canada.

Also, I wish to remind the House that the Quebec Government signed in 1975 the James Bay Agreement with the Crees and Inuit in Northern Quebec, as well as an agreement with the Naskapis Indians in Northern Quebec in 1978. In the same information bulletin, the Department indicated its satisfaction at the positive attitude and spirit of co-operation demonstrated by the Quebec Government in its negotiations within the framework of the amended legislation of 1986.

It would be interesting to hear the Minister inform the House of the level of co-operation demonstrated by the other provinces with respect to land claims, because we know that, except for the Yukon and Northwest Territories, the provinces must be involved in the negotiation of land claims if these negotiations are to result in negotiated settlements within a reasonable time frame, which is not the case now.

• (1840)

Besides, at the moment, five agreements are being discussed, and two of them will soon be reached. Moreover, according to the same department, nineteen other land claims are pending, most of which are in British Columbia.

Could the minister tell the House what means he plans to use to accelerate the settlement of those land claims in order to do justice to the legitimate claims of the native peoples and to avoid that situations similar to the case experienced at Oka, which was known for quite some time, deteriorate into crisis situations, as has been the case in Oka this summer?

Everyone recongnize that the limit of six land claims established by the government is absolutely unnaceptable, and that would result in the native peoples having to wait practically a hundred years before all of their land claims are settled.

Prime minister Mulroney announced he would improve this, but did not say how. If he means increasing the number of claims from six to seven, or reducing the deadline from 100 to 95 years, that does not solve anything.

In these circumstances, how can this government say that it has tried in every possible way and in good faith to avoid the Oka crisis which has still not been settled?

In this context, how can we not understand the legitimate frustrations of the native peoples which have grown over the years and which explain the explosion of violence that we all deplore, condemn, including the native chiefs themselves?

In this context where this government and his predecessors have so obviously dragged their feet without regard to the possible consequences of what is in fact a blockade of native claims, how, Madam Speaker, can this government put forward such a simplistic motion calling for the House to congratulate our soldiers, and merely reaffirm the primacy of law everywhere in Canada without uttering a single word on the core of the matter, the native issue?

I also noticed this morning that both opposition parties, the Liberals and the New Democrats, saw fit to join the government in congratulating the Armed Forces for their intervention.

Of course, in Oka, the military played its role and intervened at the request of the government. That is and was its role. Now, regarding the motion before this House, I think it would be better if the hon. members waited for the results of a public inquiry before handing out condemnations and congratulations. It seems to me that, at this time, such an approach is the most logical and respectful to the prerogatives of the public and members alike, based on complete information on the management and development of this crisis.

I would have liked to amend the government motion, but I am not allowed to. The amendment would have read as follows:

> Replace the first paragraph and add the following after "That the House—":
>
> That the House recognize the basic rights of native peoples as the Quebec legislative assembly did in a resolution dated March 20, 1985;
>
> And that, in the opinion of the House, violence and arms will not constitute acceptable means of solving this conflict.

However, the procedure does not allow me to make such an amendment. I maintain nonetheless that, under the circumstances that we know of, that is to say the present faceoff between armed Warriors and Canadian Armed Forces soldiers in Oka, near Montreal, the contribution of this House would have been much more credible in the eye of Quebecers and natives had the

House reaffirmed the following. First, the recognition of the national rights of native people in Canada.

Second, the commitment of the government to speeding up the settlement process concerning the native land claims through legal procedures and negociations to allow the peaceful resolution of this dispute. Third, the fact that provinces must take part in this negociation process in order to speed up the settlement of the claims. And fourth, to hold a public inquiry into the management and the causes of this crisis.

I think that, had it used such an approach, the government would have been more credible and would have contributed more to rebuilding the thrust and confidence needed to bring about the laying of arms without amnisty for the Warriors and to open negociations on the root of the problem.

The rights of some must not infringe upon that of others. While recognizing the validity of the native claims and condemning the armed violence of the Warriors as well as acts of agression against natives by protesters in the Chateauguay area, it must be realized that the citizens of Oka and Chateauguay had and still have to put up with major inconveniences because of a crisis in which they are merely helpless hostages. If expressions of intolerance such as the ones we have witnessed are to be avoided, and if we want and really have our heart set on rekindling the brotherly relations, neighbourly terms and mutual respect between the white communities, the Quebecers, and the native people, governments must assume their responsibities regarding the losses suffered by thousands of people. Otherwise, fine words and good intentions will again have resulted in nothing concrete. And results is what we need in the very short term if we are to restore good relationships between the native people and residents of Oka. I therefore ask the government to agree as soon as possible to Quebec's request to share in the financial compensation program and other measures taken by the government of Quebec.

The government must fulfill its responsibilities to all parties involved, natives as well as Quebekers.

Finally, I want to remind the House that, following the failure of the Meech Lake Accord, Quebecers have undertaken, under the authority of their National Assembly, and through a Committee on its Constitutional Future, a process supported by more than 60 percent of Quebec citizens who long for Quebec's sovereignty, as shown by the polls.

The crisis in Oka demonstrates how important it is for Quebec to recover its full sovereignty so that it can, on its own territory, carry out the decisions taken in March 1985 by its own National Assembly and recognize the native people and their rights. I am sure Quebecers are prepared to give the natives the place they are entitled to on their territory and wish to see their nation establish good relationships with the native nation.

Madam Deputy Speaker: Questions and comments. The hon. member for Outremont.

Mr. Jean-Pierre Hogue (Outremont): Madam Speaker, I want to take a few moments to put a question to our colleague on the other side of the House. I want to ask him if he might make what I would call a useful contribution. Given his long professional experience and his knowledge of the ins and outs of negotiations, I wonder whether he would make a useful contribution through a number of known regular channels instead of advocating in the House that some form of censure be applied and urging that positions be made clear. Perforce, he has been very theoretical because he admitted himself that if he had been able and if it had been possible—he does use the conditional tense—on one hand would it be useful to assist the whole House and all parties if we could take a better approach along the lines of his position and his input— On the other hand, Madam Speaker, how would he explain to me or to the House the fact that in his remarks he sought to depoliticize a situation, and yet almost in the same breath he ended up with a statement which to me, a French Canadian from Quebec, seems to be highly politicized? I would suggest that the ongoing situation at Oka—and this goes for Châteauguay as well but it is more obvious at Oka—must be depoliticized in this House. Having the opportunity to express his views, the hon. member should try to explain to us why he should want to politicize the whole thing by opening up a second front which has nothing to do with the issue under consideration.

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Madam Speaker, I must say, first, that I was a bit suprised to be asked why we are bringing politics into those issues. I would have thought that the House was the right place to discuss politics and I am rather suprised by that question. That is a suprising question. And I say "poli-

tics" in the true sense of the word! I am not talking about petty politics.

Second, I did ask to meet the leaders of the native nations of Quebec and that meeting will take place in a few days. I hope to better identify the issues with them. Since you mentioned my past experience in the labour movement. I have also decided to meet with union representives who are actually preparing briefs on that question. Both native leaders and officials from Châteaugay and Oka have been invited to that meeting.

• (1850)

Contacts have already been made. I was explaining in my speech that I could not propose any amendment now since the Standing Orders do not allow me to do so, one amendment and one amendment to the amendment having already been tabled. But I say to the hon. member that that does not preclude anybody from proposing new ideas even if amendments are out of the question.

[*English*]

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I have a question for the member who just spoke.

How can he reconcile the statements made by his leader in the House who said it is evident that it is necessary to refuse sovereignty to the aboriginal people of Quebec and was speaking of the courage and the strength to say that it is not possible to have more than one sovereignty over one territory? I wonder how he reconciles that with what he said about the charter recently passed in the Quebec National Assembly. Is it possible for Quebec, as he perceives a sovereign Quebec, to allow sovereignty to native people within Quebec as those native people are requesting?

Furthermore, I would like to ask the member a question on the committee that was established to look into the constitutional future of Quebec by the Quebec National Assembly. Are there any aboriginal representatives on that committee in order to convey the aboriginal view?

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Madam Speaker, the Hon. Member is refering to the speech made by Lucien Bouchard, to things which were saw but not reported. I should know because I was the one who provided Mr. Bouchard with notes, and it is precisely—

Mrs. Deputy Speaker: I will have to interrupt the Hon. Member. I know that he is making his maiden speech, and I understand a bit what is going on. I just want to remind him that he should refer to his colleague as the Hon. Member for Lac Saint Jean and to address the Chair when answering questions put by member. That would make things easier for everybody. The Hon. Member for Laurier–Sainte Marie.

Mr. Duceppe: So, I start all over again. I suggest we should refer to the statement I made earlier taking all points into account. Mention is made of self–government and not sovereignty. It is there in so many letters. Therefore, there is no contradiction.

Also, when I examine their claims, nowhere do I find that Native people refer to sovereignty, always self–government. It seems to me rather curious that some people should be more Indians than the Indians themselves. We must read their statements. They insist on self–government for reasons based on economic and political realities, while the Quebec nation has a sovereignty project which was developed on the basis of historic conditions of economic and political development. I suggest that within a sovereign Quebec, it will be possible to get along perfectly, and the evidence of that is that Quebec was the only province ever to sign agreements with them.

Under the NDP Government led by Premier Barrett who now sits in this House, no agreement was ever signed with the Natives although this is where the problem is the most crucial.

Let us remember the facts. On the commission established by the Quebec Government, we, of the Quebecois Bloc, insisted on the presence of Natives, among others. We insisted also on the presence of cultural and ethnic minorities, as well as women. Therefore, I fully agree that there should have been Natives sitting on that commission.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I have a very short question, but first of all I would like to welcome the new member for Laurier—Sainte Marie to the Parliament of Canada. I listened very carefully last Sunday at the ceremony in Hull to his views. I hope over time that there will be changes made in the House so that his view of fighting for a sovereign Quebec will change. I hope over time all of us can work together so that his view will change.

My question is very specific because I tried hard to understand the feeling for sovereignty. If I were a Cree elected in the region of James Bay to the Parliament of Canada and I decided that I wanted sovereignty for my peoples in northern Quebec, I would like to ask the hon. member from the Bloc Quebecois what his view of such an action would be?

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie): First of all, Madam Speaker, I see that we will be understood when the time comes for us to negotiate Quebec sovereignty with English Canada.

Also, I suggest that we must take into account the wishes of the Crees in Northern Quebec. They insist on self-government over their territory and they do not insist on ruling over so much land—which would mean 17 countries within British Columbia—would English Canada be prepared to accept that? That is not what the Natives want.

I am beeing asked hypothetical questions about the potential claims of the Crees in Northern Quebec while that is not what they are asking for at all.

Mr. MacDonald (Dartmouth): But do you not agree?

Mr. Duceppe: Listen, I will continue. I saw the negotiations in Quebec and that is not what they are asking for. Under the circumstances, why wonder about that?

This would be an hypothetical situation. Native leaders in Quebec mentioned self-government, control over their territory, and creation of police forces in Lorette-ville under Quebec legislation. That is the kind of requests they make and which were negotiated. Never to this day have I heard them ask for sovereignty, creating countries within Quebec or any other province.

[*English*]

Mr. Angus: Madam Speaker, I rise on a point of order. There have been some consultations among all sides and corners of this House. As members will know, we are into extended sitting tonight and a number of members from all three parties have indicated a desire to speak tonight.

I think you would find, Madam Speaker, unanimous consent to allow individual members to indicate whether they wish to speak for the 20 minutes or to split their block of time for 10 minutes plus a 5-minute question and answer period with another member of their own party.

Just so it is very clear, Madam Speaker, should this be accepted, it will not change the rotation between parties and members will have to indicate at the outset, on rising, whether they intend to speak for 10 or 20 minutes so that the Chair as well as other members are familiar with what is going to happen.

Madam Deputy Speaker: The House has heard the suggestion made by the hon. member. Is there unanimous consent?

Some hon. members: Agreed.

An hon. member: No.

Madam Deputy Speaker: I hear one dissenting voice. I would like to make things very clear. The hon. member has suggested that members who wish to speak for only 10 minutes could do so and anybody who wants to use the full 20 minutes could do so. The only caveat would be to advise the Speaker. If someone uses the 10 minutes, those 10 minutes would be followed by a 5-minute question period. Is there unanimous consent?

Mr. Ron MacDonald (Dartmouth): Madam Speaker, I rise on a point of order. Is the hon. member seeking consent as we do our rotation to have our party, if the speaker so wishes, split its 20 minutes into two 10-minute segments or just to speak for 10 minutes or 20 minutes? I would just like that clarified.

Mr. Angus: Madam Speaker, the intention is that the normal half-hour block of time in rotation for each party will be used as each party sees fit.

If they decide on a full 20 minutes followed by a 10-minute question and answer period, that is their choice, or they can decide on a 10-minute speech with 5-minute question and comment period and another 10-minute speech with a 5-minute question and comment period for their half-hour block.

• (1900)

[*Translation*]

Mr. Rocheleau: Madam Speaker, we agree that those members who wish to divide their time should be allowed to do so. However, since this debate on the situation at Châteauguay and Oka is a very important one, could you tell me, Madam Speaker, if the Minister of Indian Affairs and Northern Development will be in the House in the next few minutes.

Madam Deputy Speaker: The hon. member for Hull—Aylmer has been in politics for a very long time. He sat in other legislative assemblies and he knows full well that it is not appropriate to comment on the absence or the presence of a member or a minister in the House of Commons. I think it is wrong to presume that someone who is not present in the House does not hear or follow what is going on. I cannot answer the hon. member's question and I hope that this type of question will not be asked too often to the Chair.

Mr. Mills: Where is Lucien Bouchard?

Mr. Lapierre: He is no longer a minister!

Mr. Rocheleau: Madam Speaker, you are certainly right and I apologize. You were also right to say that I sat in other legislative assemblies and, usually, the minister was present when matters relating to his department were discussed.

[*English*]

Madam Deputy Speaker: Resuming debate. The hon. member for Comox—Alberni.

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, regardless of what I feel about the motion on the Order Paper, I think it is worth while to have this debate to hear the range of views and understanding and information that members have on this important issue critical to Canada. It seems that some people have extremely different and diverse views as to what aboriginal people in this country are seeking and what has even been presented to this body or to politicians over the years. It is worth while to have this kind of debate in the House.

However, I want to say that I am completely opposed to the motion presented by the government at the opening of this session. The motion is an absolutely feeble excuse to explain the government's failure to deal with the issues at Oka and those issues which led to the erection of the Mohawk barricades and ultimately led to the police attack on the barricades at Oka with the tragic loss of the life of Corporal Lemay and finally with the calling in of the army. It is a failure of the Conservative Party's leadership that has led to the situation we face today after 70 some days of a siege at Oka and Kahnawake.

Evident through the whole process was the failure of leadership on the part of this federal government. The failure of the Minister of Indian Affairs to become involved to the full extent of his jurisdiction, as the person who has under our Constitution jurisdiction over, as the Constitution says: "Indians and lands relating to Indians". The minister has through proclamations dating back to 1763 and through court decisions as recently as Sparrow, a trust responsibility to the native Indian people regardless of where they live in Canada. That trust responsibility was abandoned and that minister's jurisdiction over Indians and lands reserved for Indians, as spelled out in the Constitution, was abandoned. That is a shameful abandonment of leadership and jurisdiction and trust responsibility on the part of the federal government, including the Minister of Justice.

Where was the Minister of Justice when international human rights agencies as well as human rights agencies here in Canada indicated to the Canadian public that human rights violations were taking place? The Minister of Justice, who is responsible for reporting on issues of human rights to this House, was absolutely silent during the whole event. Not a single comment came from that Minister of Justice on the human rights abuses and what action she should take in order to correct those abuses.

Where was the Prime Minister of Canada, the man who came into this House claiming as his credentials and pointing to his resumé as a man who was a skilled labour negotiator, a man capable of bringing people together and resolving problems between groups in conflict. During this whole situation, the people who have a leadership responsibility and a constitutional responsibility to deal with it were nowhere to be seen.

That is why we are dealing with a problem that is some 70 days old, that has become an embarrassment to Canadians, both in this country and overseas. It is why this Parliament is now dealing with this slippery resolution, to try to excuse the government from its responsibility to do what is constitutionally and morally required under its trust arrangements with the native people—

that is to face this issue and use every effort it can to resolve it peacefully.

This is not the first time that violence has been resorted to in Canada. Rather than putting this in the very narrow perspective of what the parties are asking for at Oka, I think we should put this into a broader perspective and relate it to other conflicts that have taken place in this country dating as far back as 1837.

It is strange that when you look through the history books the same words are repeated over and over again, the same principles are repeated.

You will recall, Madam Speaker, the days of the—you will not recall because you were too young—Château clique and the Family Compact, and the rebellion of 1837. At that time people were interested in responsible government in Canada and in giving people the power of the purse and having elected parliaments—the kind of political freedoms we enjoy today. The Government of Canada of the day labelled those people as the Château clique and the Family Compact. They were labelled as dangerous terrorists, as criminals, as people who threatened and ignored the law of Canada that governs all of us and that before which we are all treated equally. Those people were labelled in very much the same way that the Mohawk people at Kanesatake and Kahnawake are labelled today. And this was back in 1837.

Madam Speaker, I think you will find that history has been much fairer to the people who took up arms against the Château clique and the Family Compact in favour of elected legislatures, of responsible government, and of turning over the power of the purse to the people—people like William Lyon Mackenzie who gave his name to one of our Prime Ministers in Canada and who later became a member of this body—than on those who stood in a chamber like this and insisted that people who took up arms against the country were terrorists and criminals and should face the full weight of Canadian justice. People have looked far more favourably on William Lyon Mackenzie than they have on the forgotten people who called them criminals and terrorists.

It is surprising how often Canada repeats the same mistakes over and over again. In what is called the North-West Rebellion of 1870, headed by one Louis Riel, and another rebellion in 1885 on the banks of the Saskatchewan River in the Northwest Territory at the time, Riel and the Métis and a number of the aboriginal groups pulled together to attempt to have some government established in that territory that would recognize their rights and their role in the Northwest Territory or in the Manitoba territory of the day.

Again, it was a government of Canada headed by the same political party—John A. Macdonald was the Prime Minister then, and since he is departed from this room I can use his name rather than his riding. John A. Macdonald was the Prime Minister and I can recall him saying—I was too young myself at the time, Madam Speaker, but I can recall reading in *Hansard* about John A. Macdonald standing up in this House and calling Riel and his cohorts a band of criminals who defied the law of Canada and who were willing to take up arms against the legitimately constituted Government of Canada which, of course, treats all of its citizens equally.

Of course we all know the outcome of the North-West Rebellion and the Red River Rebellion of 1870. Louis Riel was hanged. But history has treated Louis Riel a little more favourably than some of the people who had him hanged.

• (1910)

Louis Riel is now considered a late Father of Confederation, one of the founders of the province of Manitoba and one of the leaders of the Métis and aboriginal people on the prairies who sought justice from the central government in Ottawa. I think that history has looked more favourably on Louis Riel and continues to do so than it does on those who said that nobody has the right to take up arms against this country and that blind obedience to bad law is the requirement of the day. I think history has looked favourably on those people.

None of us like to see Canadians being forced into the position of taking up arms against the government. None of us in this House would condone that kind of action on the part of any individual in this country. However, I think all of us understand that when a people is driven to the point of frustration, when they are constantly put down, when they are constantly treated like second class citizens, when they are constantly treated like colonial people, then the frustration builds, and builds, and builds to the point where those within the group who suggest a recourse to violence or to arms often obtain more credibility than those who wish to negotiate their griev-

ances and their concerns in good faith. I think that is what has happened at Oka and at Kahnawake.

I do not like the Mohawk Warrior Society and do not respect its objectives if they believe in using violence against the people of Canada. I do not like those objectives but I can understand them. If Canada drives those people to the point of frustration then the message that is carried by the Mohawk Warrior Society is going to gain a great deal of credibility among the Mohawk people because all other routes have failed. Recourse to the law of Canada has failed. Recourse to lobbying politicians has failed. Recourse to the media to demonstrate the conditions that they are suffering under and living under has failed. Recourse to local government to try to get them to stop, whether it is building a golf course on what is perceived to be Indian land or claimed to be Indian land, has failed. What are they expected to do? To simply submit. Madam Speaker, there are voices among the Mohawks which said that they were not prepared to submit and that they were prepared to take up arms against Canada and that is precisely what happened.

I do not think it is the fault of this government exclusively. It is the fault of people in this House of Commons, it is the fault of past governments, it is our fault because we as non-aboriginal people, have not recognized what aboriginal people are asking for and in fact, how moderate, how legitimate and how supportable are their demands. It is amazing that we have not listened to those people over the years.

We all come from various backgrounds where these kinds of demands were made in the countries from which we originated. One of the few things that I confess to is that I share in common with the Prime Minister of Canada that our ancestors came from the same country. That country is Ireland.

The conquest of Ireland by Britain began shortly after 1066. In fact, a small territory was set up in Ireland called the pale where the English were safe to live and beyond the pale—that is where the word comes from—was where all those savage, wild Irish like the Prime Minister's ancestors and my ancestors came from. It was not until the 14th, 15th and 16th centuries that England finally conquered Ireland and made it a part of England. But when they did so, they could not understand why those Irish people did not consider themselves as British as every other Englishman; why they did not consider Ireland, to use the Prime Minister's own words, an integral part of the country over which another sovereignty could not survive.

Yet, in every single generation, from the time of conquest of Ireland, Irish people rose up in arms against the government, with their pipe poles and their declarations, demanded sovereignty over Ireland and, ultimately, in 1921 they gained it. Now, on what was considered an integral part of British soil, is a republic. As the old song went in Ireland, a nation once again and that was what the Irish people were seeking.

I do not think you could find a country that is more friendly with Great Britain than the Republic of Ireland, but all they wanted was the right to govern themselves within what they perceived to be their own territory and to co-operate with Britain as equals.

When native people in Canada talk about sovereignty, they are talking about nationhood. They are talking about being recognized as separate, legitimate nations. After all, they say, how could Britain and France come to North America and enter into treaties with those nations? One does not enter into treaties with dependants. One enters into treaties with nations who have the sovereign right as nations to enter into treaties with one and which are considered equal to one.

We are talking to people who have those kinds of treaties with Britain and with its successor, Canada. Those people consider themselves and have the legal documents to describe themselves as sovereign nations within Canada.

The world is changing dramatically and we cannot say any more that it is possible for a country to exist without recognizing the aspirations of the founding peoples within it. It is absolutely impossible.

When I look at what is happening in Europe or the Soviet Union today precisely the same thing is happening. The Soviet Union attempted to retain hundreds of nationalities, hundreds of separate countries within its own boundaries, and to control them from Moscow as if they were Russian people. Now the system has broken down and the nationality and the aspirations of those

people have come out again and they are demanding to be nations once again.

The people and the nations of the world looking at the process going on in the Soviet Union are excited about it. They are excited about the prospect of these, what were called nationalities in the Soviet Union, now seeking their freedom, now exercising their autonomy, and now becoming, as the Irish did in 1921, nations once again.

If we in Canada look at eastern Europe and the Soviet Union, see that these kinds of things are happening in those areas of the world and support it saying it is a good thing, then I am certain, in order to be consistent, we have to look at what the aspirations of the aboriginal people are in this country, because what they want to be are nations once again.

Going into this new world that is being described by what is happening in Europe in 1991, in eastern Europe, and in the Soviet Union, Canada has a tremendous opportunity, to go into this world of the future, recognizing the sovereign peoples within the country and developing a method of negotiating with those people and making settlements and treaties with those people. Rather than having what Lord Durham, in 1839, called "two nations warring in the bosom of a single state" or what could be today compounded with the aboriginal question, "many nations warring in the bosom of a single state", Canada has an opportunity to establish a model for the world as to how one state can recognize the sovereign aspirations of its individual members to become even more powerful and strong and even more of a teacher to the world than Canada is today. Unfortunately, what has happened at Oka has set us back as being a teacher to the world a decade or a century.

• (1920)

I was hoping that when we came into this Parliament for this fall session the Prime Minister in some way would have relented and in the resolution he presented to the House he would have recognized the faults in leadership that were made during the summer and the faults in interpreting the Mohawks demands, which the Prime Minister characterized as bizarre in the same way the British characterized the sovereign ambitions of his ancestors when they were revolting against the British crown.

I would have hoped that the Prime Minister of Canada in this fall session would have presented to us a mechanism which would have allowed for the honourable disengagement of the conflict at Oka so that there would be a basis for friendly, open, and productive negotiations between Canada and Quebec and the Mohawk people at Kanesatake and Kahnawake, and so that we could recognize some of their sovereign aspirations and work out ways of realizing some those aspirations while keeping this nation strong and united.

I remind the House that the country from which the Prime Minister's family originated is now one of the greatest supporters and allies of the country that it formerly opposed and rose up in arms against. There is a possibility of solution in this situation. Unfortunately, I cannot see any possibility in the current resolution, other than carrying on and making the dispute worse.

Mr. Maurice Foster (Algoma): Thank you very much, Madam Speaker. I am especially concerned and interested in the government's resolution which is before the House because of the great concern that has existed in the many Indian reserves which are located in the Algoma constituency. I know that the hon. member for Comox—Alberni who has just spoken represents bands in British Columbia. One of the special features about the whole situation which has existed this past summer is that right across the country, with bands from east to west, people are very concerned about what has happened.

The problems have arisen primarily because the government failed to act and resolve the issues with regard to land claims during the spring and summer months and the whole situation has deteriorated into one of the worst crises that I think we have seen. It has not only hurt us abroad, it has hurt relationships between with aboriginal peoples within our own country. I just hope that the efforts which are being made for negotiations will be enhanced and increased. I believe that there is concern and frustration building that will cause an incredible explosion among aboriginal peoples and Canadians generally if the matter is not resolved peacefully.

Our representative here in the House has called for a royal commission to look into the problems and difficulties that have arisen. A similar motion was passed by the Massey Town Council calling for a royal commission during this situation this past couple of months. To the credit of the bands in the Algoma district and Manitoulin district, there were a number of demonstrations along Highway 17, at Massey and at Garden River by the

Garden River Band, the Spanish River Band and the Wikwemikong Band, and they were all very peaceful. They were done on the basis of expressing the concern which aboriginal peoples felt with the situation as it has developed in Oka and in the way it was allowed to deteriorate.

We got a lot of wise advice from bands such as the Wikwemikong band where they were pleading that the Armed Forces not be used against First Nations. They were calling for negotiations to settle the underlying treaty and aboriginal claims problems, that the *Sûreté du Québec* be kept at bay, and that the frustrations that were there be dealt with on a peaceful basis.

As the hon. member for Comox—Alberni has outlined in his speech, I think this is a very serious matter that requires negotiation and a peaceful settlement so that we can get on with solving the underlying problems that have caused great anxiety and frustration among aboriginal peoples throughout the country—not just in Oka and Kanesatake and the bands in and around Montreal, but right across the country, including my own districts of Algoma and Manitoulin.

Madam Deputy Speaker: Is there a comment from the hon. member from Comox—Alberni?

Mr. Skelly (Comox—Alberni): Madam Speaker, I am not sure there is a question there, but certainly I have a response to the comment.

I think different aboriginal nations approach dealings with the government in different ways and there certainly are concerns among different nations as to what is happening in the Montreal area.

The Mohawks come from a very unique and different tradition. The incidents that have taken place very much reflect the tradition from which those people come and very much reflect the strong belief that they have based on treaties going back into the mists of time that recognized, on the part of the British crown, their sovereignty and ability to operate as a nation, to make war, and to conclude peace. One has to recognize that what is happening in Montreal is part of a unique Mohawk tradition.

There are other traditions across Canada and, in fact, many of the native nations in my province have preferred a route that does not involve the use of arms but the use of negotiation by sitting down and concluding treaties in that way.

However, I have to suggest that there is a frustration developing among the people in British Columbia that the longer the government delays, the more problems there will be for people to negotiate settlements at the negotiating table. More and more people will see the alternative taken by the Mohawk warriors as the way to go.

The Prime Minister's statement today—and I take him at his word—might lead to some breaking of the log-jam and hopefully some possibility, if the government lives up to its promises, of settling aboriginal claims against the Crown more quickly and more effectively.

Mr. Mac Harb (Ottawa Centre): Madam Speaker, since the House reconvened we have spent some time discussing the situation at Oka, but what we have not done is taken affirmative action to find a peaceful solution to the problem.

Canada has been viewed traditionally as a leading force in promoting and defending human rights. We have earned a fine reputation at the international level, so we cannot continue to ignore our problems at home. We must address the plight of our native people, not just at Oka, but throughout Canada.

This issue has a far-reaching effect. Natives and non-native Canadians alike have voiced their concerns, and the eyes of the world are watching with interest to see how we resolve this crisis. At a time when many of the world's so-called closed countries are opening up, it is vital that we restore Canada's image as a diplomatic and caring nation. We must address the concerns of our native people and put fair and workable solutions ahead of taking arms in our hands.

• (1930)

We are traditionally a peaceful nation and must prove, not just to the world, but to ourselves that we can put aside our differences and negotiate.

Madam Speaker, the government must take positive steps to deal with native issues. We cannot afford to ignore justice, fairness and recognition of our native

rights. I call on the Prime Minister to get involved and find a peaceful solution and I call on the government to take affirmative action now and set up this royal commission which my colleague has been calling for.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I actually have a question for my colleague, the member for Comox—Alberni.

Madam Deputy Speaker: I am sure the hon. member will have a conversation with his colleague from Winnipeg—Transcona. It does happen that someone from the same party does ask a question.

Mr. Angus: You could not resist, Madam Speaker, could you. I will have a discussion with my colleague.

My question for my colleague from Comox—Alberni deals with the underlying issue of land claims. I heard the hon. member speak at a meeting on Manitoulin Island this spring of the northern council of the NDP. At that time he explained the economic impact on the region of a completed land claim.

I wonder if he might inform members of the House as well as those people watching of the positive aspects of why we as a society should finally deal with our aboriginal peoples and settle these outstanding land claims, some of which go back as long as this country has existed and even before.

Mr. Skelly (Comox—Alberni): I was interested in a statement made earlier today by the member for Nunatsiaq, discussing what actually happens during a land claim. When the Prime Minister was making his speech, he indicated that land was being given to the Indians. In fact, when a land claim is settled Canada takes land from the Indians, gives them a bit of the remnant over which they have control and compensates them for the balance. So Canada is always the greatest beneficiary in a land claim settlement, or what the Prime Minister referred to as a modern treaty. Canada reaps the greatest benefit.

I would also like to point out that if you read the details of the framework agreement of the treaty for the Council of Yukon Indians, you will find that over the ten-year period that the Indians have agreed to take compensation, they have also agreed to phase out all of the exemptions from taxes that they enjoyed as a result of the previous arrangement they had with the federal government when the land claims were unsettled. That is an advantage to the Canadian people.

Another thing that happens and is clearly evident, for example in northern settlements, is that in the past forest and mining companies and oil companies have gone into the north, taken resources, taken profits and taken them to Montreal, New York or elsewhere in the world and discapitalized the area.

By settling land claims you are giving an opportunity for people who have lived in those areas from 8,000 to 13,000 years and are unlikely ever to move away, to spend that capital in the area in which they live so that it has the effect of recapitalizing areas that were previously discapitalized under the old system of Canadian economics.

We now see that native corporations own things like First Air and Air Quebec. They are forming their own transportation agencies, corporations, mining companies and trading agencies. Those things benefit all Canadians from the point of view of income, as well as from employment.

[*Translation*]

Madam Deputy Speaker: The period for questions and comments has now expired. Resuming debate. The hon. member for Châteauguay.

Mr. Ricardo Lopez (Châteauguay): Madam Speaker, before I start, I would like to mention that I intend to take the full 20 minutes to which I am entitled, although this would hardly be enough if I were to talk about all the issues and all the pain and suffering the people of Châteauguay had to endure during the long so-called Amerindian conflict.

First of all, Madam Speaker, I would like to situate the riding of Châteauguay. It contains the largest and most heavily populated Mohawk Indian reserve in Canada. As you know, it is located southwest of the city of Montreal, just across the Mercier Bridge, where they set up one of the biggest barricades. The riding continues along the St. Lawrence in a westerly direction. This is a particularly beautiful and picturesque spot, a lovely contrast to the rest of the riding. I am not saying this because I happen to have the honour of representing Châteauguay but this riding is one of the most beautiful in Canada.

Some hon. members: Hear, hear.

Mr. Lopez: Now I would like to speak more directly to the subject at hand. So far, I was very surprised at the way my colleagues handled this topic. One after the other, they made some very eloquent and well-structured speeches, and I realize I have a lot to learn before I

reach that level. Of course most of these speeches were probably written by someone else, but in any case, they were very eloquent.

Everybody is talking about rights this evening, but not a word about duties. In our society, we have rights, and I think that is a very good thing, but we also have duties. And we tend to forget we cannot have one without the other. We are kidding ourselves if we claim we have certain rights and don't recognize the fact we have duties as well.

Speaking of rights, some Indians have been vigorously demanding the right to free movement—free movement of goods, persons, and so forth. Oddly enough, the same people who talk about free movement set up those blockades on bridges and highways. It seems to me they do not always practise what they preach. There is a very clear contradiction here.

If they want free movement, it seems to me that setting up barricades is not the way to go about it, and the people I have the honour to represent in Châteauguay and the general area realize that. These people have not been able to move freely for over two months. There seems to be a double standard here.

Madam Speaker, I want to say that I have absolutely nothing against the Indians or the Mohawks who live in my riding. Far from it! I am proud to represent them and I am proud to be of service to them now and then. Even though this may sound contradictory, every week in my riding office I see more than fifty of them who ask for information and every kind of services. Rest assured that they are always and will always be welcome in my riding office.

But unfortunately another small group has infiltrated this group of Mohawks, most of them law-abiding citizens. I must say that perhaps—I am even sure of that—all these people are not even Indians residing in Canada. As you know the unfortunate reality is that we have to import a good many things, but we could probably have done without this kind of trouble.

I have another comment to make. The previous speaker dealt very briefly with the matter, namely the fact that our international reputation has been hard hit, tarnished, and perhaps it is no longer as good as it once was. This would be very unfortunate if it were to be true.

I come from a country called Spain which is in Europe but which is now part of what is now known as the European Parliament. A few days ago in this European Parliament they voted on a resolution condemning Canada and singling us out for badly treating our minorities. Madam Speaker, unequivocally and unhesitantly I could tell you that Canada does not have to take a lesson from anybody whatsoever, not even Europeans.

I visited all the European countries, Madam Speaker, and lived in fifty-odd countries.

• (1940)

I should know. I can tell you that there is not a single country in the world that can compare with Canada, not one which has so much respect for its minorities and grant them so many privileges. It seems today that for people to belong to a minority is almost like having a certified cheque in their pockets, because everybody has rights. They only have to mention that they belong to a minority for the authorities to get on the defensive, for fear of being accused of racism, even when it is not the case.

During the so-called Native crisis in Châteauguay, I heard a number of reporters in the media accusing some Châteauguay citizens, if not all of them, of racism. But let us look at the facts. How could the Châteauguay people be accused of racism when they chose to elect as their representative a member of a minority. It is impossible! Nobody can be accused of racism in Châteauguay, in the whole area which I have the honour to represent or in its vicinity. Otherwise, I would not be here talking to you. I just cannot understand how some people could come to the conclusion that the peole in Châteauguay are racists.

In all this situation which was quite above me, something happened which I did not like at all. It was the day when some Ville LaSalle people, near Châteauguay, displayed quite an unfortunate behaviour. They were reported having thrown rocks at Natives leaving the reserve.

Madam Speaker, it is clear that violence must be condemned, no matter where it originates. I do not condone the actions of these people. But we should be realistic and understand the situation. Why did these people behave that way? It was somewhat in response to

another action. You know that it is very easy to condemn the majority by calling it all sorts of names. But in all logic and fairness, we must then also condemn the other side and ask for an investigation because Indians also threw stones, in fact not just stones, but projectiles.

They caused irreparable damage to property as well as to human beings. So, to be consistent I agree that there should be an investigation, of course, and that those responsible for such disgraceful behaviour should be tried and punihed. I fail to see how we could justify being so tough with a group of people whose actions were much less serious than those of others but who are singled out while everything else is forgotten.

I find it very hard, Madam Speaker, to accept that type of justice which really borders on injustice. Sad to say but what can we do. There is no escaping reality.

Anyone acting as did some of the Mohawks in Kahnawake who held a whole community hostage, who put up barricades on bridges and highways, should not realistically expect to be welcomed with open arms. That is unthinkable. There is no doubt that of all the people in the world, none are more calm, patient and tolerant than Quebecers. I should know. To put up with me sure takes a lot of patience! Yet, they elected me once in 1984, reelected me in 1988 and will elect me again in 1993 and so on, at least I hope so.

Our people have suffered enormously. I have urged our government to try and help them with some compensation for all or part of the losses they have suffered. Throughout this crisis, businesses and plants of all kinds had to close up. Let us mention only the case of a Châteauguay restaurant called *Le restaurant rustique*. It is well known across Canada and even the whole of North America, if I am not mistaken. The staff was reduced from 100 to 15. Imagine, 85 jobs were lost in a single restaurant. That means 85 families suffering the consequences of the crisis. There are farmers, carriers—

In the riding of Châteauguay, and more particularly in the city of Châteauguay, nearly half of the population goes to work in Montreal. These people commute via the Mercier bridge morning and night. To a large extent, they have been deprived of their work. Some have lost their job. So, I hope that my government will listen to the people of Châteauguay who are requesting financial assistance for the area, by way of grants or whatever, because it is well know that many companies starting up request at the same time grants from the government. In this case, the government should say: "Your request will be considered, but you must settle in Chateauguay." The government usually tries to help when disaster strikes here or there. Well, I think that is our country I am talking about here. So we should be given the same consideration.

The truth is that, whatever our efforts to help people "recover" and to compensate for the losses they have suffered, it will never be enough. Their losses are too great and, in some instances, can not be quantified. For instances, there was a time when developers may have wanted to buy land here for industries. Well, they will prefer to look elsewhere. They probably went elsewhere. That lack of confidence can not be quantified, and there is no way of knowing how many jobs or millions of dollars were lost because of that. We know full well that we have lost a lot, and the hardship will persist for a long time in the population once the crisis is over.

I have a message for the Indian leaders. The chiefs have always advocated peaceful solutions, conciliation and good example. I would like to ask them this. If, in fact, you wish to remain credible, why not tell right now the Warriors behind the barricades to surrender immediately and to face the justice system. It seems to me that, by that action—despite the fact that some chiefs have already lost some credibility, but they may regain it at least partially—, they could put a stop to all that madness, I call it "madness of the century". There are also women and children behind the barricades, children who could go back to school and start leading a normal life again. And we too, as Canadian taxpayers, would stop paying for a totally irrational thing. Some estimate the total cost of the dammages in the billions of dollars. We cannot do that; we cannot afford it.

I appreciated what the prime minister said today, namely that they have to face justice. I agree with that. In our country, there should be only one justice. As long as it is enforced; otherwise, it is nothing but a sieve. I do not believe that our population deserves being harassed as injustly as this. Land claims I understand. But others claims are made as well. I have heard about requests for

a new reservation in Oka. I am very reluctant to agree with that.

• (1950)

To my mind, reservations are synonymous in many cases with ghettos. This is a solution which can create problems, as we have seen it. Creating a new reservation would amount to creating a new problem, and we already have enough problems. I quite agree that Indians should be treated fairly, the same as anybody else, but creating reservations around cities can only lead to problems for the future.

I hope the government will not fall into that trap which to me would be a serious mistake. I agree that Indians should be treated fairly. But to create problems in an attempt to solve other issues would be a mistake, Madam Speaker. No problem is solved by the creation of another. I thank you for your patient attention, Madam Speaker. I also hope also that my government will listen to me and take the matter under consideration, once the crisis is over. We cannot look back. However there is one thing the government could do now is to give some sort of compensation to the people who have been a victimized through no fault of theirs.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I would first of all like to salute the member. His speech tonight was obviously based on his first-hand experience this summer. I am sure it was very tough for him and his constituents.

I must tell the hon. member that there are many things he said this evening that I agreed with. No one in this country wanted to see a community go through frustration and inconvenience. Many people in my riding would phone every day and they could not understand what was going on. They could not figure out why there was so much tension.

It concerned me as well, Madam Speaker, and I must tell you that last week I went to Oka. I listened to some residents of Oka who were Mohawks. For someone living in Toronto the obvious question is: How did this all get started?

I was told by friendly Mohawks, not warriors with armed guns; I believe in the rule of law—about the background of the frustrations that were going on *vis-à-vis* the golf course, the 94 acres, and the municipality proceeding and totally ignoring some of the warnings that were given by members of this House.

Then I was told about how these barricades were set up near Oka and that on a particular day a group of mothers and children from the reservation were at a prayer ceremony and were confronted by the *Sûreté du Québec.* How it happened or why it happened, obviously none of us in this Chamber want to judge right now, but shots were fired and to the great regret of everyone in this Chamber and in this nation a police officer lost his life. In the process of that experience everyone became frightened. The native community became frightened, the people of the area became frightened, and everyone got their backs up.

In no way, shape or form am I condoning ignoring the rule of law here, but I must tell you, Madam Speaker—and this is where I am heading with my question—that I went there last week to seek answers to questions to find out what was going on.

I was invited by two Mohawk residents of Oka to come into the community. As the cars approached the barricade by the Trappist Monastery, there were many people who got through the barricade. The press got through the barricade. I went there and I was stopped because I did not live in the community.

I was very polite to the police officer of the *Sûreté du Québec* and I said with humility: "I am a parliamentarian. I have hundreds of constituents who are asking me: 'Are you asking questions? Are you getting answers? What is the point of view?'" I must say that I felt great tension and resentment from the people manning those barricades, not our Armed Forces. I found the Canadian Armed Forces to be very positive in their attitude and accommodating. That part of the Prime Minister's resolution I support, but there is some mystery here why the Prime Minister does not mention the other forces that are involved.

I personally encountered a very rough experience with the police force. We talk about decency and rule of law. What about the men who are holding those positions? The Prime Minister talked about masked men and guns today, but sometimes when we ask a person who is masked why he is masked, we find out that he is masked because he is afraid and he does not want to be intimidated or caught or whatever.

Do you know, Madam Speaker, that I asked the officers of the *Sûreté du Québec* if they would give me their numbers and they refused to do it? This is true. I am not trying to be difficult here. This is an absolute truth. Thank God I had cameras because I took their pictures. The law has to go both ways. These men refused. Their attitude promoted tension.

The hon. member mentioned development, tourism and other things that are important to the economic health of this country and that we must have galvanized communities. Does he not think that there is room for improvement in the attitude of the *Sûreté du Québec* and those people who come into contact with them in relation to this crisis?

[*Translation*]

Mr. Ricardo Lopez (Châteauguay): Mr. Speaker, there are several aspects to the question of my colleague and I will try to deal with them as best I can.

I deplore the fact that a parliamentarian cannot have access to what is going on on the other side of the barricades while a lot of other people do get through. In my opinion parliamentarians are just as good as any spiritual leader or any of the journalists. I am really sorry he could not go behind the barricades and see for himself what was going on so he could keep his constituents well informed.

It is quite deplorable. But you know, at times throughout this crisis the Quebec Provincial Police behaved impeccably, but they did act irresponsibly now and then. I am referring to the incident on the Saint-Louis-de-Gonzague bridge when a group of citizens blockaded the bridge and were rather savagely man handled by the police. Worse still, after the police ordered them off the site the people obeyed but the officers continued to hit them from behind and did some damage to their cars. I thought they acted like barbarians and savages.

But I can tell you that during the Indian crisis, as it is called, during these two months most of the time the QPP did an outstanding job. I want to thank them and pay tribute to them.

However you know that in the QPP as in any other police force there are good officers and others who are not so good. The experience you had was truly unfortunate and I deplore the situation as much as you do, but we should not blame every single QPP officer.

I want to say a few words about the other authority on the site, namely the Canadian Army. My hat is off to them! I knew that Canadian soldiers were highly competent, very human, well disciplined, but never to that extent. I think that just as I am doing all my fellow citizens and all Canadians will have to pay tribute to the Canadian Army.

• (2000)

Mr. Phillip Edmonston (Chambly): Well, Mr. Speaker, I was in my office listening to my colleague on television, but some of the comments he made prompted me to come back here to ask him some questions.

Mr. Speaker, my riding is right next door to that of my colleague from Châteauguay. I believe there are always two sides to a story. The question I want to ask him specifically refers to what the hon. member has just said, namely that everybody got his hands dirty in this case. We agree on that, everybody, the government, perhaps all political parties, I do not rule any of them out, all political parties to a certain extent, we all have somewhat dirty hands. Nobody is perfect. Perhaps I might make my colleague from Châteauguay understand that it is true, we did make some progress, and that is my first point. Secondly, I would ask him very quickly: Is it not true that at one time the member for Châteauguay said that the best solution for the native people would be to send them all to Labrador? One last thing that my colleague said was that he agreed with the statement made by the hon. member for Duvernay (Mr. Della Noce) who said in the middle of the Indian crisis that the Conservative Party and members were never told what was going on by their own government? Can he answer these questions?

Mr. Ricardo Lopez (Châteauguay): With pleasure, Mr. Speaker. If I had more time, I could elaborate further. Of course, I will gladly reply to these questions.

To the first question which stated that everybody has dirty hands, I reply that mine are clean enough, thank you. I do not think they are dirty. I do not know whether you were looking in the mirror when you said that, but my own hands are clean.

When he makes other allegations as to what I think of other comments, I must tell him that remarks should not be interpreted out of their context. I do not believe that in the speech I have just made, I ever mentioned Labrador or the Hon. Member for Duvernay. Therefore, his comments are entirely out of context, as usual, like most of his NDP colleagues! He should wake up, because never once in my speech did I refer to Labrador,

the Hon. Member for Duvernay whom I hold in high esteem, or anything else. If he insist on asking questions about what I said, I will reply gladly, but he should not get lost. Please, come back down to earth and stick to reality, as we do on this side of the House.

The Acting Speaker (Mr. Paproski): The time allocated for questions and comments has now expired. The Hon. Member for Restigouche—Chaleur has the floor.

[*English*]

Point of order.

Mr. Della Noce: Mr. Speaker, I have been here all day and tried to ask a question. I wish to congratulate my colleague for the speech he made but this time my name was mentioned when my hon. colleague spoke about Duvernay.

I do not think this was in his speech. The only reason he came here was because there was no NDP member present during the speech of my colleague. I would like to congratulate him for taking the lead. What I said during the time of this crisis was that I was not informed enough as an MP. I did not have any trouble getting through the barricades. I went to Oka where my people have suffered all summer.

The Acting Speaker (Mr. Paproski): That is debate, I am sorry. On the same point of order.

Mr. Edmonston: Mr. Speaker, I understood with the intervention of the last speaker, that under no circumstances, whether you have been here just a few days or a few years, should you make reference to whether people are present or absent in the House. I would like you, Sir, to let me know if that rule still holds or if it just holds for people of other parties.

The Acting Speaker (Mr. Paproski): That rule holds but I believe he was expressing his own feelings. It was debate, it was not a point of order and I think we should carry on with debate.

[*Translation*]

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, I welcome this opportunity today to speak to the motion of the Minister of Indian Affairs and Northern Development. In this motion the House is urged to commend the exemplary conduct of the men and women of the Canadian Forces at Oka and Châteauguay.

The motion also mentions "That, in the opinion of this House, the laws of Canada must apply on all Canadian territory, including Kahnawake, and that all persons currently at the Kanesatake Treatment Centre should lay down their arms and submit to the processes of Canada's judicial system, thereby encouraging the creation of a constructive climate for discussions between governments and the Moḥawk people on land claims and other issues;"

I am pleased to see the government has decided to have a debate on this important matter. However, I seriously question the government's refusal this summer to recall Parliament to discuss the conflict. It was high time the government woke up.

Mr. Speaker, what is particularly shocking about this whole affair is the government's inertia, its failure to act. It is clear the Conservatives have made a complete hash of the situation. They tried to ignore the conflict, hoping it would just go away. Unfortunately, problems that are ignored tend to get worse. In any case, the native blockade is a very complex matter and will take a lot of effort and imagination if it is to be resolved in the best interests of all parties.

Native people do not live in very fortunate circumstances. Just look at the statistics.

[*English*]

Mr. Speaker, I will just quote a few statistics. Reserve Indians have the lowest average personal income in Canada. Unemployment rates hover around 70 per cent and on some reserves the rate is as high as 90 per cent. Infant mortality rates for Indians are double the Canadian rates. Thirty-eight per cent of Indian homes on reserves have no central heating. The life expectancy of male and female Indians, aboriginals, is much lower than other Canadians. These statistics tell us a sad story. As the member for Western Arctic explained this morning in her eloquent speech, the native people of Canada do not need tear gas to make them cry.

The government has said that it wished to commend the exemplary work of the Canadian forces. That is fine, but how do we know that this is so because there is now a new blockade that has been set up that not many people have talked about today. That new blockade—just add an

"s" to the word "new" and you have a "news" blockade and that is where the problem is right now. I believe that this motion we are dealing with today does not deal with all of the issues and that one issue is very important.

What are the implications of a news blockade? Need I remind everyone present and those viewing that freedom of the press is one of the pillars upon which our society rests. This situation, this news blockade, undermines the public's right to know. How can we be expected to treat this situation rationally if we are denied the basic facts which are provided to us by the media? Censorship in any form is reprehensible. It undermines the foundation of democracy and, sad to say, paves the way to dictatorship. In fact, the media have a role to play and it should be unfettered.

• (2010)

What is truly amazing, Mr. Speaker, is that every time the Prime Minister is confronted by a crisis he tries to shift the blame. It is always someone else's fault. You will agree that this is a singular demonstration of lack of leadership. He has even had the gall to blame our party and even our leader. I want to make it clear that the Hon. Jean Chrétien has done a great deal more about this situation than the Prime Minister will ever hope to do.

Let me outline just a few of those things. On July 20, Mr. Chrétien went to Oka. He got in and he spoke to the Mohawks. Did the Prime Minister go? No. I do not know whether the Prime Minister has any intention of going.

On July 25, the Hon. Jean Chrétien called together a special caucus committee to hear witnesses, to hear the concerns and try to find solutions that would come from consensus and understanding.

He also announced that the Senate committee on aboriginal peoples would meet and hear witnesses. Again, the Liberal Party was acting immediately. Mr. Chrétien also called a national press conference on August 7. So that has all been done. He has been active on this issue.

The Liberal Party made numerous requests throughout the summer for the recall of Parliament. Many MPs have written to the Prime Minister asking for that recall.

I wrote a letter. I asked for a royal commission to be appointed and that a mediator be appointed. I said: "By failing to act on this matter the government has allowed the crisis to spread to other parts of the country and as a result fuelled an already volatile climate of intolerance". That was July 20.

I want to mention other actions taken by our members. On July 29, the Hon. Herb Gray and our critic for aboriginal affairs, the member from Western Arctic, also visited Oka to get a firsthand view. Did our Prime Minister go? No.

I believe that the Prime Minister has to start taking some responsibility. He tends to blame everyone else. The Prime Minister has to get out of his cocoon and stop playing hide and seek with these issues. I know his advisers have probably advised him that his poll ratings are so low he should keep a low profile, take a break for the summer. My gosh, he took them at their word. It is about time that the Prime Minister met his responsibilities.

I like to give a little bit of credit where it is due also. I was glad to see the Prime Minister enter the debate this afternoon. He made some comments in regard to what some of the actions will be on behalf of his government. I hope that he can come up with more specific solutions to the problems at Oka and Chateauguay.

I would also like to talk a little bit about my riding. Although the Oka crisis has monopolized a great deal of the media's attention, it is only the tip of the iceberg. In fact, there have been many demonstrations held by natives right across Canada over the last little while. Obviously they are a direct result of the federal government's failure to address the settlement of land claims and the demands of aboriginal organizations for self-government.

In my riding of Restigouche–Chaleur, the Micmacs at the Eel River Bar Reserve blockaded Route 134 near the town of Dalhousie, New Brunswick in late July. They did this in order to manifest a solidarity and sympathy to the Mohawks. Although their original purpose was a show of

solidarity, Micmacs decided to exert a little more pressure for some of the outstanding claims and grievances that they had which were mostly with the provincial government. These grievances included the loss of fishing, water rights, as well as the employment question.

While speaking of the employment question, I would like to say that since unemployment is so pervasive among local natives, one of the things that they would like to see is more flexibility in the training programs, and in employment and immigration programs. I would like to see more flexibility with that and I would hope that the Minister of Employment and Immigration would note that.

There was a problem in my riding. They were trying to put pressure on the provincial government. What did the provincial government do? Unlike the federal government, the New Brunswick Government stepped in to help find a quick and peaceful solution to the blockade. They sent four ministers on site to meet with the Eel River Band Council and with those who were involved with the blockade—right on site. Four ministers went right in there and cleared it up. The aboriginal people were satisfied with the commitments they received from the New Brunswick government. Obviously the federal government should take some lessons on crisis management from the New Brunswick government.

I would like to congratulate the RCMP who handled the situation in my area in an excellent manner, the Micmacs of the Eel River Reserve, the band council, the chief, the local population for their patience and understanding, and certainly the provincial ministers who went in there to alleviate the situation as soon as possible.

[*Translation*]

Mr. Speaker, the conflict in Oka and other demonstrations held by native people across Canada are a direct result of the federal government's failure to deal with land claims and requests for autonomous government by native organizations.

The Mohawks in Oka have tried, unsuccessfully, to obtain recognition of their claims. The government says the Mohawks do not have title since time immemorial to the lands around Oka and that the King of France granted these lands to the Seminary of Saint-Sulpice, thus extinguishing the rights of the Mohawks.

The Mohawks and their legal advisors believe that recent judgments by the Supreme Court of Canada in the Sparrow and Sioui cases might provide new ways to support their land claims. According to these judgments, the courts are to apply a broad interpretation of subsection 35(1) of the *Constitution Act, 1982,* and reject exception of so-called legal severance which has proved a stumbling block for many comprehensive claims.

The federal government has neglected to amend its land claims policy to reflect the recommendations of its own task force on comprehensive land claims, and it has refused to acknowledge the precedents created by recent court judgments on these matters, hence the conflict at Oka.

Already guilty by omission, the federal government, as a result of its complete failure to act, made matters in Oka and Châteauguay far worse.

Finally, when it was obliged to intervene, the federal government purchased the land in question from Oka and declared that it would resume negotiations with the Mohawks as soon as they took down the barricades and laid down their weapons. It also approved Quebec's request for bringing in the army, thus showing that it preferred to endanger lives instead of negotiating.

The actions of the federal government show that it is weak and that it will not resume negotiations unless threatened with a confrontation. It will not adjust its policies to reflect recent court decisions.

[*English*]

It is very important that the government realizes that it is a serious affair we are facing. It is important that it takes action. It is nice to put a nice motion on the floor here, but it is only a motion. We need action. I would only hope that the Prime Minister in his speech this afternoon was more than sincere and can convey a type of trust, not only the Mohawk people, but to all Canadians because Canadians are very concerned.

• (2020)

In conclusion, I would again call upon the government if at all possible to appoint a royal commission on aboriginal affairs to look at the whole question right

across Canada once and for all to see if we can come up with some solid solutions that would be acceptable to everyone.

I would also think that a public enquiry is a necessity. It is a necessity because there are so many unanswered questions. There are so many Canadians out there who are asking the questions: How did this happen? How did it happen in Canada?

As an immediate step in the right direction, I would hope that the Prime Minister would appoint a group of parliamentarians to go to the treatment centre to explain to some of the movement the government is planning, if it is planning any and to discuss with them their continuing concerns. An all-party group of parliamentarians must be sent to Oka to visit the treatment centre to help to resolve this conflict in a peaceful and acceptable fashion.

The Acting Speaker (Mr. Paproski): Questions or comments. The hon. member for Manicouagan.

[*Translation*]

Mr. Charles A. Langlois (Manicouagan): Having listened with considerable interest to the comments he has just made, Mr. Speaker, I should like to tell my colleague the hon. member for Restigouche—Chaleur that I followed the events in Oka and Kahnawake all summer long because, like him, I have within my riding Native communities whose leaders and inhabitants were quite concerned about the goings on in Oka.

Having had the opportunity to talk several times with the elected leaders of the Montagnais communities within my riding, I can say that they found the situation very difficult because these hardworking and peaceloving people had managed over the past few years to implement a whole series of programs and set up various organizations which allowed them to assume their own shelter, educational and economic developments. If they were concerned about the action taken by a number of people within the Kanesatake and Kahnawake communities, it is because they feared they might lose the trust and credibility they enjoy within the other North Shore communities.

I am sure that, just like I did, he followed the development of this very difficult situation with considerable interest and that he was concerned about its possible consequences.

I have two questions for my colleague the hon. member for Restigouche—Chaleur. This afternoon, our colleague from Western Arctic referred to the Federal Government's fiduciary role with respect to the Native people of Canada. Although he certainly agrees, as I do, about the fact that the Federal Government plays a fiduciary role with respect to our First Nations and that it is responsible for ensuring their welfare, development and security, would he admit that this fiduciary role does not entail condoning actions such as those taken by the Warriors in Oka over the past summer? I fully agree that the federal Government is responsible for ensuring their security, welfare and development in every respect, as well as their full participation in Canadian life, of Canada, but I think it is going a little too far to suggest that the government of Canada condones such actions as those taken this year in Oka. So, I would like him to comment on that.

My second question to my colleague from Restigouche—Chaleur is this. He praised earlier the actions of his leader, the leader of the Liberal Party, during the summer. I would like to know if he agrees with the statement made by his leader to the effect that the Warriors should be free to leave, so they can be recaptured two days later.

Those were my two questions, Mr. Speaker.

Mr. Guy H. Arseneault (Restigouche—Chaleur): I thank you for that question, Mr. Speaker. Certainly, it is the responsibility of the federal government, as fiduciary, to protect the interests of the natives. I can tell you that I have disliked actions from both sides in Oka and Châteauguay in some instances, but I will not be the judge of that.

The other question deals with the policy concerning the 20 Warriors at the treatment center. There were 200 Warriors. So, where are the others? The Quebec government has let them run away. The federal government, your government, let them go. There are only 20 left. Where are all the others?

You have already implemented the same policy, a policy of carelessness.

[*English*]

The Acting Speaker (Mr. Paproski): The hon. member for Mount Royal. The hon. member for Broadview—Greenwood will have a question and then I will recognize the hon. member for Laval-Est.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I acceded my spot to my hon. colleague from Broadview—Greenwood but I would like to take this opportunity to thank my colleague from Restigouche—Chaleur, first, for a very interesting speech and, second, for raising the issue of the news media black-out.

If anything could define a modern democratic society in today's world, it is, among other things, the freedom of association, the freedom of the press, and the kinds of institutions that allow full disclosure. I was very pleased to see him note that.

I was wondering how the hon. member reacted in Question Period today when the Minister of National Defence in a sense let us feel that the journalists who are on the scene essentially are part of the problem and not part of the people who could enable a better understanding and promote goodwill between people.

Mr. Arseneault: Mr. Speaker, I must thank my colleague for her question and her kind words. As I mentioned before, that new blockade that was set up, the news blockade, is certainly a problem. It has created a mistrust out there. It has created a situation in which some of the people behind the barricade are afraid in a sense that the information that is getting out from there might be a little different than what actually the facts are. There are a lot of things.

I happened to see a couple of news programs one day when some of the media were throwing their films to try get them out. There seemed to be a mad scuttle there to try to get them. In fact, in one case I saw the film taken away from someone who was trying to pick it up. It seemed to be someone in a uniform, so I wonder what we have to hide.

Some of the communication that is going on between the Armed Forces and the warriors in the treatment centre is by a sort of an educated mode, I guess. They use rocks. They tie their letter to a rock and throw it in. They throw it back and forth. It is not the way to act.

If we want a peaceful settlement, we must develop an air of confidence, of trust and I really think—

[*Translation*]

We should send a parliamentary committee in Oka to talk to the Mohawks, review their situation in Oka and see if they are ready to disengage under reasonable terms.

•(2030)

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I congratulate my colleague from Restigouche—Chaleur.

He mentioned in his closing remarks how trust is really a key issue here.

I get many letters from my constituents. Today, I received one where the constituent talked about the fact that the native way of life was probably the original example of a sustainable society. Those of us who profess to be environmentalists are uttering words not worth a hill of beans if you do not immediately start to resolve native land claims issues. Probably many in this House do not realize but our member from Restigouche—Chaleur when he was working on Bill C-39, the forestry issue, forced the members of that committee to come up with the first definition of sustainable development that any act related to the environment in this Parliament of Canada has had, and I salute him for that.

My question is very specific. In keeping with his focused attention on sustainable development, does he not agree with those constituents who are saying that we in this chamber really cannot profess to be serious about the environment unless we begin looking after Canada's first environmentalists. I would like him to respond to that.

Mr. Arseneault: Thank you, Mr. Speaker, for giving me a chance to reply to this question. I must thank my colleague from Broadview—Greenwood for the first question and his kind comments as well. I might hire him as a publicity agent to do some promotion.

I must say that it is true without going overboard with it. I think if we look at the state of our environment, not only here in Canada but around the world, we will find that it is a precarious state. I think if we turn back a leaf and look to our aboriginal people we will see how they managed the environment. They did not necessarily manage, but their attitude is so different. Attitude is one of the biggest environmental problems in the world, not only of a politician, but of normal everyday people who

are not willing to have their life styles change. They are not willing to make sacrifices. I think we can take many examples, not only from our own aboriginals here but from other peoples and other countries. I think it is very important that we use and take advantage of that situation while we can. As I mentioned, the environment is in a precarious position.

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I will start with one of my questions. I will give ask the hon. member the second question and I hope he will answer very briefly. I know when you are last to ask a question, there is not much time.

My colleague just said we should have a committee go to Oka to speak with the Mohawks. Well, I have been here all day and I have been listening to the speeches. Everyone spoke about the Indians and the Mohawks. I have the proper respect for that, but not one person spoke about the white people, those who lost their homes and belongings. I have been there. I had no problem going through the barricades. I have friends there.

Mr. Mills: What's your point?

Mr. Della Noce: My point is that when we talk and we try to solve a problem, we have two kinds of peoples to solve it. There is the respect we have when we speak. I saw Miss Gabriel speaking on TV. We have to respect our fundamental rights. Yes, but what about mine? What about my people who are there who lost everything? I do not think the committee should be there.

[*Translation*]

I would have another question, Mr. Speaker. Quebec had, and it still has, a great poet called Felix Leclerc, who said: "The surest way to kill someone is to pay him to do nothing". It is true that Canada is the fiduciary. We give money. That is very well, but there comes a time when you wonder if it would not be better to give responsibilities and dignity. So, if a committee is to go to Oka to solve the problem, I would want the basic rights of the people on both sides of the barricade to be respected. What good does talking do? People I know there told me they do not want to go back to their homes. There is a problem: The most beautiful village in Quebec was destroyed. This is what the problem is: We can see only one side at a time. I therefore want my colleague to tell me if the government will continue providing money and nothing but money, not dignity for instance? Shall a word be put in for the other people whose houses were damaged? I would like to hear what my colleague has to say on that.

[*English*]

Mr. Arsenault: Mr. Speaker, to answer the first question with regard to not only listening to the Mohawks, we must listen to all Canadians, I think that is important. I think that is being done in each riding on that issue and I would hope that this all-party committee would also listen to the concerns of the other side, if we can call it the other side.

The hon. member stated that no one has talked about that. I must point out that my hon. colleague and friend, the member for LaSalle—Émard, in Question Period asked about money to compensate the people who were put out because of the Chateauguay issue and Oka issue and residents on both sides of the river, all around the whole region, including natives and non-natives. He addressed that issue quite well and I must congratulate him on that.

[*Translation*]

I also want to tell you that I agree with you. We cannot keep on spending money without accounting for our actions but it is important that responsible programs be developed. Different programs are tested here and there. There are training programs. I have talked about those in my speech: We need training programs but training programs that are a little more flexible for aboriginal people. That would certainly be a start.

[*English*]

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, I am pleased to address this House on a motion respecting the situation in Oka and Chateauguay. This situation, with all its unpleasant and very serious threats to life, at times threats to innocent lives, happened for a reason.

If we put aside all the bad and negative feelings, what was the purpose and, indeed, what have we learned?

It is easy to point fingers and criticize. It is easy to look back and complain. What I think we ought to do though, is look ahead and ask ourselves, what is it that we must do now to heal the bad relations that have developed? What is it that we can do to seek positive solutions?

In retrospect, let us review the Kanesatake and Kahnawake situations. As one who has been involved directly with the advancement of native rights, seeking to do it positvely, I think I know and appreciate the frustration that my native leaders have felt. It is, nevertheless, unfortunate and sad that it has led to the taking up of arms.

The positive signal that this summer, difficult as it was, has sent to Indian country is that national unity and support behind a common cause is possible, just imagine what can be accomplished if the same energy can be expended toward positive goals.

An equally important result from this summer's incidents is that Indian issues are now on the national forefront. Before I propose some recommendations, as other members have done, may I remind the House of the Standing Committee on Aboriginal Affairs and its second report. In that report, having heard witnesses, including National Indian Leadership, what the committee identified is an agenda for the 1990s. I quote from the report:

> The committee invites all Canadians to become aware of the issues that face aboriginal Canadians, because these issues do not affect aboriginal Canadians alone. These issues affect all Canadians. They affect the future strength, prosperity, sense of fairness and tolerance that allows all Canadians to define themselves.
>
> The committee also invites all Canadians to participate, each in their own way, to advance these issues. Awareness of aboriginal issues and challenges is a necessary first step.

• (2040)

I am very encouraged by the Prime Minister's statement a few minutes ago and I quote in part that: "It is time to put the Indian agenda into operation—one anchored in reality". One that will bring back the native dignity the Prime Minister referred to in his address and other colleagues who referred to it a few minutes ago as well.

Let me briefly look at what to me is a very serious negative message that has been sent to the aboriginal communities. The media coverage, although there have been recent comments in its defence, could have in my opinion been better in some reporting because the message that was being encouraged to the native youth across Canada is that "if you have a problem, take up a gun. If you disagree", the youth is now encouraged "to take up a machine gun or mount an armoured tank". That is not the kind of Canada I want.

Another negative aspect is the disrespect of leadership. Leaders in any community deserve more than to get beaten up in their own homes. When a chief is beaten up in his own home, there is a loss for everyone because such action does not solve the problems. On the other hand, neither is it right that provocative actions by soldiers be taken against unarmed women and children, be they native or not, particularly in a traditional longhouse.

I have throughout this crisis maintained that violence is not the answer. I called on my own people, as I do now, to give tolerance and patience another chance. Continue the dialogue. I along with members from the Western Arctic and Nunatsiaq have perhaps one of the most unique opportunities in this House. As one of our most respected elders Chief Dan George wrote, and I remind the members: "I am a chief, but my power to make war is gone, and the only weapon left to me is speech. It is only with tongue and speech that I can fight my people's war".

But what about the future? I am being told by my own councils to get in there and do something about Oka. Mohawk spokespersons said: "No, you stay away from here". When I had the opportunity to work with an ad hoc committee of cabinet ministers for many hours, other constituents said: "You are spending too much time on Indian issues". Amid all of this I met with Indian leaders to ask them: "We have all had a very challenging summer, now what do we do to bring both sides back together". I indicated to them some of the not too pleasant comments and calls that my staff and I received in our offices. During my constituency tour last week, virtually everyone we spoke with wanted an immediate peaceful solution to the Oka situation.

Importantly, however, Mr. Speaker, we have to regain the positive work that was underway and is underway across Indian country. Mr. Speaker, allow me to give you and the House four suggested recommendations which I have received from my own Indian leadership.

First, review immediately the land claims process with a view of considering an independent body or tribunal. The original problem, as I understand it, that sparked the Oka incident was the land claim. There have been many criticisms of the process, there have been many supportive blockades across Canada. We do not need any more evidence to encourage us to change. What is seen as a one-sided unfair process can be changed for improvement and I am pleased the Prime Minister addressed that this afternoon.

Second, consider immediately a new round of discussions or meetings similar to the First Ministers Conference. What is being suggested, however, is that the federal government meet with national aboriginal leadership bilaterally to discuss our future relations. I do not have to add the constitutional, legal and other obligations previous members of these Chambers have referred to in support of this proposition.

Third, I think for the first time the aboriginal leadership is calling on government to replace the Indian Act. Let us look at the alternatives for a new, positive relationship. We need to restore Indian dignity and pride. I encourage the Prime Minister's initiative for changes in the new year which he has just announced.

Fourth, as others have called for a royal commission, a public inquiry or whatever the name, what is needed urgently is a complete and comprehensive review of Indian affairs at all levels including the management by Indian leadership. I believe we will find the rightful place of aboriginals in Canada with this kind of effort.

In conclusion, I urge both sides in the Oka crisis, their leadership in particular, to begin new deliberations. They should put aside the hurt feelings, painful though that may be, and put down the weapons on both sides. This is a beautiful country and peaceful co-existence is possible in such a vast land. I believe we can continue to share. I believe we can continue to live together. Indeed we must.

To my colleagues, through you, Mr. Speaker, let me say that this is not an issue upon which we play political gamesmanship. This is not a matter on which we put blame. This is a time for us to work together. It is possible to come up with one mind, as the Prime Minister said, when Canadians of good will decide. It is possible to work side by side to continue to build a stronger, more united Canada. As one native person in this Chamber, that is all I ask.

Some hon. members: Hear, hear.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I would like to take this opportunity to commend my hon. colleague who has just given such an eloquent speech and to talk about the way we should be viewing the questions that have arisen in this House this evening.

My hon. colleague mentioned four things that he had in mind as being very positive initiatives. Some of those have been spoken to earlier today by the Prime Minister. He thought there was a very positive initiative to replace the Indian Act. I am wondering what sort of model he sees in terms of dealing with this issue.

The Indian Act has been around for a long time. There have been many attempts to try to change it, but it seems to me that it has always been changed in a top down way where somebody who is white and perhaps does not have very much knowledge of what life is like on a reserve makes decisions for people who have to live them out. I wonder if my hon. colleague would perhaps expand on this point just a little.

Mr. Littlechild: Mr. Speaker, I thank my hon. colleague for her question.

It is a question that we have tried to deal with over the years to counter what has been the process in the past to which she referred, that top down change. We have some experience where a committee can be struck, one that represents the Indian leadership, one that represents justice, one that represents Indian affairs. We can work away at legislative amendment together and do it in a way where changes can be hammered out in a room that affect all sides and, indeed, have input from all sides. Although we have heated discussions in such a process, once that kind of procedure is established the legislative amendment that comes forward from that process has always been accepted by all sides because all sides have had input. I would encourage that kind of forum be undertaken for any proposed legislative amendment.

The Acting Speaker (Mr. Paproski): I will recognize the hon. member for Welland—St. Catharines—Thorold, the hon. member for Port Moody—Coquitlam, the

hon. member for Scarborough—Agincourt, and the hon. member for Western Arctic, in that order.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, I too join with my colleagues on the other side to compliment the previous speaker, the hon. member for Wetaskiwin. Many times in this House we are torn between loyalties and the greatest loyalty that we can have, of course, is to Canada. In so saying, I know that the hon. member for Wetaskiwin had quite a burden to carry this summer, along with many other people in the House.

• (2050)

My question to him is quite straightforward. Does the hon. member believe that if we had acted more quickly at the beginning of the crisis, if the federal government as well as the provincial government had moved to alleviate the crisis earlier, might not all of this have indeed been put behind us so that what he is talking about, a return to dignity, would not have been necessary and that the people there would have kept their dignity throughout this whole crisis?

Mr. Littlechild: Mr. Speaker, hindsight being perfect, when I look back, I suppose one could say that, yes, it would have been better had we acted faster. At the same time, as my colleagues have said, nobody knew what was going to happen. I think that everyone in their own way suggested remedies to deal with the issue but no one knew, for example, that over the past many months, at least from what I understand, people had been preparing with arms for such an event and just waited for the timing to be right. When I look back, sure I could have said yes. We could have dealt with it earlier.

I think the Standing Committee on Aboriginal Affairs even tried in its attempts to air out such issues during the past year. As I said, I find it very unfortunate and sad that we have had to get this far where both sides have taken up arms. I can only hope and pray that in the future we do not do this again.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I too want to say that I found speech of the member for Wetaskiwin to be very sensitive and genuine. I know he has been in a tough spot. I totally agree with him, as I think do all members of this House, that violence is not the answer.

I gather that at first he did condemn the use of the army. Perhaps he could clarify that.

The first part of the government's resolution starts right away by commending the exemplary conduct of the army at Oka and Chateauguay. I gather from the content of his speech when he talked about some of the things that went on there that he feels like us, a little uncomfortable that the government proceeded right away on its motion with sort of the law and order approach rather than proceed with what he did in his speech, talking about where do we go from here and what are the positive measures like moving on land claims that we could do. I would like to ask him to clarify that.

The second matter I want to ask him about is if he is aware of the report on Indian self-government by the 1983 Penner committee wherein the committee recommended that the federal government establish a new relationship with the Indian first nations and that an essential element in this relationship be the recognition of Indian self-government. The committee also recommended that the right of Indian peoples to self-government should be explicitly stated and entrenched in the Canadian Constitution, that the surest way to achieve permanent fundamental change in the relationship between Indian people and the federal government was by means of a constitutional amendment, and that Indian first nation governments would form a distinct order of government in Canada with their jurisdiction defined.

Could the member say whether he agrees with the Indian self-government? I know he talked briefly about it. Does he see that to be in any way contradictory to what the Prime Minister has been talking about when he is saying that all the laws of Canada must apply equally?

I do not think the Prime Minister has reached the stage, quite frankly, where he has in his own mind to recognize we need a really new deal with the native people which may mean recognizing, as the Americans have, a form of distinct aboriginal government.

Mr. Littlechild: Mr. Speaker, I appreciate the question and the opportunity to clarify what I said about the army's role. I did not condemn bringing in the army because as I understand it the initial request or the purpose for calling in of the army was to have it act as a

peacekeeper or a mediator between the animosities on both sides: the Quebec police and the Mohawks.

When a joint request came forward for the army to be present I agreed with it. I condemned specific actions that I disagreed with, actions taken against unarmed women and children in a spiritual place like the longhouse. That is what I do not agree with. I do not think, Mr. Speaker, that you or any member would appreciate such actions being taken by anyone in a spiritual place. I could not agree with that.

With respect to the report on self-government, if I may give a very personal opinion, it is necessary to recognize, perhaps in legislation, the existence of Indian government. I hear, of course, the proposition that there is only one law in Canada. In the Criminal Code there is one law, but the native people also have a criminal code and a criminal law, a code that is not written. Sadly it is one that is not recognized either. I do not think in my society, under our laws at home, that if a person commits a crime he can expect to get away with it. I do not think that is what is being requested.

Yes, we do have an Indian government, but we lack recognition. Perhaps a constitutional amendment recognizing that would be a simple step forward.

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, I commend the hon. member for his comments and I share with him the soul and the toughness of his position.

When the crisis broke I was overseas—and I have travelled extensively—and as soon as people talked to me they realized that I was from North America and asked me: "Are you from Canada or are you from the United States?" Every time I said that I was from Canada, there was a smile on people's faces. However, when I told them I was from Canada, I hesitated to continue by saying that I am a parliamentarian because I knew the next question to follow would be: "Why are you not in Canada? Why are you not dealing with the problem of your first citizens?"

The member for Chateauguay said that we have a duty and a right. Is it one of our duties as parliamentarians to have immediately recalled Parliament? Is one of our duties to our first citizens to look after them? Should we have recalled Parliament? Should the member's boss, the Prime Minister, have acted immediately without any hesitation?

Mr. Littlechild: Mr. Speaker, I too was overseas throughout parts of the summer and throughout parts of the crisis. In fact I was at the United Nations in Geneva where some of the Mohawk leaders were and I had an opportunity to deal with them. This unfortunate incident did not only happen domestically. The story was carried elsewhere.

In retrospect, again I suppose it is easy to say that Parliament could have been recalled, but as was stated earlier in Question Period in response to similar questions, every request that came forward to reconvene was not accompanied by a purpose for reconvening.

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, I want to take the opportunity to thank my hon. colleague, the member for Wetaskiwin, for his speech. It is a very difficult position in party politics for aboriginal people in all jurisdictions. A very, very tough question that we have to deal with is this. Although we deal with a group of people who have taken up arms, there is the bigger question that the Mohawk Confederacy wants dealt with. that is the question of jurisdiction and sovereignty. I know his legal expertise and I respect his mind when it comes to these matters. I would like to ask him this. How does he feel we can grapple with this very difficult question which relates to law and order which the government is very concerned about and which Canadian citizens are very concerned about? How do we deal with the issue of sovereignty? As he advises his government, what would his advice be to the government on dealing with the issue of sovereignty and the Mohawk Confederacy?

• (2100)

Mr. Littlechild: Mr. Speaker, as the hon. member for Western Arctic says, it is a tough question. If I can relate back to my constituents, the second recommendation that they have presented was to consider immediately a new round of meetings similar to the first ministers' conferences. They did not set an agenda for those particular meetings but I am sure from previous and recent discussions one of those would definitely be to address areas of jurisdiction and sovereignty. I believe there are some areas where it is possible to delineate the responsibility and jurisdiction of one area, to delineate the jurisdiction and responsibility of another, just as we

do now with the federal and provincial governments under the British North America Act.

In those new discussions it might be just possible that discussions could lead to areas of shared jurisdiction. Maybe it is possible to recognize that there is in fact a third order of government. It is possible to use the word "sovereignty", although it is hated, in that kind of a context.

We have examples all over where it is possible for a smaller nation to be within a larger nation and yet not have to give up its jurisdiction. If we look south, for example, in the United States, some of the islands where they have their own governments have sovereignty yet use the United States currency, defence, and jurisdiction in a lot of other areas. In other words, they share areas of jurisdiction but yet they feel that they are sovereign. The Vatican, as I understand it, is sovereign in Italy but yet it has its own jurisdiction. Therefore, I think there are models elsewhere that we can use that would bring about this kind of possibility in a new round of meetings.

The Acting Speaker (Mr. Paproski): The hon. member for Outremont, a very short question, please.

[*Translation*]

Mr. Jean-Pierre Hogue (Outremont): Mr. Speaker, I appreciate this opportunity to put a question to my colleague and at the same time offer my sincere thanks for having the honour and the privilege of hearing what I just heard.

Since the start of this debate, positions have been taken and statements made which I would qualify as partisan. This afternoon, after the Prime Minister's speech, we heard a member on the other side of the House open her heart to the Prime Minister and talk about issues that came straight from the heart. I felt that was very moving. On the other hand, another member of this House who belongs to a non-party made a number of comments that I did not appreciate at all, and I am getting to my question, Mr. Speaker, but I thought it would be useful to make these introductory remarks.

Our colleague spoke from the heart, he talked about his people, not in an intellectual way but with great feeling and integrity. Could I ask the hon. member, who is part of this cultural reality—I imagine his answer will be affirmative, but I don't want to prejudge what he is going to say—whether if perhaps here in this House we could raise the level of debate to that achieved earlier by our two colleagues, does he think that this House will be able to protect and enhance this cultural integrity Canada so desperately needs and which may provide the answer for other groups, including the one to which I belong?

[*English*]

Mr. Littlechild: Mr. Speaker, I thank my colleague for the question. But, as his remarks are prefaced that it would be an affirmative one, yes, I see this House being able to protect all rights of Canadians.

I think sometimes of an analogy that could be used. It is not a melting pot but a salad, and within the contents of a salad the lettuce is able to stay as lettuce. If we can use that kind of analogy, I think as all Canadians, we can all be protected.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, I too would like to enter the debate this evening. First of all, I would like to make a few points clear about the motion.

The motion, unfortunately, does not deal with the issue. The motion has been made very specific for reasons that are hard to understand when you first look at the situation we are dealing with.

For background information for those of the House who are here, the riding I represent has 46 aboriginal communities. This issue was debated very heavily over and over all summer. It was probably the worst summer I, as a politician, have ever had to face simply because I did not have an answer for the people I represented. The questions that were being asked over and over again were what does this all mean? When will this all end? And, just where do we go from here?

I would like to deal with where we have been and perhaps if time allows talk a little about where we should go. I would like to use an analogy that has probably been used often in the House in this issue. It relates to a lost generation of aboriginal people. That lost generation, for those of you who are not quite aware of the history of Indian Affairs, are the people who were put into residential schools in the 1940s and 1950s, and until the early 1960s when they were done away with. That is what the aboriginal people call the lost generation. That was a time when non-native governments tried to force their will on aboriginal people, and by doing that were

attempting to assimilate and do away with the race. As you know, that situation did not occur. It did not work.

I use that analogy in relation to Oka. The only thing that we achieved in Oka is we have attempted to break the spirit of one whole community. All the people who are alive today in that particular community will never forget this episode. We, as politicians might forget if we get carried away in discussing other issues of national importance, but the small village of Oka will remember this particular crisis and episode. That is really what this issue is about, the scars that are left after something that should never have reached a crisis situation becomes a crisis.

• (2110)

I use that analogy, Mr. Speaker, because that is about all we are going to get from the Oka affair when it is all said and done. We have affected and hurt a generation. We could never replace that hurt by handouts, money, or land. What is done is done.

I want to go back to what should have been and to what possibly members of this House should have paid close attention. Maybe I am naive but as a young politician who is very new in this place, I am very sensitive to what people tell me on the street. When I go up north I listen very intently to the 46 chiefs that I represent, their band councils, the elders and the people who are there.

When I was first elected in 1988 I went on a tour, as I am sure all members do in ridings as large as mine, to listen to the people. I came back to the House with this message and fortunately or possibly unfortunately, depending on how you look at it, the leader of our party gave me the responsibility of associate critic on aboriginal affairs. Therefore, I was on the Standing Committee on Aboriginal Affairs.

One of the first things I suggested at committee was that a problem that I could easily see, that I was very sensitive to, was that was the leaders were telling me it was becoming more and more difficult to control their own people. The potential young radicals, a term I suppose is being used a lot in the media these days, are people who are no longer willing to wait 40 to 50 years for governments to act. The chiefs and councils and elders told me very bluntly that we have to start putting those words that they hear from politicians at every election into action.

I came back to the House and I went to the standing committee to speak to my Conservative colleagues and my NDP colleagues. Of course, Ethel, being a member of that committee, knows very well what I am talking about. I said that we had better get moving very quickly because it is becoming very, very difficult out there for the leadership of the native community to control their own people.

Lo and behold, Mr. Speaker, nobody paid attention. What is so often sad in this House is that governments tend not to listen to opposition members. Why should they? They have a majority. What a waste of time. It is a lot of rhetoric, is it not? But there are some members who might have something to say, who have a little bit of sensitivity about this beautiful country of ours. So far I have not seen that sensitivity and that is why we are in this situation.

It would be nice to have had this debate a year ago to hear the types of very good suggestions that are being made today.

Some people have difficulty articulating the issue because they are not familiar with aboriginal people or their situation. Mr. Speaker, that is perfectly acceptable and understandable because aboriginal issues are not very high on the agenda of many politicians. There are those who, I am sad to say, have never been to a reserve and would not know one if they ran over it. They probably drive through one often because there are close to 600 reserves in this country.

The sad part of this whole debate is that we have come to the point of having to call the army into a situation that got out of control. Whether it is right or wrong, Mr. Speaker, we will not solve here tonight. As other colleagues have said we have to ask where we go from here.

First, that depends on whether members in this chamber really understand what we are talking about tonight.

I know we are not supposed to talk about what happens in caucus. I get a big kick out of this.

I listen to my colleague, the hon. member for Western Arctic, talk quite often about aboriginal affairs in caucus. We get these guys and gals and their heads are nodding up and down, indicating: "Yes, I understand what you are

talking about." But do they really know what this is all about? Do they know how complex specific land claims policy is and how complex the comprehensive land claims policy is and the political will it will take for us as parliamentarians to resolve that issue?

I suggest that more colleagues should stop nodding their heads when aboriginal people speak and start saying: "No, I do not understand." I suggest that they do not.

I represent a riding that has 14,000 aboriginal people and I say very frankly that a lot of my non-native constituents do not understand the issue. They think the specific land claims policy is a land-grab by aboriginal people wanting more.

Simply, it is trying to right a wrong that we as non-natives created a long time ago. Yes, we put in the Indian Act. Yes, we put in the Indian agents. Then we let the Indian agent have all sorts of powers. In those days the communications were not as good and the education level of our First Nations was not as exceptional as it is in some cases today. What happened was that pieces of their land were sold off. In some cases the land guaranteed to them in the treaties was never given. Do you know that there are 165 specific land claims in Ontario alone?

Today I listened very intently to what the Prime Minister said. I had waited a long time in the House for some indication of what my constituents in the aboriginal community call trust and honesty.

The aboriginal people are very difficult in the sense that they are not easily fooled. When you look them in the eye they will tell you right away, very quickly, in their own sophisticated method, whether you are full of it. I use that because it is probably the most parliamentary expression I can use referring to whether one was being just a simple politician or one truly means and understands what they are saying.

I have been through that process and this summer when I looked into those eyes up north it was very, very difficult. I said to myself: "Bob, you had better go back and tell your colleagues just how bad it really is for the 100th time. Just possibly they will listen this time or maybe they might understand."

As I have said in my press releases, letters I have sent to the minister, the request to the Speaker for emergency debate and the request to the House Leader to recall Parliament, if we do not deal with this issue in a very comprehensive way, what we have seen over the summer is the tip of the iceberg. The young aboriginal leaders are not prepared to wait any longer.

The request of the hon. member for Wetaskiwin for people to be patient and continue with dialogue has come to an end. Aboriginal people have been dialoguing and speaking to non-natives for so long now that they just do not know what to say any more. They meet with the minister and members of Parliament and the heads keep nodding up and down: "Yes, yes, we understand what you are saying". The chiefs and the council go back to their community. A year goes by, two years go by, three years go by—nothing.

I want to bring into the debate a specific example. Here is one that belongs to my constituents. Here are six bands and I will name them for you: Kee-Way-Win, MacDowell Lake, New Slate Falls, Saugeen Nation and Wawakapewin. These six communities were given band status in 1985 by the present government. At that time, when they gave these six bands the hope of having their own community, it said: "Very soon we will give you reserve status." For those who do not know, reserve status means that they get a land base, something to work with, some hope of creating their own community and being independent to a certain extent. I know how much all people in Canada cherish their independence.

• (2120)

Well, it is five years later and this report here states: "*Six Bands Five Years Later*". That is the title. Lo and behold, there is no reserve status for these six communities. They live in total poverty.

One community lives exactly one mile away from a great big power line and it is not hooked up to the community. What do they do? Every winter they have little generators and little propane stoves and lights. It is an embarrassment to be a Canadian. But it is so far out of the way that these people here might never see that community in their whole lives. If they went there they would be ashamed. They would want to move away.

That is what we are talking about here, the understanding of the issue. People cannot continue—and I talk about parliamentarians and politicians—to talk and not act. That is why I am very sceptical about what the Prime Minister said today. In his discussion and in his speech there was absolutely no detail of where we are going and

no emphasis on timetable. Where will we be five years from now? Where will we be 10 years from now?

Give the aboriginal people a goal to set for themselves and something to work towards. Show them what we mean by improved infrastructure.

Of the 46 reserves I represent, a total of four have sewers and water. The Prime Minister said that we are going to start speeding up sewer and water situations and housing. This is a rough guess and a very conservative one, if you do not mind me saying, but there are at least 500 homes are needed in those 46 communities. There are two and three families living in a little home that we would probably call our garage. And we sit here and nod our heads. Oh, we understand, but do we really, really understand?

We presented a motion in standing committee that we do cross-country hearings. We also debated and discussed very heavily in the aboriginal standing committee about having—can you believe this, Mr. Speaker—cameras in our committee meetings. The ruling was, oh no, you cannot do that. We might say something that would embarrass the government. Good God, it is too late for that. We have embarrassed ourselves already. Look at what has happened.

What we want to do is we want to open the process up and, hopefully, through that we will educate non-natives who do not understand the issue. I do not say that to belittle anyone. If one does not live in that culture or in that world, one might not understand and that is perfectly acceptable. But if we do not turn the lights on, it will always be dark. As one leader said, I am getting tired of screaming in the forest. Do you know how many people hear you in the middle of northern Ontario, thousands of miles from anybody, when you scream in the bush? Absolutely no one. And that is exactly what is happening here.

I asked the members just for once—and I say that more specifically to the government who have a very important responsibility at this present time—to listen to members who might have something concrete to say. There have been many, many suggestions made in the House and those suggestions are for a land claims commission which would allow for a non-biased, non-partisan approach, a resolution of these land claims issues which have to be sped up at a phenomenal rate with resources applied to it. Otherwise we will never, in my lifetime, go through them all.

Also, I think it is high time that we did look at a royal commission. At first, I disapproved of a royal commission and I will tell you why, Mr. Speaker. There are so many reports like this one. There are hundreds of reports that are collecting dust on peoples' desks. Keith Penner's report in 1983 was very comprehensive and it cost the government millions of dollars to put it through. It would have showed us the way to change our approach to aboriginal affairs.

The reason I did not want to go along with this royal commission is simply this. It was another delay tactic, another way of stopping what should start immediately and that is to get into the very, very nuts and bolts of the issue. Now, I think maybe it would be good to air this whole issue nation wide. By doing that, maybe someone will learn something about aboriginal affairs.

I say this because I have learned a lot from my colleague who happens to be sitting behind me. Any member who really wants to learn something about aboriginal people, should come and talk to Ethel or to Jack. They will tell them what it is like. Or they should go and spend a few weekends of their precious time, as Dennis Mills did, up on a reserve in northern Quebec and they will find out what it is all about. Once we get to that point, Mr. Speaker, I suggest to you we will, as parliamentarians, have done truly something exceptional. Until then, we will just stand up here and spin our wheels. Hopefully I will not have to do that.

Unfortunately, not being a pessimist but in this case having seen it before, we are in for a difficult time if these people here do not listen.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I want to make a few comments and ask some questions to my colleague who has just spoken.

I can understand his deception to a certain extent. Mr. Speaker, it is often true that when we are confronted with problems in caucus or in meetings we have a

tendency to shake our heads and say: "Yes, yes, I understand."

I come from Beauharnois—Salaberry. For the benefit of those who do not know, Beauharnois—Salaberry is just after Châteauguay on the road which leads to the Akwesasne reserve. The Akwesasne reserve is in my riding and I might add a little detail which may seem meaningless. When I want to go on the Akwesasne reserve, and I go there regularly to visit the residents of the reserve, I have to go through the United States and Ontario and come back through the reserve. That is a small detail which goes to show to what extent they are sometimes badly treated.

But I want to say to my colleague who has just spoken that in the end the House of Commons may be a reflection of society. We really come to grips with problems when they are staring at us in the face. Three or four months ago when everything was going so bad on the Akwesasne reserve we did not have a great debate. We were saying: We will try to find a solution to the problem, we asked a few question and that was the end of it. But what was going on at Akwesasne? Akwesasne is where the traffic goes through. My colleague says he visits the reserves. Well, so do I, I visit the reserve located in my riding. I was in touch with reserve chief Mike Mitchell for whom I have the greatest of respect. He said to me: "Mr. Hudon, one of these days you will see things blowing up elsewhere because traffic interruptions here will have repercussions elsewhere". And we did have them this summer.

But we were all there, in the image of society. Nobody in Châteauguay or Beauharnois—and I said this to the people of Beauharnois and Melocheville during the meetings this summer—nobody among you has been unduly concerned about what was going on at Akwesasne. The situation was very serious. They had some problems in British Columbia, they had a very serious problem there as well.

But like we do they just stand there and wait. We say we will solve the problem whenever it comes up, in a more practical way, and then— But there is something I want to say. We have been here for two days. Yesterday we talked about Iraq. We had to put an end to the debate at 7 o'clock last night because there was no unanimous consent in the House. It is a good thing we did stop at 7 o'clock, for otherwise we might have found a solution to the conflict in the Gulf!

This is not the place where solutions are found. It is now 9.30 p.m.

• (2130)

We have been talking about the Oka stand-off for a number of hours and we could talk about it for many more. We are a reflection of what goes on in society. What the other guy just said is all wrong. The hon. member is perfectly right about that. People don't listen. They always say: he missed the point. That's not the right answer. The Prime Minister spoke and he didn't say the right thing. Well, I think tonight maybe we should start negotiating. I can hear people say: That doesn't make sense. It won't work here. I agree. The Prime Minister of Canada said that he was willing to accelerate the process. Unfortunately, today, the solution is not up to the House of Commons, although I am a firm believer in the parliamentary process and I think everybody should have his say. If we were really honest, maybe just a little more so than our society tends to be, and if we were also a little less hostile, we could all find a solution. However, we always disagree with what the other guy said.

I must say that I agree with the hon. member. Another member said we should have sent a group of parliamentarians. What is that supposed to do? How is sending in a group of parliamentarians supposed to settle the conflict? You didn't say that, it was one of your colleagues who spoke just before you rose, the hon. member for Restigouche—Chaleur.

Now let me see, this happened about two years ago on the Mercier Bridge. The bridge was blocked because the RCMP had seized cigarettes which it wanted to give to the Quebec Provincial Police. The politician arrived on the scene and just made matters worse. People were arrested with their cigarettes and the drugs they had at the time, but that was not the answer.

I think that if we were willing to sit down together without looking at the negative side of things, without necessarily—

Mr. Waddell: Question!

Mr. Hudon: You want to keep me from talking?

Mr. Waddell: You are making a speech.

Mr. Hudon: This isn't a speech, although what I have to say is quite interesting—

[*English*]

The Acting Speaker (Mr. Paproski): Order, please. I know the hon. member is making his comment. He is coming to his question.

[*Translation*]

Mr. Hudon: Thank you, Mr. Speaker, for calling me to order.

However, there is one thing I cannot accept in this particular society and something society does not accept either and that is hold-ups. If you really think the Prime Minister or this evening's motion really missed the boat, does this mean you do not condemn the terrorist actions of the Warriors today? Come out and say it! Say whether you approve or condemn this their actions! Say whether you approve of terrorist action and tell the House whether people who consider themselves above the law are exempt from criminal prosecution. As a Canadian, I don't believe that.

Mr. Speaker, I believe I have put my question.

[*English*]

The Acting Speaker (Mr. Paproski): I think he put his question too. The hon. member for Kenora—Rainy River. I will recognize the hon. member for Port Moody—Coquitlam, the hon. member for Dartmouth and the hon. member for Broadview—Greenwood, and that will be it.

Mr. Nault: Mr. Speaker, I thank my hon. colleague for getting involved in the debate. I am not quite sure how to answer that question or to make a comment on his comments.

First of all, I would like to go back to what I talked about in the speech and that is that this issue is a lot larger than the reserve that he speaks of that is in his community. Yes, it is unfortunate that there are some situations there that have dictated the unfortunate scenes we have seen this summer, the one where we saw the young soldier, eye to eye with a Mohawk. But I would never stand in my place and say some of the things that this member has just said about people without a fair trial and having the judicial system rule on what in essence has gone on there. The reason I did not get into the debate about Oka the way possibly I would have if I were parked there on the doorstep is because I am not from there. If I were to speak on what I saw on TV over the summer, I would have got a very slanted view.

I have been told by my French colleagues that the French media has reported much differently than the English media on what took place there. In order for us as parliamentarians to know exactly what did take place in this unfortunate incident, why don't we have a true inquiry so then we will know? I do not like to be dictated by the French or English media because I do not really know what their mandate is. Is it to sell newspapers? Is it to sell time on TV or is it to report to me the true facts and sensitivities of the Canadian people?

An hon. member: An excellent point.

Mr. Nault I suggest to you that because of that reason I stayed away from Oka. Maybe the member has some inside information that we as members do not have. I wished we would have pressed his Prime Minister to let us have this debate two months ago. I would have loved to come in the 1st of June or early July and talk about this before all—

Ms. Blondin: Over a year ago.

Mr. Nault: —hell broke loose, if I could use that terminology, Mr. Speaker. I do not know if that is acceptable or not. That is exactly what we waited for and now we are paying for it. I say to him, if he has information that is a lot different than what we have seen, please share it with us because I think we all would like to learn from that.

An hon. member: Well done.

Mr. Ian Waddell (Port Moody—Coquitlam): Thank you. Just a brief comment and then a question. Mr. Speaker, I listened to the member's speech with interest. He raised the matter of a royal commission. At first he did not think much of a royal commission on native issues. Now he feels that perhaps it would be a good idea. I, too, think it would be a good idea.

I think it would be important for two reasons. One is to educate the public in these issues. That was done in a quick way with the Oka crisis this summer. Native issues have been on the back burner in spite of the horrible situation of native people in this country. It has always been on the back burner, even in this House of Commons.

The royal commission could do another thing. I believe it could define what we are looking for, the answer to a problem. The Mohawks talked about full sovereignty. The government cannot give that. The Prime Minister is talking about the *status quo*. He is not prepared to give anything on that. We have to get somewhere in between.

The royal commission, in my view, has to define self government. It is something less than full sovereignty but something more than the *status quo*. That is what I think the royal commission could do.

My question to the hon. member is this. I hesitate to be partisan here. Not ever being partisan, I always find Liberals sort of like jelly, trying to nail them to the wall. You know they sort of stand for this and then this and it is hard to pin them down.

Was the Liberal Party in favour of sending the army into Oka or not? Yes or no? It appeared from one member, the Whip I believe, that they wanted the army sent in. It appeared in Question Period today the Liberal Party was against the army being sent in. I ask the hon. member representing the Liberal Party, is it yes or no?

Mr. Nault: Let me answer the last question first. The answer is no. Anybody in their right mind who would suggest that allowing the army to go into any community to defend the interests of our society, be it judicial or not, because when you do that, it means that the ability to police yourself has completely fallen apart. I suggest to you, not being a lawyer and you being a lawyer, and you should know better, that under that scenario, not anyone in this House should have been in favour of the army going in. What I have said in the speech, and I thought I made myself very clear, is that the reason why I never talked about that situation was because you cannot right a wrong that has already been wronged. It has already been done. It has been dealt with. Let us look at where we go from there.

I want to talk a little bit about what I talked about before. This member should pay very close attention to this and not talk when I am speaking. I want to tell him a little bit about something he asked me which shows his lack of knowledge about aboriginal affairs.

• (2140)

He talked about the royal commission and the fact that it should define self-government. Any individual in this House who understands aboriginal affairs will tell you that you cannot define self-government. They are all different in every individual community in this country. That is why it has never been done before. Have you ever asked a chief or council to tell you what their concept of self-government is? You get an interesting stare because it is very, very difficult. That is like defining distinct society. If you can define distinct society, I will define self-government. I tell you, it is impossible. That is why it is very, very important for this member to know that the reason we are having these debates is because you learn something. Tonight he learned something.

The Acting Speaker (Mr. Paproski): I will recognize the hon. member for Dartmouth and then a short question from the hon. member for Broadview—Greenwood. I think both of you could put the questions and the hon. member will answer.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, the hon. member, my friend from Kenora—Rainy River, has put some sense into the debate tonight and has taken most of the partisanship out of the debate.

This truly is an issue where every member from every side of the House has to feel something deep down in their guts. We are talking about an injustice that has been allowed to go on for much too long and has caused the situation to develop at Oka. Now the government would like very dearly not to talk about the problems that have caused the confrontation at Oka. They want to talk in a very sterile environment.

I would submit to you, Mr. Speaker, if you look at the history of the civil rights movement in the United States, the blacks in the United States did not break laws in the United States through civil disobedience because they were law-breakers. They broke those laws to try to bring to the attention of the American people injustices that were perpetrated upon them, rights that they did not enjoy that the white population did enjoy. It was a final step to say to the larger society "For God's sake, wake up. I am human, too". That is exactly what has been happening in the native community in this country.

Miss Dobbie: Are you making a speech?

Mr. MacDonald (Dartmouth): The Prime Minister said it earlier—

If I want to make a speech, I will. If you do not want to listen to it, that is fine. As Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, great thinker she is.

The Prime Minister said it earlier, and I commend him for it. He said that the native people in this country are a gentle people. That is their history. They are not savages, contrary to what most of our schooling has taught in racist textbooks. They are not beasts, but enjoy a long and deep, rich cultural history.

What has driven a particular community out of that rich tradition to the problems that we see in Oka? It is a government and a society that does not want to deal with the fundamental problems in the native community.

I want to ask the member for Kenora—Rainy River this. Earlier the Prime Minister of Canada offered some possible solutions. I do not want to put the Prime Minister's intentions up to any scrutiny. I think he was honest this evening in wanting to do something. But, there is a problem here. The native community needs a sign of good faith by this government. It needs a sign of good faith. I am going to ask him, is this the type of thing that might lead to some movement, that might lead to restoring some of the trust that this government has destroyed with the native community if they went and did something simple, such as reinstate the funding that was cut through the Secretary of State for native newspapers in this country? Something simple like that.

In Nova Scotia, the Micmac community has lost its only form of communication among that minority community because the Secretary of State, through government cutbacks and government policies, has silenced the voice of the native community. Is this the type of thing I ask the member that the government could do to show their bona fides and to reinstate some good faith in the negotiations between the Government of Canada and our aboriginal peoples?

Mr. Nault: Mr. Speaker, I would like to answer that question simply by saying that this afternoon I listened very intently to what the Prime Minister had to say. The reason I did so was that I was looking for some sort of clue as to whether indeed the trust factor which has been eroded so severely over the years would possibly spark a bit of life back into the unfriendliness created over the past few years I have had the opportunity of being a member of Parliament.

To start off the debate properly and to turn the environment around somewhat on aboriginal issues, one of the nicest gestures that one could make is a small one when one talks about $4 billion. The Prime Minister is very quick to tell us how much it costs. He is forever telling us how much it costs. I think it would be a very nice gesture if put back in place the funds cut from native communication societies in this country.

I was the recipient of one of those major cuts in Kenora—Rainy River at Wawaté which my colleague and I visited. The damage it did to those people who use that radio station, the newspaper, and the bush radios which are there for the trappers was beyond description in this House, at least for me.

A little gesture like that would go a long way toward showing that we are on the right track. If the Prime Minister were serious about what he said this afternoon, he would start to implement this process or this new agenda very quickly. If he does not, it shows that he does not really have an agenda and that what he said today was a lot of rhetoric to get people off his back for a while.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, my comment will be very short.

Yesterday, on the opening day of the Parliament of Canada, most of the country had a pent-up expectation. Later on in the afternoon after Question Period, my office on the Hill received two irate phone calls from high school teachers who had organized their classes to watch Question Period. They called and echoed their disgust at what happened in this Chamber: the bantering back and forth and not listening to each other.

Today's debate in the House of Commons has been one of the most productive, positive, high-road debates that we have ever had. I would like to thank especially my colleague today from Kenora—Rainy River who pushed for a whole new level and tone toward working together and solving very serious issues. We should have a heck of a lot more of it in this House because I think it is basically what the people of Canada want.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): As Parliamentary Secretary to the Minister of National Defence, Mr. Speaker, I wish to report to my colleagues and, through them, to all Canadians, on the way our military forces carried out the mandate they had received from the province of Quebec

following the breaking down of negotiations aimed at ending the Oka and Kahanawake crisis.

Everywhere in the world, Canada enjoys a tremendous reputation for respecting human rights and assuming peace keeping duties internationally. But now that I am personally involved with defence, Mr. Speaker, I can tell you that the reputation we have abroad is somewhat different from that we enjoy within our borders. That is the reason many countries were watching us, wondering sometimes with scepticism how our Armed Forces were going to end a conflict which threatened to pitch brothers against brothers. As in many family quarrels, there comes a time when people loose sight of the real reasons behind the conflict.

If I may, Mr. Speaker, I should like to recall briefly the events which forced the Quebec Government to send for our Armed Forces. Over the past few years, through its Department of Indian Affairs, the Federal Government has worked diligently with the Mohawk tribe in Oka, in Kahnesatake, to formally establish a reserve. Considerable progress has been made. The government has bought lands from individuals to turn them over to native leaders. Early in May, the Municipal Council of Oka announced its intention to purchase the land next to their city's golf course in order to extend it. Following this announcement, the Mohawks set up barricades closing access to the contentious land. Because they had failed to obey to court injunctions, the *Sûreté du Québec* received the order to dismantle the barricades. On July 11, this police force were confronted with heavily armed opponents, saw one of their men lose his life and incurred various material losses. To demonstrate their support for the Mohawks in Oka, the Mohawks in Kanesatake set up barricades to stop traffic on the Mercier bridge between the Southshore and the Montreal Island.

• (2150)

Following these tragic events, the province of Quebec, under Part XI of the National Defence Act, sent General John de Chastelain, Chief of the Defence Staff, a request to help the civilian power.

Armed assistance consists in providing Armed Forces personnel pursuant to a request received from civilian authorities requesting help to enforce Canadian laws. Therefore, armed assistance necessarily implies a violent situation or threat of violence.

In our country, the concept of armed assistance is based on several principles that form integral part of our judicial system. The most basic of these principles is probably that any form of martial law is unacceptable; civil power remains the supreme authority and shall not be replaced. It ensues that troops can be called in to assist the civilian authorities. The Armed Forces are called in as a last resort, only when everything else failed to maintain or restore peace and order.

When armed assistance is requested, it is assumed that the civilian authorities at all levels have already done all they could to bring back to normal a situation that has deteriorated to the point of being very serious.

Provincial authorities can requisition—hear "demand" rather than "ask for"—troups from the Armed Forces in order to have them at their disposal when needed. Pursuant to the National Defence Act, the requests are made to the highest military authority, that is the Chief of Defence Staff, rather that to a minister of the federal government or to a political authority.

The following day, that is on July 12, after consulting the Quebec minister of Public Security, the Chief of the Defence staff asked the commanding officer of the Mobile Command to provide the *Sûreté du Québec* with support equipment and personnel, such as armoured vehicles and their drivers, bulletproof vests, rifles, and also night-vision equipment. The troops were authorized to fire their weapons only in self-defence. The same day, July 12, 96 troops were dispatched from the Longue Pointe base, in eastern Montreal.

On August 6, negotiations between native people and representatives of the federal and provincial governments broke down. Therefore, under the provisions of the National Defence Act, the province of Quebec requested that Canadian Forces be called out in aid of the civil power to assist civilian authorities to restore law and order in Oka and Kahnawake.

When he invoked the National Defence Act, the Premier of Quebec, Mr. Robert Bourassa, conferred upon the Canadian Forces the mandate to remove the barricades at Oka and Kahnawake, to ensure the free movement of vehicles on the roads and bridges, to take control of the fortified posts and to restore the normal

conditions essential to general welfare and public security.

When he instructed Lieutenant–General Foster to realize this mandate, General de Chastelain publicly committed himself to the peaceful dismantling of the barricades.

He said Canadian troops would not use force unless obliged to by the Warriors. Echoing the words of the Chief of the Defence Staff, the Mobile Command Commander also expressed his intention of proceeding without violence, but remaining ready to face any situation, confronted with Warriors equipped with military–type arms and entrenched behind fortifications that did not look the work of amateurs.

From the beginning of the crisis to its conclusion, which appears imminent, through the most recent tribulations of this conflict which are but too fresh to our memories to need to be recalled, our military maintained their quiet strength, inspired by their chief, a good balance of determination and calm. If a picture is worth a thousand words, the one of the terrible face to face of soldier Patrick Cloutier with a Warrior was shown everywhere around the world.

The step–by–step dismantling, without bloodshed, of the fortified road blocks, first in Kahnawake, then in Kanesatake, testifies to the impressive competence of the Canadian armed forces in peacekeeping operations. Our soldiers were able to combine some psychology, good sense and courage. They overcame with success several handicaps; those of having different ways of thinking, a different language and culture from those they were facing.

For many of our fellow citizens, the key role the army played in reducing tensions with aboriginal people, between aboriginal people and the people in the neighbourhood of the reserves, was a revelation. The media, particularly those of Quebec, generally conveyed with objectivity the positive contribution of the Canadian forces involved in the conflict I also experience as the member of a riding that includes the area of Châteauguay.

A few days ago I heard a sociologist on the radio discussing the possible after effects of the conflict and whether there would be any harmful and lasting impact on relations between the Mohawks and their neighbours. Mr. Speaker, I think we should make a very clear distinction between the legitimate aspirations of native people and the attitude of the Warriors, which is intolerable in a democracy. I am referring to these would–be soldiers, some of whom, in fact quite a number, were from outside Canada.

With the Canadian people, whose interests it reflects, the government has recognized the advantages of a quick and fair settlement of legitimate native land claims, but it had no intention of doing so at the point of a gun. Violence as a political tool or a pressure tactic was entirely unacceptable in a democratic system. Arbitrary actions can only generate fleeting successes and victories that are morally devastating. A democratic system like ours guarantees fair treatment for all citizens of Canada, as brothers who are equal before the law.

The Warriors' threats of violence will merely have postponed negotiations and as a result delayed solutions to problems such as settling the land claims of the Mohawks in Kanesatake and the transfer of 97 acres of land the federal government has purchased in the municipality of Oka.

The fact that dialogue is again possible today, Mr. Speaker, despite the pain and suffering on both sides of the barricades, the fact that there are no longer any barricades between men, women and children who share a common destiny which is to build this country, our country, is largely thanks to the fair, courageous and judicious action of the Canadian Forces. Justice, bravery and wisdom are, as we all know, platonic virtues, and I would like to take this opportunity to offer our congratulations and thanks on behalf of all Canadians.

The Acting Speaker (Mr. Paproski): Questions and comments. The hon. member for Saint–Boniface.

Mr. Ronald J. Duhamel (Saint–Boniface): Mr. Speaker, I listened very carefully to the hon. member's speech. Although I appreciated part of what he said, some of his comments I found rather alarming. If I understood correctly, he referred to a situation that had degenerated. He then tried to explain why.

It seems to me that there has been a quite extraordinary attempt to deny or to evade certain facts. What facts?

• (2200)

[*English*]

Is it not true that the Oka situation is in large part because of the failures of successive governments to respond sensitively and sensibly to the needs of our aboriginal peoples? Is it not true that this government's actions with regard to the capping of education funding, to the various budget cut-backs that we have discussed frequently in this House, to the unresolved land claims, to our collective inability to respond to their desire for self-government, to the lack of hope that our native brothers and sisters have in fact because of this series of broken promises, to this lots of talk and no action mentality and this series of broken promises, is it not all of this that is the real reason for what has happened in Oka?

I would ask whether or not my colleague would publicly in this House accept that this Oka situation at the very, very least is in large part a result of these failures.

[*Translation*]

Are you prepared to accept these facts? Are you prepared to condemn sending in the troops against our own brothers and sisters, against fellow Canadians?

[*English*]

The Acting Speaker (Mr. Paproski): Before the hon. member answers the question, I will recognize the hon. member for Victoria and then the hon. member for Nepean on a short question or comment.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I would like to answer the hon. member's question because I believe he expects a reply. I think we must put the Oka situation into context. Oka is not and was not a reserve. So when the town of Oka decided to expand its golf course onto land that belonged to a resident of France, don't tell me this was not a legitimate request. A municipal council may, within certain limits, take certain initiatives. Two court injunctions authorized the town council to do so and to oblige people to take down the barricades. Previously, in the past year, the federal government had purchased several other properties to form a real reserve. Everything was fine. It is no more than natural for a municipality to want to add to property it already has, in a legitimate manner. People in other countries were joking about the whole thing. I heard the news on French television and they said there was a major dispute in Canada between Indians and White people about a golf course. I think that is an exaggeration.

As for his comments on education funding, I think we shouldn't always think in terms of dollars and cents. I agree it is important. When we talk about cuts in education, as far as I know I don't have all my notes with me the cuts introduced last year do not mean, and I think Canadians should realize this and that you should realize it as well, do not deny native people access to university.

I am all for paying somebody's courses, their room and board and their books. More power to them. But, when they are enrolled in law school and the course takes four years, four years is all they are allowed. If the chancellor of the university says it takes an extra preparatory year, that will be paid for as well. That makes five years. After five years, no more. That is not what I call cutting off funding. It is just obliging people to observe a certain timeframe and do what you and I had to do when we were getting an education. These were constraints we had to live with.

[*English*]

Mr. John Brewin (Victoria): Mr. Speaker, I would like to comment on the member's speech and on the situation in Oka and to use this opportunity to do so. What we have seen this summer is a terrible tragedy for Canada. I was listening this afternoon when the Prime Minister decided, in answering a question, to score a point on the basis of the violence that is being taught to young children behind the barricades in Oka, and the Conservative benches roared with laughter at the great score that he had made. This came across to me really as a form of racism, which underlies our whole reaction in Canada to what we have been seeing in Oka and to the real tragedy that has been happening there. Because the violence that we are seeing there behind the lines is really a product of the violence of our society and the terrible violence that we, in Canada, have wrought over hundreds of years on the aboriginal native populations in this country. The rape that happens to women, the sexual assault on children, the suicides of young Indians, the pain and agony that has come from the high populations in our jails, are all products of our violence against native people. And somehow this government keeps persisting in blaming the victims of the violence that has been wrought. It is time that this House

understood that we have to speak of reconciliation, of trying to come together to build a more just society.

Let me speak briefly about what this has done to the army. My new role in this House is as critic for our party on defence matters. I see what has happened to the army. The individual soldiers who are there have shown great personal courage but the government has put them and the army in a position in which its authority and its image in this country is slowly eroding. It puts them in a position where they are beginning to trample on the civil liberties of Canadians by denying communications and the right to communications to the press. The rights of journalists in Iraq are greater than the rights of journalists in the Oka area and behind the barricades.

The army is now imposing increased pressure on the people who are there. The image of the army is slowly eroding. The opportunity that it has to risk serious violence on the people there is a daily feature of the situation which this government's neglect has caused. I would ask the member if he would not concede that the time has come in this country for reconciliation and for resolving this matter, not with more violence but with peace and justice.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Sure enough it is ingratiating. But there is a very simple way to initiate reconciliation. As long as armed people remain behind barricades and refuse to come out the process cannot begin.

That is not the way negotiations will get under way because if we begin to negotiate now I can tell you that the first item up for negotiation will not be the territorial claims, they will begin by negotiating safe-conducts for those peole.

They say that those people are traditionalists. I said a moment ago that I had visited the Akwesasne reserve in my riding, I got a book about the traditional values of the Mohawks as a present from chief Mike Mitchell because I had attended the opening of a housing project. I did not see any Mohawk warriors who had to be protected by women and children and move about with a rag over their face to avoid recognition! I did not see that.

A real Mohawk is someone who stood proud and was prepared to face the enemy. They are the ones we have always known and with whom we have always negotiated. They are not in Oka now. They are the ones who suffered in Châteauguay. A moment earlier you said something about suffering—we do not want to be racists and that is precisely what will prevent us from being so—when I consider what is going on in Châteauguay right now, with the solidarity committee which has been established in an effort to fight against such attitudes, because the effects of racism can be felt on both sides—

The real warriors are the people of Châteauguay and the native people who show respect for certain values and who, like you and I, have been taken hostage, just like the people of Melocheville or Beauharnois. Those are also Canadian values.

• (2210)

The negotiations were going well. No one likes the army. I said so in my speech. I had said that before in Haiti, when I was Chairman of the Parliamentary Commission on Haiti: In Canada, we feel towards military governments the way we feel towards hives. We do not like them. Nobody does. The purpose of my comment was to show that the army had behaved professionally. The first series of phone calls I got was for the army to come in and kill them all. That is not what we wanted them to do. De Chastelain, Foster, and Brigadier General Roy assumed their responsibilities and did so as gentlemen. They acted correctly, without violence. If there is still some violence today, let me tell you that we could put an end to it very easily. I could even call the Warriors tomorrow morning and tell them to lay down their arms and face their responsibilities.

[*English*]

The Acting Speaker (Mr. Paproski): The hon. member for Nepean on a question or comment.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, a comment first and then a question to the parliamentary secretary.

The recent clash and subsequent stand-off between the provincial police officers, the Canadian army and the Mohawk Indians is both tragic and unnecessary.

This government turned its back on an issue that is clearly theirs and one that it could have resolved in the first week of the crisis. This is a national tragedy and one that every member in this House should be thoroughly ashamed of. Canada's armed service men and women are being used as fall guys for a government that has been incapable of acting to end the tragic circumstances

in Kanesatake. None of us condone armed intervention. None of us condone violence. But I can partly understand it. When one consistently has one's back to the wall, when one's rights are consistently being trampled on, when one watches the federal government bend over backwards to accommodate a distinct society within that particular province, but does not include its native peoples in that accommodation, when one sees a federal government that does not appreciate or understand the national aspirations of its first citizens, then I understand their frustration.

A closer look at the crisis and its implications gives me cause to be concerned that the fundamental guarantee to basic human rights are not being met.

Amnesty International has the Oka situation under investigation at this very moment. They are in the process of collecting affidavits from those who have documented human rights abuses. Our international reputation as a strong human rights nation has been sullied by our government's failure to limit the many human rights abuses in this crisis. The United Nations has been asked to intervene and the UN Working Group on Indigenous Peoples has listed representations about the specific situation that we are debating today. Surely, if these international organizations are actively looking into the situation, there must be some legitimate concerns.

Does the parliamentary secretary believe that these concerns bear further examination? Does he think that they can only be given the attention they deserve through a full royal commission and judicial enquiry?

The Acting Speaker (Mr. Paproski): I would just like to bring to the attention of the hon. members that we will have to keep this question and answer period within the 10 minutes, otherwise we are going to stay here until three o'clock in the morning. That is fine, if you would like to stay here until three I am willing to stay. I think that I have been very kind, but let us try to get questions very succinct and to the point.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Human rights were trampled on. I should like to know by whom? By our Armed Forces? By the Canadian Government? I do not think so. Some rights were effectively trampled on. At some point during the negotiations, the Commission on International Rights was made up of 24 members. If these people keep quiet now, it is because they understand the situation better.

I must tell you, Madam Speaker, that if you try to make out of the problem in Oka and Châteauguay, a problem of a distinct society, you should pay a visit to my county where a bunch of people are doing exactly that. I received three kinds of phone calls as the Parliamentary Secretary to the Minister of National Defence. The first series, until the army arrived came from people who wanted us to send in the army to kill them all! The second series was from the Pacifists. As soon as the army arrived, they were worried about our international reputation. I was afraid too. The third series was from people like you. You refuse the natives the right to a distinct society while you yourselves, as Quebec separatists, are demanding it for Quebecers. I can tell you there is a major difference between a distinct society and a distinct nation. As soon as Quebec has a referendum and a government bent on separation, then they will want a distinct society. I do not agree with that, Madam. But that is the difference between the two.

The legislation we amended in this House was different from the War Measures Act.

[*English*]

The Acting Speaker (Mr. Paproski): Questions and comments are terminated. The next speech is for 10 minutes with five minutes for questions and comments. The hon. member for Prince Albert—Churchill River.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, that, indeed, is my constituency and I do plan to speak for 10 minutes, followed by the hon. member for Port Moody—Coquitlam.

I am very pleased to be able finally to participate in this long overdue debate. The events that we have seen this summer of Canadians are ones which will be seared in our memories probably forever. They are shocking events: razor wire, dogs, search lights, women and

children being stoned in their cars, and food being withheld. Images that we, as Canadians, never thought we would see in this peaceful country of ours. A level of violence that ill-becomes us and is in no way part of our national identity, or so we thought.

Like the hon. member for Kenora—Rainy River, I, too, spent a good part of my summer touring Indian communities in my constituency. There are 13 and approximately 15,000 treaty Indian people in my constituency. My heart bled more than once at what I saw, especially among the young people, as they asked each other: "Are we prepared to die? Are we prepared to be like the people in Oka and Kanesatake? Are we prepared to die for our people if it should come to that?" And beyond that, the level of anger. In fact, that became perhaps even an attractive option, even to go so far as to think about taking life and becoming violent themselves.

I could understand the deep frustration of the Indian leadership in those communities and the sorrow of their elders as they saw the young people pick up that kind of thinking and those kinds of attitudes on the basis of what they saw over the summer.

We saw, too, the total abdication of leadership in the country and at the level that is probably unprecedented in our constitutional history when it comes to Indian people. Our Constitution is clear when it comes to the trust relationship which the federal government has towards the Indian people. We saw the Minister of Indian Affairs who hid. We saw a Prime Minister who hid.

At the same time, we were virtually in a situation of civil war between Indian people and our own military forces. We had a situation where Indian people were being denied food and medicine. Whole Indian communities were feeling themselves threatened and, in fact, Indian people across the country felt in the position where they needed to mobilize themselves to take action and we had a Minister of Indian Affairs who decided to hide behind the army and the police and a Prime Minister who decided to hide as well.

Therefore, I, like many other Canadians, was waiting very anxiously to see what the government's response would be when it got here to Parliament. What did we see? It was like a bad western movie. What we see here is talk about law and order. We see it repeated over and over again, a vilification of the warriors. Nobody condones the actions that some of the warriors have undertaken. Certainly nobody condones violence. But for the government to focus its attack exclusively on vilification of the warriors and justifying its actions on that very narrow basis, I think is an insult to thousands of Canadians. It is an insult to the thousands of Canadians who marched peaceably, to the thousands of Canadians who participated in peace camps, who attempted to get involved in the situation, who went to Oka, who went to Kanesatake to try to become personally involved in a constructive kind of way and were shunted away and driven away.

• (2220)

It is an insult to the Indian leadership who kept the situation very much under control throughout the country. It is an insult to those Canadians who made all kinds of efforts to become involved and to become informed, many of them for the first time, about the situation which in fact confronts Indian people in the country, the historical situation that we have allowed to evolve, and the situation of the lives of Indian men and women in Indian communities across the country. It is an insult to those Canadians who took this issue seriously for the government to turn around now and say that these are just lunatics that it had to look after. That is the sum total of the government's response.

I guess what sticks in my craw further to that is all this sanctimonious talk about the sacredness of the law and that the government's sole effort here, their sole motivation is to uphold that law. If it is so concerned about the sacredness of the law, why are groups like Amnesty International or the human rights commissions—100 of them from Quebec alone—investigating the situation there and coming up with condemnations one after the other of what they have seen happen? Why have we seen food used as a weapon? That is something we decry internationally when it happens, yet we have done it ourselves.

If the government is so concerned about the rule of the law, why do we see the muzzling of the press and the cutting off of communications? If it is so concerned about the rule of law, why did they use the National Defence Act which holds very little recourse by way of public accountability, as opposed to the Emergencies Act which would require Parliament to be called within seven days and require a public inquiry to be held when all the events had transpired so that there would be a full accountability to the Canadian public? If it was so

concerned about the rule of law, why did the government not use that mechanism?

Then we heard the Prime Minister this afternoon talk about how the warriors should give themselves up because they would only be giving themselves up to the finest legal system in the world, a legal system that they could have total confidence in because it is the same law for all. In fact, we have had a lot of talk about being the same law for all and there cannot be any exceptions and so on. Does the Prime Minister remember the Donald Marshall case? Does he remember the Manitoba justice inquiry? Does he realize that in my own province of Saskatchewan 80 per cent of the people incarcerated in that province are of native ancestry, although they make up only about 10 per cent of the population?

Does the Prime Minister not know that Indian people have a deep sense of laws being broken ever since 1763, the Royal Proclamation that said that they should not be disturbed at their hunting until treaties are concluded? We are still disturbing the Innu at their hunting without a treaty being concluded.

In my own constituency the Peter Ballantine Band has waited for 100 years now for 240,000 acres of land that are owing them. That is the law. The treaty is the law. They are to get that land. Yet, the Prime Minister says this legal system is something that is the finest in the world, that the same law applies to all and that the Indian people can have total confidence in the law.

Having said that, I would like to conclude by saying that I do agree that it is time for healing in the country. This has gone on for too long. We must reconcile the present situation immediately and the suggestion that a group of parliamentarians intervene immediately is a very good one. It would bring both public scrutiny and a sense of confidence that in fact the political process is working.

Second, I think we need to be honestly critical here. It is not acceptable for the Minister of Indian Affairs to stand up in the House and simply say that the government has nothing to apologize for. It has. Previous governments have things to apologize for and the Canadian people have things to apologize for. I think we need to be honestly self-critical if there is to be understanding and reconciliation come out of all this.

We have to explore some useful ideas, and I give the Prime Minister credit for standing in the House this afternoon. I hope he was sincere. He floated some very useful ideas and I think it underlined again why we should have had this debate a long time ago. If the Prime Minister had come forward with some of the ideas he presented today six weeks ago, it could very likely be possible that a lot of events which have transpired since then would not, in fact, have occurred.

In that context, I also hope he takes very seriously our leader's suggestion for an aboriginal claims commission because I think that is an idea that is long overdue.

In closing, I would like to say that we need to go beyond what we can do as parliamentarians in the sense of law and the things we do as parliamentarians and develop a new sense of partnership between people, a sense of brotherhood and sisterhood to overcome the racism we see in our society, the distrust, and the sense that our children will grow up being each other's enemies. We need to bring peace, justice and love, not only in what we talk about and do, but in the way we conduct our lives so that, as our leader so eloquently put it today, we can turn a rebellion of despair into a revolution of hope.

Miss Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, my hon. friend makes a very eloquent, albeit inflammatory and totally political speech full of all kinds of points that really do not get to the point at all.

The point we are dealing with here is one that is very serious, and most members in the House this evening have tried to stay away from political rhetoric. It has elevated the tone of this debate a great deal and it is a matter appreciated by many members of our listening audience across the country.

My question to the hon. member is very simple. How can the hon. member condone the taking of a life in the promotion of a cause, no matter how good that cause may seem to the people who are espousing that cause? Does the member believe that masked warriors dressed in full battle regalia, carrying weapons that one sees only

in movies about full-fledged war, promote the interests of the Indian people that he speaks so eloquently about?

The warriors are armed. We know that they were prepared to use those arms. I do not understand, and perhaps the member can tell me, how that kind of activity can do anything at all to promote the very just and legitimate cause of many of the Indian people who have very just and legitimate causes to be promoted across the country. How can he condone the use of armed force in the promotion of an idea?

Mr. Funk: Mr. Speaker, I would have to start by saying that I think the hon. member misunderstood the point of my speech completely and that may well be my fault. I was trying to pack in a lot of ideas in a very short time.

In no way do I condone the taking of a life and what has happened here. I have been a life-long advocate of non-violent solutions to problems, including involvement in the civil rights movements in the United States and the anti-Vietnam movement where I personally have always advocated non-violence. I have done so as well in the Indian communities in which I move and take every step that I can to advocate peaceful, non-violent solutions to problems. In no way do I condone the fact that there has been an escalation of violence here.

The point that I am making, however, is that it is hypocritical—and I do not mean that in the partisan sense—to say that the violence is that of only a small group of people, the warrior society at Oka. I think the violence that has expressed itself has much wider origins than that and finds much wider expression than that. In fact, what is so tragic is that we did not respond to that situation at an early point in its evolution. What were we doing here? It struck me, are we so crazy that we are going to have a civil war in this country because somebody wants to build a golf course on a burial ground? The whole series of events that evolved have shown that certainly the Warriors Society has its way of doing things that I do not personally agree with but, as well, the government's response to that has been one, I think, of machismo as well in that you do not negotiate at the point of a gun and you keep ratcheting up the level of confrontation with lights and depriving a community of food until the whole country is anxious and up tight and in a tinder-box kind of situation. Therefore, I would say that I very much believe and hope that this can be resolved peacefully and, in fact, that this will be a lesson to all of us and one that will not be repeated.

• (2230)

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. For the other half of that 20 minutes, the hon. member for Port Moody—Coquitlam.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I want to say that I concur wholeheartedly with the remarks of my colleague, the hon. member for Prince Albert—Churchill River, who has been a life-long pacifist and has fought hard for the cause of pacificists and the cause of peace. I see the Minister of Justice in the House and I am hoping she will take some notes and reply to some of my comments.

I want to say right off the bat, let us make it quite clear, Canadians are against violence but they feel very strongly that this government has bungled this situation. That is what you get everywhere. As a matter of fact, I think the country would like to see the Tories and their politics out of Oman, out of Oka and out of office as soon as possible. I want to raise some legal questions tonight and, as I said, I would like the Minister of Justice to respond.

The first question is: who is in charge here, who is running the show? Is it the federal government, the provincial government, the army, who? Surely Canadians are entitled to know that. As part of that, how did this thing happen in Canada? How did we get to this horrible situation in Canada? I think you have to look at the political situation at the time this happened. You had a Prime Minister who was angry and wounded over Meech Lake and did not know what to do. He delegated the situation to a premier, Premier Bourassa, who was also angry and arrogant toward the native people and malevolent toward the native people, holding them up as the cause of the destruction of Meech Lake. I think that was the real politics and someone should say that and I have just said it. I think that is what happened. At the time, the Prime Minister delegated to Premier Bourassa, the *Sûreté* operation was bungled. If there ever was a police force in need of reform, it is the *Sûreté du Québec* and it was bungled by the Quebec government which is the political master of the *Sûreté* and which is responsible.

Then the Prime Minister of Canada and this government used the Defence Act, not the Emergency Measures Act, the Defence Act. In my view that was unconstitutional and illegal. The Defence Act was not made for that purpose. The Defence Act, in my view, is made for a riot or a disturbance where the provincial premier could call in the army for a short period. Why else would it say in the act that the province is responsi-

ble but the federal government pays all the bills? Would Parliament leave that open ended? There is provision for a report to the Secretary of State, after seven days. Where is the report? I ask the Minister of Justice to show us that report here tonight.

Why did the government not use the Emergency Measures Act which is the reform of the War Measures Act, which is surely for an insurrection or something like this that happened in Oka? Why did the government not use that? Because they would have to recall Parliament and because there are certain civil liberties protections. I challenge the minister tonight to get up in this House and again justify the shameful conduct that is being applied as it relates to Canadian journalists. It is a clear violation of the Charter of Rights and it is a clear violation of freedom of the press in this country and an example of a bungling government and an example of the price that we are paying for this Oka situation. This is something that we have to look into when this motion goes to committee, the act that was used, the civil liberties violations and so on.

The resolution of the government is bad. The Prime Minister is hanging onto a law and order motion. Everybody, of course, is in favour of law and order but this crisis goes deeper. The Prime Minister is wrong in one aspect. He is in fact saying the law has to apply to all Canadians. There is a principle, of course, of equality under the law. But there are different laws for different Canadians. It is in our law and the Prime Minister fails to grasp this. For example, Quebec is treated differently. They have the Napoleonic code, civil law, a different language protection and different educational rights protection. Natives are distinct in many ways in our law; the fiduciary relationship with the federal government; hunting, fishing and so on and rights that have been recognized by the Supreme Court of Canada. The Prime Minister is wrong when he proceeds on this premise and the resolution is wrong when it proceeds on this premise.

The reason we need a royal commission, and it has to be an active royal commission and it has to go somewhere in defining between what the Mohawks have asked for, which is sovereignty, which no Canadian government can really recognize and, on the other hand, the *status quo*, which the Prime Minister wants to see. We must find some way in the middle where there can be self government that can be defined. It is already in our law; it is already possible. The government is not grasping this and that is why this is a misleading resolution. The Prime Minister bungled the situation, retreated and handed it to the Premier of Quebec who bungled it malevolently, and then comes back in this House and wraps himself in the cloak of law and order. It is disgusting. As soon as the Canadian electorate can go to the polls, they are going to vote this government out of office.

I would like to end with a couple of other matters. It has been called the summer of discontent in Canada by my leader, and we all agree with that. When we saw the native and the old people being stoned at Châteauguay, it was a shame, it was the dark side of racism. But we should remember that that can happen anywhere in Canada. If the Lion's Gate Bridge in B.C. was blockaded, I am ashamed to say that you might see some similar conduct. Let us not just blame the people of Quebec because we all have that dark side to us in Canada. It is still a dark side and we should condemn it.

The second aspect of that is the Warriors. I am speaking for myself, Mr. Speaker, and I say this to many progressive people in Canada: do not be naive. We are against guns, we are against this kind of American conduct that the Warriors adopted. I see it as an almost fascistic takeover of a part of the Mohawk nation by a very, very ultra right-wing group that has been mixed up in some very questionable activities, and I think one has to say that. Having said that, where do we go from here? It is almost like, you know, it is the right cause. It is the cause and people understand the cause, but it is the wrong way to go about the cause. We have a choice in Canada; we can have more violence across Canada or we can tackle the legitimate claims of the native people.

You heard the member for Prince Albert say 80 per cent of the people in jail in Saskatchewan are native people. We must change that. We need to have a new relationship with native people in this country. I call upon the Minister of Justice tonight to begin by ending the Oka crisis. I heard them on television tonight. Call for an independent Crown attorney now. Is that really too great a thing to ask, and some protection from the army when they put down their weapons. I say put down

the weapons now. I say that the government agree to an independent Crown attorney and take charge. Don't just let Bourassa and the Quebec government deal with the whole thing. The Minister of Justice has a responsibility. You must give these people in there, whatever you think of them, a little bit of honour to get out of there because that honour will go on to the native people in this country who are looking for a little bit of honour.

Let me end on a positive note and I look forward to the Minister of Justice replying to my remarks. We all felt great, did we not, when the army and the natives got together and started pulling those barricades down on the bridge. We felt wonderful as Canadians, that was from the Canadian spirit, that was as a peaceful country. Let us get back to that. We are only going to get back to that by this Prime Minister cutting out the phoniness, facing the issue straight on and we, as a people, getting a new relationship with the native people and the federal government, through the Minister of Justice tonight taking over control of what is going on in Oka and negotiating at the last minute a settlement with honour.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I have an idea that my colleague is not terribly familiar with the Emergencies Act or if he was, then perhaps he would realize that there are three types of emergency: there is public order, there is public welfare and there is international emergency. In the case of the two that have to do with the domestic problem, there is no need to recall Parliament. Having said that, I want to refer to his comment that in the very outset that the government had bungled the situation. He used the word 'bungled'. In hindsight, as we heard from one of my colleagues this evening, I think that is a very serious mistake in terms because in fact the government has not bungled the situation.

• (2240)

How can the hon. member even suggest such a thing when the barricades have been removed? He alluded to this a moment ago and the good feeling that people had when the barricades were removed without incident and without any loss of life. How can he say that this government has bungled the situation when the volatility of something that was very, very iffy, very touchy, was removed with cool-headed, capable, competent, calm action? How can he say that the situation has been bungled when in fact over 77 long days that were very trying and very emotional for all of us, not a single life was lost since the very beginning of the incident? How can the hon. member say that the government has bungled the situation? The government has shown the kind of leadership that was necessary to get through a difficult situation with honour, with integrity and without loss of life.

Mr. Waddell: I think to get through the situation, in many respects it was the army and its their public conduct. There was some violence there. It was not exemplary, but the conduct got the government through and got us through. We are not through it yet. We are almost through it. The government should take some action tonight as I have suggested. It bungled it from the beginning. In my speech I suggested how in the beginning it bungled the matter. I suggest you ask any Canadian citizen out there. They will tell you they think the government has bungled the matter. The government is even worse, it is even more sleazy. It is now the Prime Minister who comes before the House and tries to wrap himself in this law and order stance. I am sure he has gone to Allan Gregg and looked at the polls. Well, Canadians like law and order. All right, we will go with law and order. You can see it. You can smell it from the man when he speaks. Where was he in the beginning of the crisis? Where was he hiding? Where was his minister? That is how the government bungled the situation because it was not there in the beginning. It could have made it a lot shorter.

With respect to the Emergency Act, I suggest the member read it. I ask the member to comment on my suggestion. Does she really believe that Parliament really intended to turn over a situation like this to a provincial premier and then let him run up the bills? We have to pay all the bills in this. I don't know if Canadians understand that. It is at the beck and call of a provincial premier. At some point he even said that he was not sure he was running. I call that bungling and I call that the wrong act. I think that the government has to respond to this when we get the committee.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Thank you, Mr. Speaker. I am very pleased tonight to rise in this debate. I am just watching my time here because I would like to respond to some of the comments made by the hon. member for Port Moody—Coquitlam which I think are highly uncalled for. The hon. member is a lawyer and a lawyer of some skill. He knows. He has read the Constitution. I have great respect for the hon. member as a lawyer. He is, in fact, a fine and distinguished member of the British Columbia bar and has practised with some distinction. Notwithstanding that my father occasionally used to whip his butt in the courtroom, he is highly regarded by the Campbell lawyers.

An hon. member: Oh, oh.

Ms. Campbell: Whip his writ. When he refers to the notion of the Prime Minister delegating this to the premier of Quebec, the hon. member knows the Constitution. He knows who has the constitutional responsibility for law enforcement. The Government of Canada worked very hard this summer to try and do what was ever within our constitutional power to contain the situation at Oka and to ensure that it was resolved in a way that did not result in loss of life. It was something that we agonized over. I would say to the hon. member that his comments about the warriors and what kind of people they are I find very welcome. They were pretty scarce in the early days, and I recall a time during this conflict, about the middle of July, when the Deputy Minister of Indian Affairs and Northern Development described the warriors in an unattractive way as criminals and thugs and was denounced roundly from one end of the country to the other.

Interestingly enough, about a week later in *The Globe and Mail* the story came out: "Mohawk chiefs decry paramilitary warriors, group called gang of criminals". Barbara Barnes, a spokesman for the chiefs' council did not mince words about the members of the Mohawk Warrior Society: "I agree with Harry Swayne 100 per cent, the warriors are a gang of criminals".

However, the fact of the matter is that this summer the government was doing a great deal, but it was doing it in the face of a very uninformed public opinion which in fact seemed to think that the warriors were heroes and could not make the distinction between a group of armed warriors who had a particular interest that they wanted to defend and the legitimate aspirations of Indian people across this country.

I have talked to Indian people across this country who are themselves feeling disillusioned about the late arrival of people like Grand Chief Georges Erasmus on the scene to talk about what they really think of the warriors. Across this country there was a lot of confusion as to who these people were and an enormous amount of strained and torn loyalties among Indian peoples themselves as to how they should respond to the warriors.

I think it has been an enormously difficult situation because we had a group of very unpleasant people, many of whose chief victims have been members of their own community, who have been glamorized and idealized and set up as the champions of a cause in which they are not even faintly interested except in so far as it suits their own particular needs. I think to say that the government did not care, was not involved, bungled or delegated is completely wrong.

It would have been very nice if the Government of Canada had the constitutional jurisdiction to reinforce the law. It does not have it in Quebec. It does not have it in British Columbia. It does not have it in Ontario, which is why all of those situations which occurred this summer were dealt with by provincial authorities.

Once again, when we talk about the question of the honour to get out, the army made a very fair and straightforward offer to the warriors who are now in the treatment centre. I think this whole question of what is a fair and honourable denouement has a great deal to do with how one characterizes the warriors and who they are. I think a lot of people have lost sight of just who they are and what they represent.

I must say as Minister of Justice that I find it hard to answer the questions of people who say to me in my own riding and other parts of the country that if we appeared in masks carrying AK–47s, we would not be treated the way the warriors have been in Kanesatake. If a Chinese youth gang in Vancouver made a little trouble and appeared on the scene with masks and AK–47s, would they have been treated with that kind of patience? What about a group of young blacks in downtown Toronto or Haitians in Montreal?

It is a pretty tough question to answer, and frankly as Minister of Justice I am very troubled about that. I think the situation is not helped by people here fudging who and what the warriors are. I appreciate the hon. member's unambiguous statements that they should be the foundation of a reanalysis and a rethinking of the rest of things he said in this House.

[*Translation*]

Mr. Speaker, I have the honour to rise today on the motion presented by my honorable colleague the minister of Indian Affairs and Northern Development.

In that motion, the House is invited to commend the Canadian Armed Forces for their conduct.

I am sure that all the hon. members in this House will agree to say that our soldiers have demonstrated both courage and restraint in extremely difficult circumstances, as well as professionalism and discipline in emotionally packed moments and under very trying conditions.

Their exemplary conduct is worthy of the proudest Canadian traditions and of the Canadian Armed Forces.

[*English*]

The motion today goes on to call for the persons behind the barricades to lay down their arms and to submit to the processes of our nation's judicial system. This motion speaks to some of the most cherished of our democratic rights and freedoms.

My first career before I became a lawyer was as a political scientist specializing in the government and politics of the Soviet Union. My thesis adviser at the London School of Economics was a renowned scholar, Professor Leonard Shapiro, whose career was a mirror image of my own, since he went from the practice of law to academia, while I did the reverse. I believe that his distinguished career at the British bar provided the philosophical foundation for his later academic work. When he died in 1983 he was recognized as one of the great authorities on the Soviet Union.

One of the most important criteria by which he judged a society was whether or not it was governed by the rule of law. Sadly, during Professor Shapiro's lifetime that claim could not be made for the U.S.S.R., although recent changes have been dramatic.

• (2250)

My study of the Soviet Union in the pre-*Glasnost* era in my three months there in 1972 as well as travels elsewhere in the world have enabled me to gain some perspective on a concept which is taken for granted in Canada: the notion of the rule of law. It is the foundation stone of all our other values because it provides the rules of the game by which we reconcile the differences of interest, value, and opinion that are inevitable in human society. The challenge faced by democratic societies is to recognize that our values are often in conflict with each other.

When I taught political philosophy one of the most fascinating areas for my students was an examination of how different thinkers and different ideological schools of thought deal with the conflict between the values of equality and liberty. Societies cannot maximize either value without some cost to the other and an equilibrium struck in one era may not be acceptable to the priorities of another era.

How do we manage the conflicts in values and priorities in a manner which does not tear society apart? We do it through process which are enshrined in our law. Those processes and laws are themselves subject to change, but the confidence that the rules of the game will be observed is the foundation of our civility.

If one has never been in a country which is not a democracy, one perhaps cannot appreciate the significance of the orderly transition of governments based on electoral results. Notwithstanding the rhetoric that is frequently heard in this House, no one here is under any doubt as to the commitment of all members here to those fundamental rules, even if if occasionally we purport to think that the views of pollsters should substitute for a proper electoral mandate.

Even before but especially since the Charter of Rights and Freedoms became a part of our law, part of our rules of the game, courts have struck down the legislation of this House. However we may regard those decisions, it is unthinkable that we would not abide by their findings. Thus even those who made the rules are subject to constitutional limitations. These limitations and rules are not unchangeable. Sometimes we find them outdated or inappropriate and we seek to revise them, but by working with and through the law and democratic processes we make changes that are accepted as legiti-

mate, even by those who do not like them, because they been made according to the accepted rules.

The rule of law which binds governments as well as citizens is a call to an adherence to a reasoned and balanced process of law making in accordance with our Constitution. Fundamental to the principle and the process is the rejection of the arbitrary use of force, a rejection of violence.

[*Translation*]

We can review how the native leaders, governments and such and such locality responded to events in Oka and Châteauguay–Kahnawake.

We can discuss the wisdom of a specific line of conduct and the merits of the stand adopted by the Warriors. However, this debate must have for framework the fundamental principles of our society.

My colleague the minister of Indian Affairs and Northern Development gave an excellent overview of the programs the government has implemented with the participation of the native leaders to protect the interests of the native peoples.

[*English*]

We know that we have a long way to go to ensure a rightful and fair place for aboriginal peoples in our country. We also know that a necessary precondition is the acceptance by all Canadians, without exception, of the rule of law. In the final analysis our primary concern must be to see that justice is served. The people of Canada, both native and non–native, demand it.

In current circumstances certain warriors have taken up arms and are resisting the enforcement of the law. Certain aboriginal leaders argue that peace officers should not search for illegal weapons on Indian lands because these lands are sovereign territory, not subject to the law of Canada.

The Government of Canada rejects the use of force by those with no authority under Canadian law. We reject any contention that the criminal law of Canada does not apply from coast to coast on public and private property, on Indian lands, or on land devoted for the use of some other group.

Justice must be applied to those who have consciously and wilfully resisted legitimate authority in the application of the law. We must not undermine the principle that everyone is subject to the law. We must not send a signal that laws can be ignored to suit individual circumstance.

Mr. Peterson: Nobody said they should be.

Ms. Campbell (Vancouver Centre): The rule of law is the only assurance we have of justice for the private citizen in order for the community—

Mr. MacDonald (Dartmouth): Treaties are law.

Ms. Campbell (Vancouver Centre): The rule of law is the necessary precondition for a society in which our values can flourish. It enables us to weigh our actions, consider the consequences and know what to expect. We cannot pick and choose when we want to apply the law and we cannot pick and choose which laws we want to obey.

If one indulges in crime or civil disobedience, one does so with the assurance that actions have consequences. By the same principle, Canadians have the assurance that if legal consequences apply to them each Canadian enjoys the same guarantee of due process, the right to a fair trial, and the right to be heard.

Canadians have been shocked and deeply moved by the tragic events at Oka and Chateauguay—Kahnawake. Canadians have a deep sympathy for the grievances of native people, but one distinction must be kept crystal clear: we must not confuse the legitimate concerns of native people with the resistance to the rule of law by armed warriors at Oka.

[*Translation*]

I categorically refuse to equate the confrontation in Oka to pure and simple civil disobedience.

Weapons are not the tools of civil disobedience. Violence, effective or threatened, profits nobody. It makes innocent people suffer losses and gets in the way of rational discussions.

Violence cannot and will not be tolerated.

I also refuse to believe that the situation in Oka relates to land claims. That question was settled.

On the 27th of August, my colleague, the minister for Indian Affairs and Northen Development, announced

that his department had accepted to acquire 60 residential lots covering an area totalling 30 acres.

The lots in question at Oka will never be used for a golf course.

The government of Canada acquired them with the intention to negotiate their transfer to the relevant Mohawks authorities, as soon as all threats of violence will cease.

No, Mr. Speaker, the primacy of law is the question at stake.

The people concerned used very powerful arms to resist to the polices. A police officer was killed. Many innocent victims were threatened. Certain Mohawks were badly beaten.

Houses were broken into and vandalized.

That explains why, on August 27th, Premier Robert Bourassa, in accordance with the powers conferred on the provinces by the National Defence Act, asked the Armed Forces to remove the barricades, store the circulation on all streets and bridges, bring down all centres of resistance and store normal conditions of public order and security.

[*English*]

Under Canadian law, the Armed Forces are obliged to assist in the enforcement of the law when provincial law enforcement agencies are unable to prevent, suppress or control riots, insurrections or other disturbances of the peace. The Canadian forces have been called upon to do their duty and they will remain at Oka until such time as order is restored or the premier of Quebec requests their withdrawal.

I would like to remind hon. members that the Government of Canada has conscientiously avoided jeopardizing the efforts of the Government of Quebec to negotiate a solution to the situation at Oka. At the same time we have used our best efforts to assist in the negotiations.

Throughout the government has sought a peaceful resolution. We share the concern of many Canadians for the safety of the warriors now surrounded at Oka, but we would not agree with a decision to grant amnesty for their actions. No government can or should negotiate whether the law should be respected. No government can or should be expected to negotiate anything under the threat of weapons or violence. We do not accept that the warriors are legitimate representatives of their people. The citizens of Kanesatake and Kahnawake do not accept them as such.

The Oka warriors will be given all the protection of the due process of law, for this too is fundamental to the rule of law. We will not invite a lasting disrespect for a system of justice that has served Canadians well, and we will not invite prospect of future violence against Canadians.

[*Translation*]

If the Warriors do accept the offer made by the Canadian Armed Forces to guarantee their safety, we will have to decide if criminal charges will be laid against them.

Individuals facing no charges will be released. Those who are will be entitled to a fair trial and the full protection of the Charter, the law and the courts.

In Canada, justice and fairness start with the rule of law. According to this principle, the government of Canada will continue to work with the native people to achieve their legitimate aspirations.

[*English*]

The government respects and honours all legitimate Indian leaders who come forward peacefully. The government welcomes the opportunity to sit down and discuss reforms to the justice system with these leaders but not with warriors with guns in their hands. We are prepared to move on many fronts. Last June, for example, I requested that the Law Reform Commission of Canada study the Criminal Code and related laws to ensure that any provision of the law that might impair the accessibility and fairness of the criminal law for aboriginal people be identified. I expect to receive their report in the summer of 1991.

• (2300)

The Government of Canada and the provincial governments are working toward reform of the justice system in native affairs. A recent meeting of federal, provincial and territorial Ministers of Justice agreed to hold a conference as proposed by my colleague, the Minister of Justice for the Yukon, on native justice issues in 1991 as an opportunity for governments and aboriginal leaders from all regions to discuss aboriginal aspirations for the justice system.

What have native communities asked for? Greater control of local police, new systems of dispute adjudica–

tion, tribal courts, community involvement in sentencing. Most of these demands are not unreasonable.

In looking at them the government is resolved to remain flexible and innovative. We are willing to consider alternatives to the present system, but these must respect the constitutional integrity of Canada and inviolability of the rule of law.

[*Translation*]

Mr. Speaker, all members of this House believe in a future where native people will feel confortable with the Canadian justice system.

I am convinced that by working together, we will make changes that will show our flexibility and our understanding and urge the native people to trust a justice system which really meet their legitimate aspirations.

We have a rather long way to go to deal with all the grievances that have been filed, but we have already made some headway.

[*English*]

We will continue to work with native people to accelerate programs for aboriginal self-government and resolution of land disputes. We will continue to examine alternatives to the justice system. We have learned the painful lessons taught by the Marshall inquiry in Nova Scotia, the testimony in the Manitoba inquiry and the Blood Indian policing inquiry in Alberta.

Even as we resolve to be flexible and innovative in the creation of our system of justice, we must renew our commitment to the basic human rights of all Canadians. Let us recognize once again that particular efforts may be required to ensure that universal standards are available to certain vulnerable individuals and groups.

[*Translation*]

Let's commit ourselves to implement a justice system that will take into acount our collective values, and suppress from our statutes all form of bias, and from the enforcement of the law, all form of discrimination.

Again, we have to try and establish a justice system that Canadians can continue to rely on.

The Acting Speaker (Mr. Paproski): Questions and comments.

[*English*]

Questions and comments. First I will recognize the hon. member for Winnipeg North, then the hon. member for Kingston and the Islands, the hon. member for Port Moody—Coquitlam and the hon. member for Mount Royal.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I have several questions for the minister. Why did the government present this particular motion? Why is the conduct of the army on trial in Parliament and not the political marching order that was given by this government? I submit that what we should be debating is the political marching order given to the army and not the conduct of the army *per se*. I think this motion is misplaced and I would like the minister's comments on that.

The motion speaks about the applicability of Canadian laws on all Canadian lands and is asking the opinion of this House. This is most unusual. Is this an admission of failure on the part of this government? Is it an admission of the absence of federal leadership?

The motion also asks all of the people at the Kanesatake Treatment Centre to lay down their arms. If this motion is passed and there are no peaceful negotiations in that area and the Indian people do not leave the centre, is the minister and this government then telling the Canadian people that it is creating another offence for the Indian people, that is contempt of Parliament? I think this is serious. This government is creating another potential offence for the aboriginal people of our country.

It is also repugnant to the principle of law. No *ex post facto* must be enacted. Here they are cornered by the army and now they are being forced to surrender and lose their dignity. If they do not do that, they can potentially be in contempt of Parliament.

Mr. Speaker, while the minister speaks of the rule of law that rejects violence, which I agree with, I would like the minister to also address the issue of where there is a conflict between the rule of law and the supremacy of justice. The minister knows that justice is the underpinning of any law. Even President Lincoln refused to

handle a client's case when he was being asked to collect from the very rich, which legally was right but unjust. Mr. Speaker, those are my questions to the minister.

Ms. Campbell (Vancouver Centre): Mr. Speaker, I will try to be brief although there are quite a number of questions there.

First of all, the hon. member asks why this particular motion? This is the government's motion. If the hon. member wishes to bring forward a different motion to the House, he is free to do so. The motion is very broad and allows quite a considerable scope for debate. The point is, it does provide an opportunity for the members of this House to express themselves on an issue of very considerable public importance and I am sorry if the hon. member feels constrained by this motion and if he does feel constrained, then he can perhaps move his own. The wording of this motion is simply making a declaration on the part of Parliament.

The notion of contempt of Parliament if they do not surrender is totally misplaced. This House, on many occasions, calls on people to do things, calls on people to support something and the notion that somebody who refuses to yield to the call is in contempt of Parliament is totally ridiculous. I think it is perfectly appropriate for Parliament to make that call.

The member talks about the conflict between justice and the law. I would be the last person in the world to say that the law is always right. What I tried to point out in my speech was that there is a framework in which we try to change these things and I am not saying that it would never, ever be the case that dramatic events would not be required, perhaps to get attention. But we have in this country an enormous number of opportunities and processes through which people can attempt to change the law. That does not just mean the democratic process in Parliament, it means the ability to express one's self, to demonstrate, to vote, to mobilize, to organize, and to form associations. There is an enormous amount of leverage in the hands of people in order to influence the form that the law takes.

What I think was so important, and what I tried to draw attention to in my remarks in response to the member for Port Moody—Coquitlam is that part of the problem with this issue this summer has been the confusion as to how to characterize it. This is not, in my view, an issue where people are required to go to extraordinary lengths to get justice. The issue which stimulated the putting up of the barricades and the taking up of arms, arms that are prohibited for Canadians, was an issue having to do with land and where the negotiations were ended by Chief George Martin in March of 1990. In August of 1989, the federal government met with the Kanesatake band council, the province of Quebec and the municipalities of Oka village and Oka parish to establish a committee to draft a framework agreement aimed at developing a unified land base for Kanesatake.

When I became Minister of State for Indian Affairs and Northern Development in January of 1989, one of the first issues I was briefed on was the land problem at Oka because the lands were dispersed and there was a need to develop an consolidated land base for more housing and community development. The efforts to try to purchase that land long predate this particular issue.

I think it is very important to understand that what was going on there was not a situation in which people were driven to extremes in order to achieve justice. From time to time, even some members of the Mohawk community have themselves been quite considerably intimidated, I think, by the presence of Mohawk warriors have spoken up. And what has distressed me is, who is listening to them? Who is listening to those who are saying, "We want them out of our community". Even Georges Erasmus is saying it now. Georges Erasmus was not to be heard in the early days of this particular confrontation but some people, with considerable courage, spoke up and said, "We want them out of our community". They went to my colleague, the Minister of Indian Affairs, and said, "Get these people out of our community". The chief and his son were beaten by warriors because they tried to stop them from vandalizing the house of the local veterinarian. The warriors will not be rebuilding the community relationship between the veterinarian and the other Indians. They will buzz off. They are not even from that community.

• (2310)

If you have been listening to what has been going on you hear the cries of the people who are in the community who are distressed that their community is being torn out by the roots, by warriors coming in with weapons and creating an atmosphere of violence and creating a division between the native and non-native community. They will not be around to heal. On the contrary, it will be left to others to heal. The actions they have committed have been in breach of the criminal law of Canada

and they should be held accountable before the criminal justice system.

The Acting Speaker (Mr. Paproski): I have on my list the hon. member for Kingston and the Islands and the hon. member for Port Moody—Coquitlam. I would hope that they would be more succinct. We have only four minutes left to divide.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I will do my best to be succinct. The hon. member for Macleod wishes me luck.

I know that the minister's speech was a real mouthful. I want to congratulate her, though. I have not seen her since last June because Parliament has not been sitting all that time. I understand that her legal talents have now been recognized by her former mentor, the Premier of British Columbia, who has made her one of Her Majesty's counsel, learned in the law, and I wanted to pass on my compliments on this elevation for her. It is a distinction that I am sure is richly deserved as the hon. member for Port Moody—Coquitlam will be able to attest, being a solicitor in her own province. I congratulate the minister on that.

With respect to her speech I had some difficulty because it certainly was full of a lot of—if I may put it politely—platitudes which sort of surprised me because when I heard the minister was going to intervene in this debate I was expecting some real pearls of wisdom.

One of the statements she made was: "We are prepared to move on many fronts". Well, today during the speech by my distinguished colleague, the hon. member for Western Arctic, she referred to a proposal that had been sent by some professors at Queen's University. I do not know whether the minister had had the advantage of seeing the set of proposals that was addressed to her. I was sent a copy by the group of 22 professors who signed this particular document.

The paper suggested that one of the difficulties in the two Indian reserves where there are problems today was that the rule of law in Canada involved more than the Criminal Code, as the minister has been stressing throughout her speech. She seemed to suggest that there had been a breach of the criminal law and therefore the law had to be applied with all its vigour and force, arrests made, charges laid, and so on.

The suggestion of these professors was that in fact Canadian constitutional law was involved. The law of aboriginal rights was involved. The law of the treaties that had been signed was involved. And international law was also involved.

I suggest to the minister that given the suggestion of these professors that perhaps it is not a simple, straightforward matter of criminal law. I invite her to look at the situation in that light.

Would she not agree with them that perhaps the reasonable solution and one of the movements she might make on one of the fronts that she might consider, is the appointment of the legal commission that they recommended, consisting of a group of distinguished jurists, aboriginal people, and others who could look at the situation and advise the minister with respect to how the matter could be handled, on the understanding that the natives who are behind the barricade, contained in the encampment at the moment, could be released and their fate determined based on the findings of the legal commission. It could decide how prosecutions, if any, were to be proceeded with. It could be determined whether or not they were subject to all the rigors of Canadian criminal law as the minister is suggesting.

It seems to be a way to avoid further bloodshed and to bring the matter to a peaceable conclusion. I think the suggestion was put forward by this distinguished group of men and women who are professors at the law school with the best of intentions and to assist the minister in the current difficulty. I wonder if she would comment on whether or not she is prepared to entertain that request and appoint a legal commission as suggested in the letter dated September 24.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Do I have unanimous consent to carry on for another few minutes?

Some hon. members: Agreed.

Ms. Campbell (Vancouver Centre): Mr. Speaker, the proposal that the hon. member refers to is one that I have not seen so I cannot comment on the creation of a legal commission. But obviously as Minister of Justice I hope that it has probably been sent to me and actually has not come across my desk yet.

The hon. member makes reference to three particular areas of law that the learned scholars refer to: the law of aboriginal rights, treaty law, and international law. I know of no law under any of those rubrics that would in fact exempt the people who are now in the treatment centre at Kanesatake from the application of the criminal law of Canada.

I have done a fair amount of work on the question of aboriginal rights going back to my days as a policy adviser in the office of the Premier of British Columbia and I know of no interpretation or implication of any of the jurisprudence on aboriginal rights or aboriginal title that would serve to exempt Indian people from the application of the criminal law of Canada. I know of no treaty that would do so. It has been alleged that perhaps the Jay treaty provides that. I would respectfully suggest that is not the case in Canada, nor do I know of any provision of international law or any convention that we are signatory to that would be binding in Canada which would exempt them from the application of the criminal law.

The hon. member for Port Moody—Coquitlam will perhaps smile when I say it, but no matter which direction one goes—one can go up or down or side ways—wherever one goes, one comes face to face with the law. It does not fly.

All these things are very interesting, but once again it gets back to characterizing where one is there and who these people are. I do not see that any of these things would in fact exempt any of those people from the application of the criminal law.

Mr. Ian Waddell (Port Moody—Coquitlam): Briefly, Mr. Speaker, the hon. minister is referring to a case that I had with her father. He was a Crown attorney and I was defence counsel and I made a brilliant argument. He stood up and said: "No matter where my young friend goes, he goes up and down and around, and everywhere he runs into the law". He sat down and the judge convicted my client. So, that is where the phrase comes from.

By the way I would not cite my experience in Bill Bennett's government which did not recognize, as I recall, aboriginal rights. It is one of the reasons why we have so many problems with native questions in Canada. They were dragging their heels on that.

I do not want to ask the minister about her travelogue in the Soviet Union or her learned dissertation on the political science scene of the rule of law. She must be aware that the one of the officers of the Sûreté du Québec filed an affidavit to get an injunction to interfere with the freedom of the press. One of the allegations in the affidavit was that the Lion's Gate Bridge which is in her riding in Vancouver, was blockaded. Absurd and yet they got the interim injunction and cut off press freedoms for a short period in Canada. How does she feel about that? Does she feel any responsibility for that area? How is she involved in this situation? Does she have any responsibility at all for the army down there or for the police?

My final question is this. What is the matter with trying to move in herself on the final negotiation and allowing these people to get out of there? Whatever we want to argue about the warriors, the fact is that other native people all across the country are looking and they feel humiliated. How about letting them out of there with a little honour and accepting some of the reasonable propositions, to wit, a trial under Canadian law, which I agree with, proper charges, proper defence counsel, a fair prosecutor, and some guarantee from the army that they will have some safety?

Ms. Campbell (Vancouver Centre): Mr. Speaker, I do not know the specific terms of whatever is on the table in front of the parties, but I remind the hon. member again that the prosecutions under the Criminal Code of Canada are not the jurisdiction of the Minister of Justice.

If they were, I could barge in and do all sorts of things. They are not. They are the constitutional prerogative of the provincial governments. They are jealously guarded prerogatives, I am sure he is aware, given the fact of other federal statutes where the Government of Canada has wanted to prosecute the prosecutorial power has been seriously contested.

With respect to his comment about my providing advice in Bill Bennett's government, unfortunately when I was asked to get into the whole issue of aboriginal rights, titles and advice to the Premier, before I had a chance to give him my advice he decided to retire. So, I left his office with a head full of all sorts of no doubt

confused and erroneous ideas, but none of which I have been able to give the benefit of to the Premier.

With respect to the situation with the journalists, and I have read the reports about the affidavit, it is not for me to determine whether that allegation is fatal to the request for the injunction itself. That is for a court to determine and I do not think it is appropriate for me to comment on it. But the point is that there is recourse. That issue is before the courts now and the newspapers have challenged that decision. The only comment that I have made on this, which I made in the House and it appeared to create enormous discomfort among people, was I simply confirmed that the jurisprudence with respect to the right of freedom of the press as is in the Charter of Rights has indicated that the courts will, from time to time, recognize that it may be appropriate to limit the access of journalists to certain kinds of information.

• (2320)

But, once again, we have to think of what we are dealing with. We are dealing with a situation which is analogous to one where a group of people perform certain acts. They are in possession of prohibited weapons. They block public highways and destroy property. The police are attempting to arrest them. They take refuge in a building or a basement and they are armed. Therefore, the police are trying to determine how to arrest these people without loss of life for the suspects or for themselves. That is exactly the analogy of what we have in Kanesatake. I am not aware of any similar kind of circumstances where the press are allowed free access in and out and where this becomes a great public event.

The army is trying to conduct this law enforcement operation. It makes certain decisions, as does any kind of police department, about how it is going to do it and it is putting pressure on people there to surrender, exactly as one would if people were hold up in a basement somewhere or in a house or whatever trying to avoid arrest. I mean, one would not cater their meals and send out their laundry. We have to keep in mind what we are dealing with there and it is very difficult. None of us wants to see any injury and none of us wants to see loss of lives. No matter what offences may or may not have been committed, no one as yet has been convicted and we do not have capital punishment in Canada, so shooting people is a bit extreme no matter what they have done and we do not want that to happen.

Those who are enforcing the law are trying to use as much patience as possible to get people to surrender. It is that context that you have to bear in mind. There is recourse in the law if the army has overstepped the Charter of Rights of members of the press and they will be held to account for it. When they go under under the civil power, they are each one of those members of the Armed Forces liable under the Criminal Code of Canada for what they do. It is a very accountable situation. That is all that would be appropriate to say. But people are seeking legal recourse.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, we are debating, as the Minister well knows, the role of the army and a whole series of issues that was placed on the Order Paper which I believe to be somewhat of a smoke-screen, notwithstanding her point of view which differs from mine.

One of the things which has been said in the House is the great deal of pride and sense of pride that one has had when we saw the picture of that young soldier standing there so well disciplined, face to face with this Mohawk. We sensed, in that one picture, the kind of role that the army was playing. There were errors and there were other things but, in a sense, good discipline.

We also were somewhat outraged by the picture of two ministers and a judge signing an accord with a Mohawk flag. There was no Quebec flag, no Canadian flag, but that picture will remain etched in the memories of a lot of us.

We also are well aware of what happened when the army rolled in. The photographers, the newspaper people, everyone has had a role to play in the media that has been very constructive. It has educated this society. There was that wonderful picture that was taken by Shaney Comolanen. She is still in that treatment centre. What was her crime and why was she deprived of both the entrance of food and equipment? Where was the Minister's role in speaking out with respect to the Charter and the abolition of human rights under that Charter? I believe the minister has something to tell this House with respect to her responsibilities for the media, for the telephones, for access to film material and the right to file their stories. Not to throw it out by—

The Acting Speaker (Mr. Paproski): The hon. Minister of Justice.

Ms. Campbell (Vancouver Centre): Mr. Speaker, no one is stopping people from filing their stories. The point I was trying to make before is that when the journalists go in there and are with the people whom the army is trying to get to surrender, how does one distinguish between them? How does one provide all the comforts of home for the journalists when trying to make life uncomfortable so that people will surrender? No one is being detained in the treatment centre. Anyone can leave. It is an unpleasant situation, but it is an unpleasant situation to have someone with an AK–47. It is an unpleasant situation when people build barricades.

Mrs. Finestone: The journalists do not have AK–47s.

Ms. Campbell (Vancouver Centre): The journalists can leave that centre any time. They are not being treated as criminals. But they cannot have all of the amenities they would like without undermining the attempts of the Armed Forces to resolve the situation.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Debate. The hon. member for Winnipeg South Centre.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, we have just heard perhaps one of the most chilling speeches that have been given in the House of Commons in a long time. It is especially frightening coming from a minister who has taken an oath of office to protect justice in Canada. It is apparent that justice is not part of the vocabulary or lexicon of this minister.

The description, as she went through her long dissertation, of the rule of law being the foundation of society shows that she does not know her political science very well. There are others in the Chamber who have also had the occasion from time to time to teach political science and we know that a rule of law is not the basis of a civilized society, it is a question justice. It is a question of sharing power. It is a question of having a kind of society which recognizes individual rights and out of that one develops a rule of law around those basic concepts. Dictators and tyrants can use the rule of law as effectively as anybody in a democracy can. Oftentimes the rule of law is used by democracies to suppress the rights of minorities.

How would you think, Madam Minister, wherever you have gone, if you were part of a minority which for the past three or four hundred years that has not been treated with any justice; who has signed treaties with all expectation of being treated honestly and fairly and had your land and hunting rights taken away? How would you like to be part of a minority where your leader in Manitoba was hung because of a question of law and order, even though he is defending the rights of the Métis people of Manitoba. We put Louis Riel on the gallows, saying that was a question of law and order.

At Duck Lake, we had the army once again go after the native people who had their lands and their rights taken away. Afterward, in the words of the then Conservative Prime Minister, John A. Macdonald: "We will then come down and settle your grievances once you have laid down your arms."

I say to you, Mr. Speaker, how do you talk about having a trust and confidence in a system of justice and this rule of law that the minister so patently described as the basis and foundation, when you have gone through the Donald Marshall case in recent history, or the Betty Osborne case in Manitoba, or the J.J. Harper case, where clearly law and order was not on your side? How do you develop a belief and a confidence?

Even in the Oka case, you find yourself being overtaken on a sacred burial ground by a group of municipal politicians who want to build a golf course. You protested that and the judge gives an injunction which allows the police to come in and take down your right to defend that sacred ground. Do you call that a system of law and order? A system of justice and fair treatment? Surely to goodness in this country of ours the concept of justice means that you recognize that there is an element of mercy, compassion, and distinction in that and that it is not some kind of rigid tool to be employed by the courts or the police or a blind Minister of Justice, to secure political ends. That is the real issue, because we are talking about a group of people who for hundreds of years have been powerless in this society to get the kind of laws that would treat them fairly. They have not had the political power. The laws have been made in this Parliament often without the consideration, consultation, or participation of native people. They have been dependent. They have been inferior. They have been treated as second-class citizens. We have a Minister of Justice who says "All is perfect, forget it all. The rule of law is all that counts". What absolute nonsense. What a

disgrace to have a Minister of Justice who uses that kind of language in this kind of circumstance.

• (2330)

It is no wonder the Canadian people are crying in sorrow this summer about what is going on when we see the country turn in this direction. This is not the country that we have known. We have a Minister of Justice who shows no sign of compassion or understanding, or caring, or sensitivity to those basic minority rights, and then gets up in the House and defends this. What is going on in this country when we have a minister like that?

Mrs. Finestone: It is pretty frightening, that's for sure.

Mr. Axworthy (Winnipeg South Centre): It is frightening and chilling, I say to you, Mr. Speaker. She talks about visiting Indians. I visited Indian country this summer, like many of my colleagues. I went in a canoe, travelled the old voyageur routes and visited 15 reserves. I spent time on the reserves and the Oka incident was happening at that time. I had to sit around the campfire with band council members who, when they looked upon what was happening, gave up and rushed off to Oka to find out what was going on. I can tell you what the reaction was in The Pas Indian Friendship Centre when the Prime Minister of Canada came on TV with his speech about this is by law and order. I will tell you the look of 30 or 40 native people in the friendship centre. They began to give up on this country. They realized that there was no one in Ottawa on the government side who cared about their interests. They were surrendering.

The real issue that is going on in this country today as we speak is a fight for the kind of moderation that has been shown by our Indian leadership, by the Phil Fontaines and the Georges Erasmuses of this world. How long can they hold to a moderate leadership when they do not have anyone responsive on the other side?

I visited those reserves. I will tell you there are hundreds of Okas waiting to happen in this country. I can talk about going to The Pas reserve and having the fishermen from that reserve talk about when the Saskatchewan government built a dam upriver on the South Saskatchewan and never paid them compensation. Their livelihood disappeared and no one paid them a cent. It just disappeared.

I can tell you what happened at the Fairford reserve where 800 people are denied their right to vote because no one in this government has got around to passing an order-in-council to give them a new piece of land that was given in compensation for a new dam. So they have lived in a no-man's land for the last five or six years and treated as non-citizens.

I could tell you about a small fishing village up on Lake Winnipeg that had its hatchery closed down by the provincial government and therefore had the livelihood of 90 people knocked out in one fell swoop because some bureaucrat or Minister of Finance on Broadway Avenue in Winnipeg said that was a budget matter. So, you take away the livelihood. They have been writing letters to the Minister of Indian Affairs for the past two years saying help us, get the hatchery open. They have not been given a reply.

This is no different than the transgression of a burial ground at Oka. In its own way, it is a small incident that could explode in their face. And we have a Minister of Justice who said "We're really going to get them. We're going to make sure that all those bad guys are arrested". Well, I will raise a challenge to the government: Let's have an inquiry and find out what the real truth is. Let's find out who was responsible, who was inciting the problems, who was there with the weapons, who was using force. Let's get to the bottom of it. Let's not have this kind of manipulation that we see coming from across the floor, the attempt to do as they have done on the GST and on every other issue, to distort the truth and the facts, to try to manipulate public opinion, because that is what is going on.

Of course, there are people there with weapons. But, the government knew they had weapons two or three years ago. This is not news. They have been on the reserves, the RCMP were there, and they did nothing about it. If they were so concerned about that, where was the federal government and the Quebec government doing something about the law and order at that point in time? Well, it was too big a problem and they just let it slide by. It didn't touch it at all. We have in this country an incredible gap of trust. It is a growing chasm of confidence among the most oppressed minority of any civilized country. I say that with all the shame that every member of this House should share in saying that.

I posed the issue to the Prime Minister this afternoon in Question Period. How can we have the nerve to lecture to other countries about peaceful resolutions of conflict, about recognition of individual rights, about the whole belief in the idea of civil rights and civil liberties when we so blatantly disregard them in our own country when the occasion arises? The Prime Minister and others have said: Well, we had no choice, we were called in and we had to use the force.

Internal observers who were in attendance at the initial negotiation said they did not understand why the negotiations were broken off. Discussion was taking place, sides were being presented. The international observers had no axe to grind. They were not political parties. They were outside the country. People who had witnessed for many other kinds of situations the same kind of problems, said: Hey, it was beginning to happen. All of a sudden the federal government and the Quebec government pull out and say: No negotiations, sorry. They are not negotiating in good faith. Who do you believe? The negotiation was only allowed to get started for two or three days. My goodness, the Prime Minister used to sit across the table from labour leaders for months and prides himself on his skill and ability to work out a deal.

An hon. member: Supposed.

Mr. Axworthy (Winnipeg South Centre): Why was the skill all of a sudden absent? Where did it disappear? Where did it evaporate into air, this incredible skill to get a deal and to negotiate? The great believer, the gentleman who ran on the ticket of national reconciliation, all of a sudden finds that those talents that he had provided free of charge to the Canadian people for so long all of a sudden disappeared this summer. Where did they go?

We did not give negotiation a chance. I think we were stampeded by a certain public opinion that said use force, solve the problem. Goodness knows it was coming apart, but I have to say to you it was not just the fault of the natives that it was coming apart. I want you to take a good hard look at the responsibility of the provincial government of Quebec in this case because that kind of stoning that we saw which was a shame on this nation was not stopped by those who were standing around watching it happen.

An hon. member: You are right on, Lloyd.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I do not hear any condemnation of law and order in this case. I am prepared to say it because I am embarrassed as a Canadian to have watched my country changing before my eyes and watching that kind of distortion take place. Mr. Speaker, I say to you and to members opposite, if you are going to base your case solely and exclusively on the fact that there was a group of armed warriors who took over the Indians nations, who took over the Mohawks and were the manipulators of them, then let us find out. What are you scared of? Let's have an inquiry, whether it is parliamentary or independent, but let's get to the facts of the case because until we get to the truth there will be no rebuilding our confidence or trust among the aboriginal people in this country. The truth is the mother of trust and as long as the truth is being distorted or hidden or being manipulated, there will not be any rebuilding. I do not care if the Prime Minister comes before this House and says that he is going to accelerate some land grants. You cannot buy off aboriginal people anymore. That is what happened this summer. The country can never be the same.

Mr. Della Noce: That's what you did.

Mr. Axworthy (Winnipeg South Centre): We did not buy them off. In 1984 we brought in a bill to provide them with self-government and your government refused to pass it. You stood aside. There was a bill on the order paper in this Chamber offering self-government so that native people could find the self-sufficiency to handle their own affairs, and your government cancelled it out.

Mr. Caccia: Bill C-52.

Mr. Axworthy (Winnipeg South Centre): That is what happened. Before you start talking, learn your history and learn your facts. Don't get confused simply by your opinions.

Mr. Della Noce: You don't even know where Oka is.

Mr. Axworthy (Winnipeg South Centre): I have been there, my friend, and I will tell you something. Every other Canadian knows where it is because it is at the very heart of what is sick and what is wrong with this government and with what is happening in this country and the way it is handled. My friend from Port Moody—Coquitlam said that it was bungling. It wasn't bungling, Mr. Speaker, it was worse than that. It was sheer,

unmitigated malevolence in this case. They were standing by and letting it happen. That great vacuum of leadership that everybody talks about, that perception is no accident because Canadians expected better from this Parliament and from any government. They expect people to approach the problems with some semblance of sensitivity and honesty and truthfulness, and they have received none of that up until now.

• (2340)

I can say that if you want to be challenged by members opposite, it is very easy to do. Open it up. Let us find out what really went on. Let us not try to hide it. Let us not try to box it in. Let us not try to turn on the old machine and get the public relations teams rolling. Let us get to the truth. Let us really find out. Do you have the guts to do that? I doubt it. You have not done it before but maybe you will have it in the future. This issue goes way beyond the life of one government or the life of one Parliament. It really goes down to some fundamental characteristics of what we are making this country.

Mrs. Dobbie: It started with your government.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I hear from my good friend from Winnipeg South, the neighbouring constituency. It started with the government, sure. We share responsibility in that. Every party does. I will not deny that. I think we were all sort of guilty. I do say that in 1984, as the member may know or should know, and if not go back into the records, there was a bill brought forward by the then Minister of Indian Affairs to provide for the beginning of self-government. Our government also began the constitutional recognition of aboriginal rights in the Constitution, none of which was honoured by the successive government to which that members belongs. Those are issues that I think are very, very crucial. I am not saying that we began, but what happened this summer perhaps may be an opportunity. Maybe that is the way we should really say to them that rather than coming down with the storm boots like we heard tonight from the Minister of Justice, maybe we should start using it as an opportunity to open a few doors. One would be to get to the truth, the other would be to take the Prime Minister not in his hazy promises but a timetable. If you want to use this Parliament for getting down to the serious business, fine. Members opposite, the member from Western Arctic has talked about it. My friend from Kenora-Rainy River has talked about it. Let us begin to show that we mean business.

When we talk about an independent commission on land claims, we mean one that is accountable to Parliament that will not be subject to the whims and caprices of the justice lawyers and the Department of Indian and Northern Affairs. We have a Human Rights Commission that is accountable to this Parliament once a year and must report and is independent. We want an independent commission with a budget. That way we can begin dismantling and devolving the Department of Indian Affairs. How do you think any aboriginal person can deal with that department with any sense of responsibility when you have the deputy minister using the whips this summer. It is impossible to restore it. You are going to have to make major, fundamental, far reaching changes. We, members of Parliament, must take our accountability and our responsibility. The way we do it is to say we will set up, accountable to this Parliament, a commission and hold it accountable so that different bands can come forward with their land proposals and their self-government proposals and say: there it is, let us work it out. There will be a clearer timetable, you have five years to work these things out and here is your budget for it. If they do not do it, they are going to be in front of this Parliament every year being asked why.

That begins to make sense. If the government wants to show good faith, there is a way of showing good faith.

I think what we have to come to grips with is that this summer has brought about in this country for all of us, every single Canadian, a journey that we do not like. It has opened up inside us something that we did not like to see about ourselves as a people and as a nation. Now that we see it and now that it is exposed, let us do something about cleaning it up and changing it. Let us come grips finally. Let us turn this session of Parliament, beginning in the fall of 1990, into the Parliament of aboriginal rights. Let us go to work and get various bills done on the land claims issue, on the health issue. Let us not wait until the future. No mananas. Let us do it now. Let us at least say that we have learned those kinds of lessons.

We do not have much time. If we allow the prejudice and the handicaps of the past to hold us back, as well as that underlying sort of nastiness we saw exposed so badly this summer, all of us will be guilty, all members of

Parliament on all sides, of enormous failure of trust and confidence.

There is an opportunity. There is a small door open as long as we can retain the confidence of that Indian leadership which up to now has shown great restraint and moderation. If we do not act now and act with some courage and some imagination, that moderate leadership will be replaced and we will have hundreds of Okas across this country and this country will never be the same.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I must say that my hon. colleague just gave quite a performance. I think it was one of his finest hours. I have often heard him speak with a great deal of eloquence and fire. He certainly had that this evening, and I guess he needed it because there was not a lot behind what he was saying.

It seems to me that my hon. friend speaks about injustices and natives as if they just started occurring yesterday. He admits that they did not, that they began quite a long time ago, and that they began to be built up over the years of Liberal government. I think those were the years when all these specific claims that we hear so much about were created out of betrayal, out of breach of trust, out of giving land to people and then taking it away, and out of making and breaking promises.

My hon. friend knows all about those things, but he expects us to believe that he can stand up here and say: "Oh, yes, I am sorry. Gee, we made a mistake. We were guilty, but we have changed our ways and from now on we are going to be the champion of native rights and we are going to be the ones with the pure white banner". I am afraid that I have a great deal of difficulty with that.

An hon. member: Mr. Clean.

Mrs. Dobbie: Let me tell the member something. His current leader who brags about being the Minister of Indian Affairs for six years had a great opportunity to take control of some of these injustices that were built up by previous regimes and do something about them. What did he do?

My colleague says that they were about to pass a bill that would give us the beginning of self-government. My government has just quietly gone ahead and done it. We have started to create self-government throughout the country. There are native bands all across this land that have benefited from the policies of this government since 1984. We did not make promises. We went out there and we did the things that the Liberals never even thought of doing until we came into government and started getting them actually into action.

You know, Mr. Speaker, that I am a very calm, cool, collected person. I really did not mean to get into the rhetoric, but my hon. friend across the way has a habit of getting my goat a bit and of getting me riled up once in a while. I will get to the question because I know you would like me to do that, Mr. Speaker.

What I would like to ask the hon. member is really very simple. It only requires a yes or no, if that is possible, just a simple yes or no. Does the hon. member support smuggling, violence, beatings? I want the hon. member to answer very clearly yes or no, just to answer the question with a yes or no. Does he support violence as a way to promote the better condition of the native people throughout this country? If he does not then he should say not. If he does then he should say he does and explain himself.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I am going to disappoint the hon. member. I am not going to say yes or no. I am going to tell her a few things first and then I will give her the answer.

First, when I described the past I did not start with Liberal regimes. I started with Sir John A. Macdonald, the first Prime Minister of this country, who sent the troops in as well to justify the taking away of Indian land. His regime was responsible for hanging Louis Riel because of a belief in law and order in Canada. Since then we have learned, to our great sense of chagrin and embarrassment, just how wrong they all were.

• (2350)

I simply remind her of that because I would suggest that the speeches given by the justice minister, Sir John A. Macdonald, were about the same as the one we heard from the justice minister tonight. I am afraid that I do not want this country 120 years from now to be still trying to learn the lesson of just how wrong we were then.

I would also like to give her a small lesson in history, and that is that the Liberal government of which I was a part brought in a new Constitution in 1982 which gave aboriginals their first recognition in the Constitution. We

set forward a process that would give them further recognition until her government did not carry through.

We established the Penner commission which probably made the most far-sighted, insightful, useful recommendations dealing with the question of land claims and self-government. One of the direct results of that was a bill that was brought into this House in 1984 which set the framework of self-government, not small pieces of devolution, which again was not fulfilled.

I do not claim that is a perfect record, but I will tell you one thing, Mr. Speaker: a Liberal government would never have allowed an Oka to develop. We would never have allowed the kind of suppression of civil rights and civil liberties we have seen over the last 75 days. That is not the way we do things.

We would have had a justice minister who understood the real meaning of justice. We would have had an Indian affairs minister who cared enough about his portfolio enough to come back the first day from his summer vacation and do something about it. We would have had a Prime Minister who did not abdicate responsibility for two months. That would have made the big difference. We would have had Parliament back in session as a way of using this House to develop some understanding and consensus among members. That is the way we would have done it differently.

There are different ways of handling a crisis. There are different ways of coming to grips with issues.

The member once again throws out the question of smuggling of arms. Of course I do not support that, but I wonder where the federal government was all those previous months and years when it knew that was going on. Where was the Minister of Justice then when that was taking place? Did the member not believe in it then? Has she just discovered that that was taking place? Did it just occur to her this July that those things were taking place?

I have just finished reading a book by one of the experts that has a chapter on it. I would be glad to send it to the member. It was printed before Oka took place, and he describes it in his own book. The government itself had reports on it, but it did absolutely nothing about it. It did not anticipate the crisis. It did not deal with it. It simply ignored it.

The deputy minister was anxious to run to the media for a backgrounder come mid-July about the problems in Oka. He knew all about it. Where was he?

That is why I say there is no trust or confidence in that deputy minister or that department any more. As the parliamentary secretary, perhaps the most important contribution she could make to this debate would be to go to her minister in cabinet and say: "Look it, we had better make a fundamental change. We had better do something that will turn some real power sharing over to the bands and their councils because that department no longer enjoys any trust or confidence with them".

Those are the kinds of changes that will have to take place immediately.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I enjoyed the speech of the hon. member for Winnipeg South Centre, and I have to say that I agreed in large part with everything that he had to say. I share the outrage I think he feels like so many other Canadians about events of this summer.

However, I think in response to the questions he would have done better to have maintained the humility with which he began in talking about the culpability of all parties and all governments. I regretted that he cited the example of the Constitution of 1981. I remember only too well the bargaining that the NDP caucus had to do at that time because aboriginal rights were not in the original proposal made by the Liberal government of the time. I remember only too well our having to threaten withdrawal of our support for the patriation package in order to make sure that aboriginal rights were in there.

To make a long story short, of course, the final draft came out after the reference to the Supreme Court and the final First Ministers' Conference in the fall of 1981, and we all thought that aboriginal rights were there. When no more was to be done or could be done, the word "existing" had been slipped into the document, which seriously curtailed and contained the whole notion of aboriginal rights.

I am not interested in getting into a contest about who committed what sins against the aboriginal people. I think the New Democratic provincial governments—we have not had a federal one—through various megaprojects and resource development projects have also been

involved in all this. I wanted to agree with the member when he adopted the appropriate confessional tone, but the minute he cited the constitution matter in 1981, I just wanted to remind him how events actually unfolded.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Is there unanimous consent to extend the period a few minutes? The hon. member for Winnipeg South Centre would like to reply to the hon. member for Winnipeg Transcona.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I take the admonition in terms of the proper confessional tone from my theological friend. He is always both willing and able to provide us with the proper and, I think in this case, correct admonition that we hold true to the code.

I pay tribute to members of the New Democratic caucus at that time. I only wish that Mr. Blakeney, the New Democratic colleague in Saskatchewan, had been as equally interested because it was the provincial premiers who were very adamant against those kinds of measures being included. I think we all have to share a certain confessional in this case.

I think that one—and I rose to my feet to make this case—important event which really lead to the Oka incident was the breakdown of the constitutional talks with aboriginal people and the kind of rejection of their position that took place in that period. There was an enormous sense of frustration and disappointment that the recognition was not there. It would seem to me that is something else which must be part of the agenda of this Parliament—not some future Parliament but this Parliament—to address very quickly because I think that would be one of the areas where we could show our good faith.

Mr. Ken Hughes (Macleod): Mr. Speaker, I would like to move away from the mutual confessions of my three colleagues from Winnipeg and move on to other issues.

I am delighted to seize the opportunity to speak tonight because I think today we are finally beginning on the road back from a disheartening summer of discontent, despair and disunity.

I suggest that we are on the road back to Canadian common sense, in part because of a series of commitments made earlier today by the Prime Minister in his remarks on this motion. I believe these commitments, and I say this recognizing the substantial efforts of the past, particularly the recent past. I believe these commitments represent a change, a shift in perspective and commitment by the Government of Canada and the people of Canada.

I speak as a Canadian with a strong commitment to building understanding between native Canadians and non-native Canadians. That is one of the reasons when elected to serve in this House I asked to serve on the aboriginal affairs committee.

During the past year while I had the privilege and the challenge to chair that committee, I was proud of the efforts and accomplishments of all members of that committee from all sides of the House, from all three parties. We have toiled long and hard. I know it has not always been easy because the patience and the tolerance of all members have been tested. We have been tested because the more we learned and the more evidence we heard, the more we realized how much more work needed to be done. At times I felt—and I am sure the same is true for other members—that as we learned more, the greater became the weight of the task before us. The size of the task is overwhelming. I commend to all members and to Canadians in general the second report of the Standing Committee on Aboriginal Affairs published this spring entitled: *Unfinished Business, An Agenda for all Canadians in the 1990's.*

• (0000)

We undertook this study. We consulted with native leadership from across Canada and we found that there was a multitude of issues that native leadership in this country felt that we, as a committee, should consider. Let me just run through some of them as an example of the depth and the breadth of the kinds of issues that we have had to deal with and the kinds of issues that I believe we have to deal with in this Parliament over the next decade. I will just go through some of the items in the Table of Contents.

Under the title "The Self-government Agenda", there is a list of issues including "Land Claims", "Other Land and Resource Issues", "Constitutional Issues", "Treaty Rights and Relations with Treaty Nations", "INAC's Self-Government Negotiations Policy", "Scope of Federal Activity Under s. 91(24) of the Constitution Act, 1867", "Indian Act Amendments and the Role and Mandate of the Department of Indian Affairs and Northern Development", the DIAND's Lands, Revenues and Trusts Review", "Implementation and Impact of the 1985 Amendment to the Indian Act", Bill C-31, the question of "Traditional and Elective Systems of

Government", "The Trust Relationship", "Fiscal Arrangements", "Justice", "International Treaties Affecting Aboriginal Rights", the "Aboriginal Affairs Policy Development Process" and questions dealing with "Organizations Representing Aboriginal Peoples". That is just half of the list of the kinds of issues that we face. Some of the others include "Education", "Aboriginal Language Retention", "Childcare and Child Welfare", "Health", "Human Rights Issues", "Circumpolar Issues", "Northern Issues", "Housing", "Environmental Issues", "Off-Reserve Issues" "Aboriginal Women's Issues", "Economic Development Issues" and "Literacy". It is a very, very challenging area in which to work and I think it is also very rewarding for members of the committee who have worked on it and I look forward to continuing work in this area.

The committee, after completing this report in the spring also went on to do a study on literacy, the impact of possible changes in the field of aboriginal literacy and we held hearings across the country and it was very interesting. We expect to have a study to report to the House in the next few weeks. I think that that will be very instructive for the government as well. We look forward to making that report.

Last March, at the time that we decided to proceed with the literacy study, we also announced that we were going to be doing a study on land claims because we felt at that point that land claims was the most important issue, after literacy, that a committee of the House could deal with. That will be initiated as well this fall. It will consist of an examination of the process by which specific and comprehensive land claims are negotiated and settled and will be undertaken, obviously, without any intent to have any prejudice toward any existing claims negotiations. The analysis will include self-government issues, as they relate to comprehensive claims and public hearings on the subject of specific claims negotiations process will begin this fall.

I would like to highlight some of the points made by the Prime Minister earlier today because I think they are worthy of review. Judged in perspective, I believe this path offers some leadership, offers a direction for all of us to work together as Canadians. The first point is that consultation has been going on over the past year and it is time now, after that consultation, to put this agenda into operation. Consultation was one of the issues that we heard a great deal about in our study on post-secondary education over a year ago. There was a great concern that there had not been enough consultation at that time.

The agenda that the government is going to institute will have four main pillars and I think they all hit at basic fundamental issues important to the aboriginal community in Canada. The first one is land claims; the second one is economic and social conditions on reserves; the third issue is the relationship between aboriginal peoples and governments; and the fourth one concerns Canada's aboriginal peoples in respect of the fiduciary responsibilities of the Crown toward them. The Prime Minister noted today, as our committee had noted in the spring, that no issue is more important or requires urgent action more than land claims. The government intends to take three parallel initiatives. The first initiative is to accelerate the settlement of specific claims and I am sure the committee will have important observations on how that is to be done.

The second is to ensure that the legal undertakings regarding land transfers to treaty Indians will finally be honoured. The third one is to accelerate negotiations on the comprehensive claims, or the so-called modern treaties. Most of those are in British Columbia.

The government has made a significant commitment to expand its resources in this area and to expand the rate in which it deals with issues in this area.

A second dimension will be to look at ways to improve living conditions on Indian reserves, including such basic community programs and services as water and sewage facilities.

A third area of importance is taking some important looks, some important reviews of the Indian Act itself. The Prime Minister made a commitment to undertake that, in consultation that is currently ongoing with Indian

and native leadership, to bring in some changes in the new year to the Indian Act.

Consultation and respect for the fiduciary responsibilities of the federal government are essential elements of that process.

The government will also go far beyond the status quo to ensure that there are practical ways that aboriginal communities can exercise greater control over the administration of justice. I think this is an important element of self-government and I think that that is an important step forward.

We also have to look at the relationship between non-native and native Canadians, and that is an area in which I have found myself working hard, particularly over the summer, but also prior to that.

The Prime Minister indicated today that this fall the government intends to undertake a broader initiative on Canadian unity where the aboriginal peoples in contemporary Canada will have a full role. I think that is important. I do not think we can look at these issues in isolation and pretend that they are not connected. I think the agenda that was announced today by the Prime Minister is indeed far-reaching. I think it has gotten the ball rolling and I encourage all members in the House to get behind these initiatives to help ensure that they are not blocked by the lack of will in any sector of government. I encourage all members to take up the cause and to get involved in these issues.

It is obviously going to take creativity and it is going to take perseverance and it is going to take commitment, the kind of commitment that, I believe, was shown by members of the Standing Committee on Aboriginal Affairs, but also the kind of commitment and perseverance shown by the moderate and modern native leadership who, over the summer, worked so hard to save the progress that they had achieved over recent decades. I speak here of the progress in terms of understandings held by all Canadians of aboriginal issues and aboriginal concerns. I think that is something that we all have to cherish.

I would also like to make an appeal to all Canadians both native and non-native. We faced a very difficult summer of discord and discontent and I think this, unfortunately, has stressed the bonds of relations between many groups of Canadians. So I appeal for moderation and common sense to prevail and I deplore the intolerance which has flared up over the course of the summer at various times and any developments which have led to that kind of intolerance in the abuse of innocent individuals.

I call on all Canadians to reflect on what has happened this summer and what has led to heightened tensions across Canada between native Canadians and non-native Canadians. I think we have to reflect on that. Why has this come about? What is it that is behind these issues and what can we learn from this?

The hon. member for Winnipeg South Centre spoke of opportunity and I think we do have opportunities now, but to achieve the opportunity that is there, I think all parties have to work together.

• (0010)

I think we have to reflect on what we have learned about ourselves as Canadians over the summer. We have to be prepared to tone down our rhetoric and renew our commitment to reasonable common sense means of resolving differences. We have seen some progress, I think. In particular, I do commend the efforts of moderate native leadership in seeking a peaceful, reasoned resolution to these disputes.

I think we would all agree that Canada has a long way to go to balance social justice in this country. All Canadians need to work together in this regard.

Unfortunate incidents such as the stoning of a car cavalcade of innocent women, children and elders in Chateauguay are repugnant, unacceptable and are categorically rejected by all Canadians. There have been other repugnant developments in Canada over the summer. But we are all Canadians who have to live together and find ways to live together in peace. This is important, not only for those of us who live here in Canada today, it is also important for our children and our grandchildren and it is fundamental to establishing long-term solutions to long-term challenges. This is particularly important because of the tone it sets for the children and the grandchildren of all residents of Canada.

We need to set a new tone. Let us learn from this summer of discontent. Let us work together, native Canadians, non-native Canadians, parliamentarians and Canadians elsewhere, to start rebuilding a country that respects all individuals for whom they are and the potential they can offer to build a fair, secure and prosperous future for all Canadians.

One of the questions that I have had asked of me frequently over the summer is who will pay? How can Canada pay for the settlement of land claims and other outstanding issues? Well my friends, that is not the question we should ask. The question we should ask is: Who pays if we as a nation do not get our act together? The answer is shockingly apparent. Those who pay as a result of Canada not addressing these questions are those who are least able to pay; the children and the youth of aboriginal communities across this country, that 50 per cent of native population which is currently under the age of 23. It is hard to argue in this country that we cannot afford social justice.

The Acting Speaker (Mr. Paproski): Questions or comments. The hon. member for Western Arctic.

Ms. Blondin: Mr. Speaker, I want to thank the hon. member who is the chairman of our aboriginal standing committee for his speech. He made reference in his speech to the fiduciary responsibility that the government holds for aboriginal people. I would like to suggest to him the ideas and the advice that was brought to me from legal advisers, that one of the violations of the fiduciary responsibility is the extinguishment of aboriginal rights in the process of completing a land claims agreement.

In the Northwest Territories where I come from we have a major land claims agreement which the Prime Minister referred to, which is in jeopardy right now. He said it covered $500 million and 70,000 square miles. We have an agreement that has been signed but not finalized. We are afraid that this particular land claim is in jeopardy because the land claims policy is outdated.

The two key priorities these people want addressed are to negotiate self-government but a more serious priority for them is that they will have to extinguish their rights in exchange for the settlement of this land claim. This will disallow them from ever having to make the government accountable by way of litigation in revisiting any of their rights after settling the land claim.

I ask the hon. member across the way if he feels that it is clearly a breach of the fiduciary responsibility of the government when they have to use the extinguishment clause during the negotiation of the land claims.

Mr. Hughes: Mr. Speaker, I appreciate the very thoughtful and penetrating question that my hon. colleague has asked. As she knows the question of the fiduciary responsibility is a question that has both legal ramifications and other ramifications. There is a great deal of debate in the legal community about what exactly the fiduciary responsibility implies or means.

I travelled to the hon. member's constituency over the course of the summer and visited a number of communities and I am aware that there is some genuine second thought about this particular claim. I think that is perfectly legitimate. It is in their hands to decide what is acceptable and what is not acceptable. I think my hon. colleague is in essence asking for a legal opinion. She knows I am not a lawyer and I am very thankful for the fact that I am not a lawyer.

Some of these questions are going to be resolved in other fora other than here in the House tonight. I thank her for her thoughtful question and look forward to working with her down the road on these important questions.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I must say I enjoyed a very thoughtful presentation and I have just learned through my colleague from Western Arctic that the hon. member chaired the standing committee. I think they were very fortunate to have someone who seems to have a sense of compassion, understanding, and a great sense of interest which has been aroused in the general Canadian society, thanks to the role of the media. The criticism that perhaps there were some excesses on all sides, including that of the media, may be a worthwhile criticism. On the other hand, at least the media allowed us to hear and learn and sensitized us to the tremendous needs that are out there.

I can recall doing the revisions to the Indian Act for the 12(1)(b) clause in the Canadian Constitution so that Indian women would be acknowledged rights and be reintegrated with their rightful status. There were many women and children who, therefore, under Bill C-31 earned, re-earned or were reaccorded—I think is the right word—it certainly was not a case of earning because we had taken it away from them—their status.

I heard the hon. member in the sense of creative approach, perseverance, and trust that we need to rebuild. I heard the hon. member with the sense of goodwill and the fact that we have all these issues some of which he addressed, others which he listed in his speech which are all very interesting. However, we have just gone through this summer of disenchantment, the summer of intolerance, and what I consider to be the summer of lack of governance in an adequate measure. I wonder if those thoughtful studies that he has undertaken and plans to undertake are going to fall on open ears and a Treasury Board prepared to put the kind of money that is required to bring these goodwill wishes and practical facts that will attack literacy, that will enable education and therefore reduce the number of people on social assistance, et cetera.

Just as a very practical question to indicate whether or not the government has been a government of goodwill, the five-year review clause of Bill C-31 must be coming up very shortly. I have been given to understand over the course of discussing with women's groups that we have not seen the kind of money that supposedly was promised for housing, for education, and for the relocation of these families back on to their tribal grounds. Could the hon. member tell me where that stands and if he has had any effective impact. If not, how does he expect those children to be productive people of the future, rather than the delinquents that many of them have become, not always by their own fault?

The Acting Speaker (Mr. Paproski): The hon. member has three minutes to complete his answer. The hon. member for Macleod.

• (0020)

Mr. Hughes: Thank you, Mr. Speaker, and I thank the hon. member for her interest and her question and also for her kind compliments. I am deeply honoured by her compliments.

On the question of Bill C-31—I am speaking in my role currently as chairman of the committee—we have not had the opportunity yet to review the five-year review of Bill C-31. There is a lot of interest I believe on the committee in pursuing it and looking at that question because we want to see exactly what the impact has been. I think that the studies of the impact of Bill C-31 that have been undertaken through aboriginal groups and aboriginal women's groups across the country have been very instructive. They have shown that there was a far larger number of people turned up than was anticipated I believe. I think that is fair to say from evidence that I have heard so far. It is important that we look at this and see whether there are other weaknesses to the implementation of Bill C-31 that we should apply additional resources to.

My colleague knows as well as anybody else in the House that I cannot speak for the Treasury Board. I am sure though that, given the current climate in this country and the tone that was set by the Prime Minister today, to be fair, I think that there is a renewed commitment to deal with some of these issues and to provide the resources that need to be provided to address them. Obviously we are playing catch-up in a lot of areas. We have come a long, long way on a lot of these issues. We have a long way to go on a lot of them, too.

I do not know that I need to give credit to the media because they have their own resources to give credit to themselves. I think that circumstances this summer have led to an enlightenment and an awareness being created among Canadians. In fact, I would be critical of the media in many cases for not going beyond the dramatic affair and the drama of the instant seven-second clip and for not getting into the substance of the issues. I think a lot of Canadians still have not been provided with the opportunity to learn about the substance of these issues, the real guts of these issues. I see that—

The Acting Speaker (Mr. Paproski): I regret that I have to cut off the hon. member, but his time has expired. On debate, the hon. member for Cape Breton Highlands—Canso.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Thank you, Mr. Speaker. I welcome the opportunity to participate in this debate this evening. I will try to be brief with my comments.

I understand the Prime Minister made a very forthcoming speech in the House earlier today that pledged the government to a serious effort finally to begin to address the fundamental concerns of the native people in Canada, the concerns which underlie the current crisis. Unfortunately I missed the speech but I look forward to reviewing it in *Hansard*. I sincerely hope that it signals a new attitude on the part of the government and that it will be followed up by concrete actions.

I am at a relatively early age in my education on the native experience in Canada and I watched for the most part the events of this summer from my constituency in Cape Breton Highlands—Canso where the weather was splendid, the parades were colourful, the square dances were lively, and the hospitality was second to none, as some members who came down had the privilege of experiencing.

What clouded this tapestry was the day-to-day barrage of news reports from Oka, Kahnawake, Kanesatake, and elsewhere in Canada that showed the deteriorating relationship between native people and other Canadians. They showed the escalating violence and the spirit of violence in the standoff between the Mohawk warriors, the government, the police in Quebec and later on the Canadian Army, and the general feeling which we saw in our part of the country that Ottawa was paralyzed, out of control and unable to deal with this situation. We saw with growing dismay the increasing expressions of racism and intolerance in various parts of Canada, and a sense that the whole country and the society was falling apart around this crisis.

There was a growing sense of frustration and despair among those people in Nova Scotia with whom I came in contact at what was happening to the relationship between aboriginal Canadians and other Canadians as we observed the events at Oka.

During the crisis I had an opportunity to spend an evening with someone who is a member of the traditional Mohawk leadership at Kahnawake who had come down to visit a friend on one of the reserves in my riding. The discussion was very illuminating with this very wise individual, whose name I will not mention.

He was a peaceful person and he did not condone the blockades and the violence of the warriors. Equally so, he condemned the response of both the Quebec and the federal governments, which was really to ignore the leadership and the concerns expressed by the traditional and moderate leadership of the native people and to focus their attention solely on the warriors and their weapons.

He, himself, was ignored, even though he had spoken out time and time again on native rights on his reserve and against the violence that was occurring. He despaired of the message that was going out to native people across the country. The moderate, reasonable native people he knew who were being bypassed, who as a result of the government's handling of the crisis were receiving the message that the only way to get the government's ear, the only way to get their attention is put up blockades and to take up arms. It was a very disturbing message that was being sent out to the people across the country as the crisis evolved. There was a cry of despair from him at this message, what he was seeing and what it meant for the relationship and our ability in the country to come to a reasonable dialogue.

The Prime Minister was largely absent throughout the crisis. We never saw him, but he emerged to defend the efforts of his government on behalf of native peoples in Canada. I do not remember exactly how he phrased it, but essentially he claimed that each Indian in Canada receives something like $13,000 in government programs. Of course, that claim lead to a war of statistics and figures about whether, in fact, this was really finding its way to the native people or whether it was actually gobbled up by the bureaucracy that was delivering these programs. There were counter-claims that, in fact, only $2,000 eventually reached the destination and the rest of it was lost in bureaucratic overhead.

What was disturbing about this whole argument was the fact that the Prime Minister of Canada would attempt to justify his government's treatment of native people in terms of the dollars that were sent to them. Whatever the amount is, the whole argument missed a very fundamental point and betrayed something about the misunderstanding we have had in terms of our relationship with native people in the country. I think it is a tragic reflection of a kind of paternalism, a kind of paternalistic attitude that is at the root of our relationship with native people today. I think that it is this paternalism which is translating itself into a total loss of dignity and self-esteem and is translating itself into the dismal life which is so characteristic of our native communities and which manifests itself, as we all know, in the sub-standard housing, in social decay, in high suicide rates, rates that are multiples of what the rates are elsewhere in Canada, in family violence, in the whole litany of social conditions which characterize our native communities.

• (0030)

These conditions of life are present on the reserves in my riding, the reserves of Whycocomagh, Wagmatcook and Afton which too often are depressing and completely unacceptable by any contemporary standards, particularly in a country such as Canada, and where the official unemployment rate hovers between 75 per cent and 85 per cent and where many live in sub-standard housing with no plumbing and inadequate sewer and water and where alcohol and drug abuse is all too often rampant and where most of the natives spend their lives either on welfare or fighting through a maze of bureaucratic inertia in order to acquire the basic amenities of life, a job, housing, food, shelter or education. That is the situation in which all too often they find themselves. I believe that at the root of all of this is a kind of paternalistic attitude which characterizes our relationship with native people and which is symptomized by the statements of the Prime Minister this summer.

Nobody condones the taking up of arms or the use of violence to achieve political ends, be it by Mohawk warriors or by anybody else. I do not want to comment on whether or not the army should or should not have been sent into Oka or how best the standoff should be brought to a conclusion. That has been debated by others more qualified than I this evening. I want to make one point about that. It seems to me that there is a curious irony here and there is a curious irony in the government's insistence that Mohawks and other native people respect law and order, do not resort to blockades and do this as a precondition to being able to discuss what are fundamental questions about their basic human rights, questions which relate fundamentally to a litany of broken treaties, treaties which we have broken in our relationship with them and which have resulted, all too often, in their being pigeon-holed into reserves, having lost the basic elements of their livelihoods and having been forced into situations which are, by any standard, intolerable.

As I said before, I am at a relatively early stage in my education on the native experience in Canada, but I suspect that we can learn a great deal from them. We already have discovered through, I believe, the concern for the environment how the native relationship with the environment, the land and other creatures has in many ways enriched our understanding of our environment, those of us who have grown up with the Judeo-Christian tradition or other traditions who have, in a sense, not understood that relationship which aboriginal peoples in Canada and elsewhere around the world have with the land and with other creatures who share the land with us. I think we have started to learn a little about the profound lesson that they have to teach us in that area.

Another area that I have personally begun to learn a little bit about is the law and the way in which we organize our society. I was reading about some of the ways in which the Micmacs have understood their treaties and their relationships with the British who came here two or three centuries before.

I would like to read a couple of brief quotes from a book called *The Micmac Treaty Handbook*. The Micmacs are the native people who live in Nova Scotia. I find it quite interesting to read what they have to say about treaties and the relationships that they have developed with Europeans.

The first two paragraphs read as follows: "Well before the arrival of Europeans, formal agreements equivalent to treaties were negotiated between sovereign nations of North America. The meaning and effect of these arrangements were not limited by a few words on paper as are present day business contracts. Rather, these treaties were living and evolving relationships among various indigenous nations. Like the members of a family, representatives of the nations that had entered into a treaty met from time to time to exchange gifts, to forgive one another and to renew their friendship. We, the Micmacs, related to Europeans the same way.

The 18th century agreements between the Micmac nation and Britain were and still are regarded by us as a form of brotherhood. When there was some injury or threat of conflict, we met to exchange reassurances and renew our engagements. That is why over several decades one finds half a dozen or more seemingly separate treaties between the Micmac and British Crown. The surviving documents are often incomplete summaries of meetings that typically required many days and were repeated every few years as necessary. By themselves the documents are fragments. Considered together, they constitute a great chain of agreement. In other words, the treaty documents that appear later in this book should be seen not as distinct treaties but as stages and

renewals of a larger agreement or pact that developed during the 1700s between the Micmacs and the British".

One of these treaties was a treaty of 1752, which essentially stated the relationships between the Micmacs and the British in Nova Scotia at that time. Successive governments have tried to wiggle their way out of this treaty and deny their importance and deny the validity of that particular treaty until the Supreme Court, in a decision in 1985, confirmed that particular treaty as a basis for the relationship between the Micmacs and Nova Scotians. In a meeting I had with the leadership of the reserves in my riding on Saturday, we discussed an agreement that they had just entered into with the Nova Scotia government on hunting rights. It is related to the quote I just read.

I found it quite interesting to see that this agreement, which essentially spelled out the number of moose that the Micmacs could hunt, where they could hunt, when they could hunt and a whole range of particulars related to hunting and fishing on and off the reserves in Cape Breton, spelled it all out in terms of saying what the Micmacs would agree to in terms of their obligations pertaining to those hunts. I found that particular agreement interesting because they showed it to me as an example of what was possible if the governments would be prepared to sit down and work out agreements with native people as equal partners, as people who were adults and capable of taking their own responsibilities and managing their own affairs, rather than treating them in some way as inferior citizens. I think that fundamentally, at least from what I have learned so far about this, that has to underlie whatever new relationship we engage in with native peoples in this country. What I have seen just from reading these two documents and that small experience is that really we have a lot less to be scared of in terms of entering into agreements with native people than perhaps we have had in the past.

• (0040)

Whatever relationship evolves out of this crisis, which I hope will be resolved very soon, I think it has to start with an acceptance by us non-natives in Canada that maybe over a long period of time we have been on the wrong track and maybe we have to accept a certain difference, a willingness to see things differently and to look and see the reality of life, perhaps not from our own eyes, but maybe from the perspective that our native people have there to teach us. I think that has to be the basis of whatever new relationship, be it through the mechanism of a royal commission or whatever we enter into in this country. That is, in a sense, what I have learned from this and what I would like to contribute in this debate this evening.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I congratulate my colleague from Cape Breton Highlands—Canso. I think it is much more sensible and practicable and much more knowledgeable, and I would not have been here this evening had I not heard the Minister speak earlier because this previous speaker, in contrast with the minister, made sense. The only reason I am down here is because the minister spoke. It showed a great deal of naivety. It was a treatise in law and order. It simplified a very complex issue. It is unbelievable that the minister of this government would speak in that way. I could not believe my ears.

I am not a lawyer and perhaps I am thankful for that. With the naivety that the minister expressed in her speech I could not believe my ears. I am glad it was a late hour because Canadians probably did not hear her either. John Wayne and GI Joe and the Prime Minister of this country, that kind of statement may be popular in the polls, but it is totally impractical, totally impractical. These are people who are grasping for any straw that might gain them some popularity with the Canadian public, but it will not wash. It cannot wash.

The reason that these people cannot speak with any sensitivity, I believe, is because they do not understand. They have not communicated with people on the other side of the issue. They say, "I have been to this reserve and I have been to that reserve", but I do not think they have communicated yet because their words belie their actions. There is no sensitivity in what they have said.

We may have Oka incident 1, 2, 3, 4, 5 and 25 unless we have some comprehensive ideas. This government saw the situation. It saw the problem before and let it fester and fester. In fact, it has festered for hundreds of years. But this particular situation had festered to a point where it broke out into what we saw this summer. After seven weeks, the Prime Minister comes to his senses and says, I am the white knight, here to—

The Acting Speaker (Mr. Paproski): I hope the hon. member has a question for the hon. member.

Mr. Butland: Mr. Speaker, this is questions and comments. I already indicated to the previous speaker that he did a super job.

The motion that the army is in charge and they have shown exemplary conduct, we agree with that, but the crux of the matter—and I will conclude, Mr. Speaker—is who is in charge? Should the army be in charge? Should the premier of Quebec be in charge? Should the minister be in charge? The Prime Minister should be in charge and where was he? No one knows.

It is a question of leadership and the country knows it. The leader of this country should have been there in the first two or three days and should have taken action. Sometimes if the action or decision is incorrect, at least it was action. Inaction spoke louder than words. To say bungling is an understatement. It is more than bungling.

The Acting Speaker (Mr. Paproski): Would the hon. member like to rebut?

Mr. LeBlanc (Cape Breton Highlands—Canso): I cannot rebut, Mr. Speaker, but I would like to thank the member for his compliment regarding my remarks. I may use it in my next householder.

Mr. J.W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I also appreciate the opportunity this evening to participate in this historic debate.

I participated to some extent this summer in the impact of the Oka and Kahnawake confrontations as expressed indirectly in my own riding where there are three Indian reservations: St. Mary's, Kingsclear, and Oromocto. These reservations are comprised of members of the Malecite nation who have inhabited the Saint John River area for many centuries. On the other side of New Brunswick, in the Miramichi watershed on the eastern coast of New Brunswick, the Micmacs have inhabited that section of our province for centuries.

I feel a great sense of responsibility to the citizens of those reservations as their representative in Ottawa, even those among them who do not feel that I am officially their representative. Certainly there are, as we know, many native Indians in Canada who do not consider themselves to be Canadians in the legal sense and who proclaim their own sovereignty. I must say that I have made a major effort to communicate with the citizens of those reserves and I have had, by and large, a good rapport. I would like to tell the House a bit about the events of the summer because I think there is a lesson to be learned from it.

I would also like to say that many of the soldiers who have been at the Oka confrontation and at Kahnawake also come from my riding which comprises CFB Base Gagetown. I would have to say that I do share the words of the motion which commend the discipline and conduct of our Armed Forces. I think they have distinguished themselves with the cool and calm manner in which this situation has been handled from their point of view.

With respect to this motion, I would have preferred to see this resolution lead with a commitment to a comprehensive national inquiry into Indian affairs. I am very pleased to note that the Prime Minister has followed the motion today in his remarks with a commitment to an ongoing agenda, one that will be thorough and one that will be based on four major pillars, as he has termed them. The agenda points to land claims, economic and social living conditions on reserves, the relationship of aboriginals and government, and the relationship of aboriginals in contemporary Canadian society.

I support the other two conditions of the motion, the second one being that the laws of Canada must apply in all Canadian territories including Kahnawake and Oka. Also I support the call to the Indians at Oka to lay down their arms and to create the preconditions for real progress to higher ground and to the kind of challenging settlement or addressing of their concerns. Hopefully there will be new horizons in the creation of our Canadian society.

• (0050)

As I have said publicly in my own riding, in a circumstance where many of my fellow members got great glee when I was on public television with the talking feather, I was asked at that time to hold the feather and speak from the heart. I held the feather. I was honoured to have it and I did speak from the heart. I said that I felt the prayers should be extended to both sides of the barricades, that violence could only be avoided for sure if the natives on their side of the barricades laid down their arms and the army was to disengage on the basis of that.

I stated that I did not believe that we could practise democracy in Canada at the point of a gun, and I still believe that. I also said that I believed that the native mandate which had been established so dramatically well by Elijah Harper was at risk of being diminished and damaged by the events of Oka and Kahnawake.

As many of my colleagues observed with considerable glee, the feather was removed from my hand by one of the elders and there was a sequel to that. About a week later I was invited to attend an Indian meeting around a camp fire in a large tepee in my riding in which a prayer vigil was held.

That feather was returned to me and I repeated the statements I had made in public. This time they were accepted with the dignity, the tolerance, and the patience that the process of the prayer vigil entails for Indian people.

In effect I took that as a statement of amends. In fact there was great glee that night in the tent when I decided in a lighter moment to comment that they had restored my dignity because—and this was said with great good will and was received with great humour—a bird without a feather was a very bald bird indeed.

I must say in that spirit that I have since met with the representatives of those reserves. In fact last week I met with the executive members of the Union of New Brunswick Indians. I said to them that I disagreed with their position in many areas of detail and that I could not support, even in principle, all of their demands. For example, I do not believe that we will ever be able to reconcile the idea of one country and one society of Canadians with separate societies of any kind, including native Indian societies as separate nations on an international sovereignty basis.

I said that notwithstanding those areas of disagreement I wanted to be their representative. I wanted to try to ensure that the process of communication, the process of dialogue, was always open. I must say that after a long, hard summer where the ripple effect of Oka and Kahnawake expressed itself in the Fredericton area, I feel encouraged that the lines of communication do remain open and that dialogue is taking place. I believe it is from that kind of base in every constituency in this country that we can move forward to the kind of higher ground that will bring resolution to many of the historic injustices and grievances which legitimately have been expressed and which certainly must be resolved.

Another thing I did this summer in the course of these tensions was to try to understand a little more fully the background of the native Indian point of view. I engaged a distinguished teacher and gentlemen, a Malecite Indian who is a professor of Indian studies at St. Thomas University. After some hours with him I did have a new understanding of the aspirations of native Indians and of the complexities of the land claims issues, both the specific claims and the comprehensive claims. I had a better understanding of the deep spiritual roots which comprise the native way of life for many of their people; I would say the vast majority of their people. I was particularly impressed with their convictions about land, about the concept of mother earth and how it is really not there in their ownership but it is there in their trust.

I would urge all members of the House who have not had the opportunity to do so to examine those kinds of issues with native people. We are privileged in this House to have three, all in their own rights distinguished, who I am sure would be quite willing to enlighten those of us who are not conversant with the background of native Indian affairs. From that kind of dialogue, even on a quasi-partisan basis, I believe that much progress can be made.

I would like to say that I am willing and anxious. I would like my constituents on the reservations at home to know that I am committed to do everything I can to advance the legitimate native issues to which they aspire and which they hold but not under the practice or the threat of violence. Fortunately the native people of New Brunswick respect the rule of law. I am confident that we can and will work very well together.

Earlier this year I was privileged to serve on the special Meech Lake committee along with native members from Western Arctic and Nunatsiaq. We heard representations from all points in Canada about native concerns and native aspirations. This ended in the demonstration of democracy by Elijah Harper as he exercised his judgment, his courage, and his dignity in formally ending the Meech Lake process. While I disagreed and continue to disagree strongly with his judgment on that issue, I respect greatly his democratic and lawful demonstration of responsible representation. I believe that all natives and all Canadians could justly share the mantle of his performance, even those of us who found his decision very difficult to accept. Accept his decision we must, and

we will seek new horizons and we will find new horizons to unify and build this country.

However at Oka it was a different situation. Oka was a situation of violence. It was a tragedy. It was disgraceful. It was a situation that should never be tolerated again and should never be repeated again in this country.

I do not know how much time I have left, but I would like to move just very quickly to commend the government, as my hon. friend from Macleod has described to us, on the significant progress which is being made in terms of community dialogue in the direction of self-government. I again commit to my constituents and to the government my best efforts to ensure that that process and that concept are advanced and engendered in every way that I can.

In closing, I guess I would merely like to echo the call of my colleague from Macleod to let us look to the future, all Canadians, with a commitment to work constructively and in good faith to create a society in which all may find their place in this country in dignity, in prosperity, and in peace.

The Acting Speaker (Mr. Paproski): I believe the hon. member for Winnipeg Transcona and the hon. member for Chambly are going to split the next 20 minutes into 10 minutes each with 5 minutes each for questions and comments.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I was just informed by the hon. member for Chambly that something may have happened at Oka, that events may have changed, and that there might have been either a settlement reached or something which has led to a change in the situation there but, until we find out more about it, I do not think it would make any sense to comment on it.

I wanted to try to place some of what has happened this summer in a certain historical perspective. I have listened to a lot of fine speeches this evening on both sides of the House, but I want to say that nevertheless the government motion itself contributes to and is part of the problem which led to the situation we find ourselves in. By this I mean that violence is often a response to the failure of the political process. By this I mean that violence is often a response to the failure of the political process. What we see in the government motion is an example of the failure of the political process. Instead of putting before the House a motion which might have brought people together and which might have enabled us to do something constructive, instead the government did today, with respect to Oka what it did yesterday with respect to the Persian Gulf, and that is they put a motion in which they are trying to catch or trick the opposition and put it into a difficult position. It is this kind of political game playing that I think simply makes matters worse, instead of providing the opportunity for constructive debate.

• (0100)

I would like to go back to 1977, at a time when I was just coming out of seminary. It was the time of the final report of the Berger inquiry into the Mackenzie Valley pipeline. I think that was a culmination of a process that began in the early seventies. Out of that report came a new appreciation for the nature of the situation that native peoples found themselves in, the whole question of land claims. It was a time of great hope, not just for a moratorium on the Mackenzie Valley pipeline but also for a new era of recognition for native rights. Many of the current leadership of the native people in Canada came out of that experience and out of that time. At that time, without being too specific, a lot of them were in their twenties and a lot of them are pushing forty now, like myself.

They spent the mid to late seventies and all the eighties believing that the political process, duly invested in, would produce results. It did not produce results. What I think Canadians understand better than the government is that what you see in part and why there is so much solidarity with the action of the Mohawks at Oka, despite people's objection to the use of guns and arms is an expression of solidarity with this frustration that native people rightly feel about the failure of the political process over the last 15 years to respond to their needs. People feel that frustration for native people and it has enabled them and many Canadians—and I knocked on a lot of doors this summer because of the Manitoba election—not to completely put aside but to put in perspective their own objection to the taking up of arms, as has happened in this situation.

I think that many Canadians are able to hear in their own minds how hollow it must sound to the native mind to have people get up and talk about the rule of law when they know that the situation that so many native people find themselves in, is a situation that exists because there has been no respect for the rule of law, that is to say, the rule of the treaties that were entered into between native people and the British Crown or, for that matter, the Government of Canada over the years. How hollow it must sound to native people to hear

speeches by the Minister of Justice and others, as we have heard them tonight, talking about the rule of law when they know that the law has been broken, that agreements and treaties have been broken time and time again. It is in that perspective that we have to see what has happened at Oka and not be caught up just on the technicalities of the law although we need to obviously hold the law in great respect but we must hold it in respect in all of its dimensions and not just when it suits us.

The other thing I would like to say because I do have such limited time is that what we see here is the solidarity that I think a lot of Canadians feel with the Mohawks at Oka. It is no coincidence that this is over a golf course, or not over a golf course, but over trees. I think you will see that in the next decade, in the coming years, there will be more and more actions, perhaps not violent, perhaps not taking up of arms but civil disobedience in other forms of demonstration in which people are going to draw the line. They are going to say, no more. Unless they feel that the political process can save the environment, we are going to see these kinds of actions developing, not just with respect to aboriginal rights, but also with respect to the environment. Of course, the two are related because so many times it is aboriginal people who are called upon to defend the last vestiges of the natural environment, but it also will be non-natives. So there is solidarity between non-natives who are environmentalists and aboriginals who, by their very nature, are environmentalists. What we see here is a foreshadowing of the kind of events we may well see more of if the government does not get down to addressing some of the hard questions, not just with respect to aboriginal rights, but also with respect to the environment.

If people like David Suzuki are right—and he keeps saying these kinds of things—we have only got 10 years to save the planet. More and more people are going to say: "If we have only 10 or 15 or 20 years to save the planet, maybe it is about time I put myself on the line here". More and more people will do that, whether it is stopping logging or whatever the case may be. That is the point I would like to make.

I would also like to say that there is another dimension to the solidarity that a lot of Canadians feel with aboriginal people. They realize that in many respects, not necessarily in Oka, but elsewhere, the reason that native Canadians have been denied their aboriginal rights and denied the kind of control they would like over their own resources and their own land is because that kind of control runs contrary to the corporate agenda in this country. Corporations do not want native people, or for that matter anyone else, to have control over oil, gas, minerals, land and water or whatever the case may be. They want to have unimpeded access to those resources so they can develop them for a profit, so that they can do their thing with planet earth.

In that sense there is a solidarity between the workers in my riding who are also victims of the corporate agenda and native people across the country who have been denied their rights by successive governments because those governments have been influenced by that same corporate agenda.

There were people in my riding who not only could not get to work easily like some of the people who had to go around the Mercier Bridge. There were people in my riding, not many but enough, who lost work altogether because of the cancellation of trains due to a blockade related to the Oka situation and who lost income. Some were not able to get to their cottages because they could only get to them by train.

I received very little complaint from these people, very little animosity. They called up to say that it was a problem, but at the same time I think they realized that the stake in how the government deals with native people is in some way related to their own future and how the government relates to them.

I call upon non-native people who are thinking about this to see the struggle of native people to control their own lives, the struggle of all of us to control our own lives in a context that is increasingly dominated by the corporate agenda, now a North American corporate agenda through the free trade agreement.

I recall the words of a chief in Manitoba who said before the standing committee on external affairs that was looking at the elements of the agreement in Winnipeg: "Free trade will make Indians of us all". Unless all Canadians can regain control of our own lives—not to be

too facetious about it, there may come a time when we will all be interested in reclaiming our country from the control of other powers and principalities, those people who have an interest in seeing that none of us, native or non-native control our own destinies.

The Acting Speaker (Mr. Paproski): Questions or comments. Debate. The hon. member for Chambly. You are both taking up ten minutes.

[*Translation*]

Mr. Phillip Edmonston (Chambly): Thank you, Mr. Speaker. As you said, I am the Member for Chambly, and I am probably one of the few people who are going to speak here this evening whose home is on the South Shore and who lived through those months, a very hurtful experience. And when I use the word "hurtful" I am speaking of the experience of the native people, of the people of Oka and of Châteauguay, and of the people of Quebec as a community, because in Quebec we have always treated native people with a certain respect. In 1985, as my colleague the Honourable Member for Laurier—Sainte-Marie remarked earlier, the Parti Québécois recognized the autonomy, the existence of a distinct aboriginal society, if I can venture to use the expression now. Personally I am proud of that, but I am not proud of what happened this summer. I'm not proud at all. I'm not proud of the fact that our Premier, following the collapse of the Meech Lake Accord, held the native peoples of Canada collectively responsible.

• (0110)

I saw that, it was very clear, and I'm going to cite you the example of the federal government, which made a proposal just before the Meech Lake collapse, really a series of proposals, which I find progressive. They were good proposals. But once Meech Lake failed, the federal government said, "Tough, you were against Meech, so too bad, we're withdrawing our offer, and you can just wait, all you native people, and we'll get around to your grievances one of these days". I don't want to blame just the federal government for this. Even the provincial government, even Premier Bourassa, when he met with Mr. Sioui a few days after the Meech Lake failure, he said to him, "I hope the people of Quebec are going to understand you, Mr. Sioui". It was as if Mr. Sioui had been responsible for Elijah Harper, who was responsible for stopping the Meech Lake Accord.

As a journalist who knows what a powerful impact television images have, when it started appearing on television I felt how important it was, because I saw there a certain spirit.

[*English*]

I saw a certain spirit, a nasty spirit, a spirit which is un-Canadian, a spirit which is unnecessary, a spirit which is provocative. When you have this type of spirit from Quebec and you have the same meanness coming out of the federal government, I imagine if I were a native person, how would I react when I see the *Sûreté du Québec* coming into where I call home, firing tear gas, heavily armed and trying to take away the peaceful barricades that we had up until that time? Quite frankly, I am ashamed that, in Quebec, 80 per cent of people who had been polled before this crisis had said that they were in favour of the land claims of the aboriginal people. Gosh, today that is almost as many people in Quebec who are against the GST but they were in favour of the land claims and I believe they still are. But what I find extremely hard to take is, when we are looking at the settlement of this controversy, we find a government wrapping itself in a cloak of law and order.

I am a former military man. I spent three years in the army. I believe in law and order, but I also believe in fairness. Here these concepts of fairness and equity are not present. There is provocation, meanness, and a minority of people turning towards the only defence they have, as warriors. I agree that the approach that the warriors took was wrong and I am going to emphasize that.

Armed struggle in a democracy, where one has the right to change the government through voting and through lawful dissidence, is wrong. I know of what I speak because, being an American by birth, I have worked with Martin Luther King. I never knew Martin Luther King to pick up an AK-47. I never knew Martin Luther King to have been masked. I understand how this could have occurred because of the feeling of weakness and of powerlessness of a minority. I do not think it is right to use these images to say that because of that we should permit ourselves to go in, shoot it out, take no prisoners, and get over with this entire situation. I do not think it is right.

I think what we need to do now—what the government has not done—is to come clean with the voters, with the people of Canada, and say that it was wrong and should have presented a series of propositions to our first peoples of Canada, whether Meech Lake passed or did not pass. It had no relevance to Meech at the time. It was used as a bargaining chip and we know that. But that is the way this government operates. Our Prime Minister, who likes to roll the dice, in this case decided to roll dice which were fixed. It wasn't fair. It wasn't honest. I think right now what is encumbent upon us after this controversy, after this conflict which has caused so many people to be inconvenienced, injured, and caused one death, that we learn from the tragedy—and I call that tragedy of Oka—that aboriginal people have got to be put on the front burner of our approach to this challenge of recognizing their basic rights.

If we talk about sovereignty for Quebec or sovereignty association, we have to also apply that to our nation's first people. If we missed this lesson, as we have missed so many lessons in the past as parliamentarians, then tonight at 1.20 in the morning we have missed this entire day and this entire Parliament in getting the message of what Oka has given us. That message is that it is time now, once and for all, to address the concerns of Canada's original peoples.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to the Minister of National Revenue): Mr. Speaker, I would like to start off by congratulating my collegues on this side of the House, my colleagues from Châteauguay and Argenteuil, who have come through some difficult times this summer—I was in contact with them.

I listened to my colleague, the honourable member for Chambly, whose summer was probably just as busy. I don't know if people telephoned him to express their displeasure, but I am certain that if they did, they didn't all say the same things he has just said.

Mr. Speaker, this evening we have heard some emotional speeches. We have all lived through a long hot summer, that's for sure. I know Oka personally, because I have many friends there; many of my constituents have summer homes there, and many pleasure boaters make a habit of using the marine there, which this year, unfortunately, couldn't operate. And I had to go there myself to see certain things with my own eyes so that I could contribute to the discussion.

• (0120)

This evening there have been people who told us how they visited reserves, they did this and that, but I think this evening we also ought to talk about the fact that cases like Oka, or Châteauguay, or Chambly, they don't happen every day. It was very hard for people.

Mr. Speaker, this year Laval is celebrating its 25th anniversary, 25 years of love and friendship. Oka is in the process of destroying itself, and the crisis has destroyed the prettiest village in Qubec, where I spent my summers when I was a student. They were wonderful summers. But this has been an Indian summer, and a bitter one.

The proverb has it, Mr. Speaker, that not all truths should be told. But one day the truth has to be faced. And the things I saw when I took my family on a few days of vacation, mainly in the United States, those things hurt me. When I saw cars, on television or in the daily paper of *USA Today*, a paper that sells 2.5 million copies every day, the first photo where there was a picture of a *Sûreté du Québec* car with a Warrior and a sub-machine gun in his hands, people said, "Things are going badly in Quebec. The Warriors are holding a whole community hostage. A policeman has been wounded." That's what informed people were saying. There were other sources that were less informed: in *Le Monde*, from France, we read that it was an Indian who had been killed.

Mr. Jesse Jackson, who has forgotten the noble words of Martin Luther King—my colleague referred to him also, one would think he had read my notes—Martin Luther King never picked up a machine gun. He defended people's rights. Jesse Jackson arrives here, a fledgling journalist—recently recycled into American talk show journalism—and he says, "Two people have been killed here. Where are they?" Doesn't he even have a researcher, this guy? That's what has affected our morale, these international observers.

There was Archbishop Tutu as well, who wanted to come and talk to the Prime Minister at a time when 450 people in his own country were busy killing one another, the Zulus. We saw some others like that, these international observers my colleague the Honourable Member for Winnipeg–North–Centre was mentioning earlier. He has left, which is too bad, as I would have liked to respond to him.

That's the truth. My pride as a Quebecer visiting the United States took quite a blow, I can tell you. I felt humiliated; the people of Quebec were being humiliated. To see the *Sûreté du Québec*, a car overturned, Warriors with sub–machine guns, whether they call themselves Lasagna or Pizza or whatever— They made fun of us with masks, and people said, " You're maltreating the Amerindians." Well, isn't that dreadful!

I have a list of all the benefits we give them. There isn't a country in the world that treats its aboriginal people as well as Canada does—in any event I've never seen the figures that would prove it. And the village has been destroyed.

Earlier I spoke with the Mayor of Oka, who's a friend of mine. He's the one who managed to keep his cool and keep his townspeople within the law, too. No stones were thrown in Oka. Everyone came and went without making a fuss.

I can tell you, Mr. Speaker, that there are problems in Oka. There is good news this morning: everybody has come back to Oka; but there is bad news, too: there are people who don't have houses any more. There are people the law hasn't protected. Their houses have been destroyed, their goods stolen. Ask to see the houses that belonged to the Lemays, the Mongeons, the Imbeaus, the Legaults, the Dubés—what has become of their houses? Nothing remains but the four walls. Where is the law?

People thought the problem we were facing was the golf course. I hope we're not that naive! The problem is much more than that. The little bit of land wanted for the golf course (and it's a swamp, I know it very well), that wasn't the problem.

There has been a problem for the 14 months that they've been negotiating for the land. Before that they negotiated for four years. Every time there was an agreement, they changed chiefs. There are serious problems. There's no more investment at Oka. There was a hotel that was supposed to be built there, a $9–million hotel, an open–air resort, because in that part of the country that's what there is: sports, the great outdoors, it's scenic, it attracts tourists. But that's all changed. There were houses that were sold—the buyers came wanting their deposits back. Nobody wants those houses any more, and why would they? I believe my colleague will have a chance to speak later. In the meantime, may I suggest that he do as I did, and listen? He might learn something.

The resort project: $8 million. The proposed marina at Pointe–aux–Anglais, is that going to go ahead? And there will be other surprises in the future, I'm sure. You know, Mr. Speaker, everyone has spoken, and rightly, about the native people, the Mohawks. Certainly the proposal before us must be discussed.

But I would just like to touch on the other side of the story, because I've spoken with the people on the spot. They are whites, non–Indians. You know, there was a poet in Quebec named Félix Leclerc, and he always said, "If you want to kill someone, pay him for doing nothing." So today, as in the past, it's a continuation of the past, the evil continues. We hand out money and more money and still more money, but money isn't always the answer. We are not giving these people the dignity they seek. We don't give them responsibilities, we give them money. Perhaps the Indians want some dignity. Perhaps they want to be self–sufficient. When someone earlier referred my colleague to the Vatican, I saw him smile, because the Vatican is independent, that's true. It would be quite something to see the Vatican, the same system they have for the independence of the Vatican, here.

You will tell me that the Canadian Constitution isn't perfect, and I agree. I may never be perfect. But all we are asking, all I want, all I would ask them if by chance someone is listening is: Lay down your arms. Nothing can be won with weapons. If there are people who think they're going to win with weapons, my regrets.

I listened to our Prime Minister this afternoon, I listened to his positive approach, and I retained something in particular from his speech:

[*English*]

Let the children go to school. That is where they belong now.

[*Translation*]

We see the Warriors, Lasagna and company, huddling close to children, families, women. That looks good, makes it easy to aim. And they call them "braves"! Personally, if I had something to settle, I wouldn't bring my children along, ever. I would confront the other person. They're putting children in danger. Why don't they put down their guns? Why don't our leaders—. Just now someone spoke of Mr. Sioui and of someone else. I'm not satisfied with the way the chiefs operate. I'm not satisfied when I see that people are being paid to do nothing behind all this. My colleague the Honourable Member for Chambly spoke of Mr. Sioui just now. I heard that too. Maybe I thought it was a threat too. I did think so. But if my honourable colleague is following the whole matter, he knows there is more to it. I could mention George Erasmus, who said,

[*English*]

We have never encouraged picking up the guns so that there would be bloodshed, but we have strongly defended our right to do everything possible peacefully to defend our rights.

[*Translation*]

I agree with him. George Erasmus, Grand Chief—

[*English*]

Georges Erasmus, Grand Chief, said this on July 12 on *Newsworld*. Later, I saw him on TV say: "Indian people are not going to sit back and have their people butchered. What we are strategizing for is how to bring this country to its knees if it is not going to negotiate.

[*Translation*]

But in my opinion, Mr. Speaker, those are threats.

Yesterday I listened to George Erasmus, who has received $2 million in grants, who earns in the neighbourhood of $110,000 a year, and he came before Parliament to say, "It's not enough. You're going to have other Kahnawakes, you're going to have other Okas." Threats—And he doesn't pay income tax on his $110,000. He lives on a reserve. He says that the public, the MPs here, who earn $65,000 a year, are paid too much—and they pay income tax, too, which doesn't leave a lot.

• (0130)

So when someone bites the hand that feeds him, instead of finding a solution, because there must be a solution— Everybody talks about solutions. If one of them is a good one, let's run with that one! I'm not saying, "He's the one with the solution, or she is, or someone else is", but there must be a solution. But no, they criticize, they make threats. George Erasmus, Sioui. They don't want to respect the law, but they want the benefits of the law. And benefits the law certainly gives them.

It's true that the federal government has been under attack. It's easy for the opposition, it's easy to criticize those in power. It's easy to criticize the Prime Minister. He's to blame, he did it, they all dit it. It's government-bashing time. It's like playing hockey, Mr. Speaker, and getting a 10-minute misconduct penalty when you weren't even on the ice. The Prime Minister has a 10-minute misconduct penalty, the Ministers of Justice and of Indian and Northern Affairs have also been given 10-minute penalties, and they weren't even on the ice, because the provincial government was there. But it's time they did get out on the ice. But there are laws, there are constitutions to respect. My colleague says No—he knows everything about Quebec. Probably he's never even been there. Bourassa, for him, doesn't count. For us, he's a Premier, elected as democratically as my colleague. Yes. But that probably doesn't matter to my colleague.

So, misconducts. And if you're in the opposition, it's so easy to criticize! And when they were in power? God save the country! You're so wonderful, but have you forgotten October of 1970, when you sent the army into Quebec? You're so wonderful, but you put Italians in prison, minorities, and why? They were interned because they were Italian. Minorities!

[*English*]

No respect for minorities and you tonight, like the member for Winnipeg South Centre, make a big speech with no content. He is an actor. I have content. I am going to give you proof of what you did, so do not give us any lessons. Go back in history, go back 20 or 30 years to what you did. You have no respect for minorities. We have.

[*Translation*]

Mr. Speaker, I see people enlisted in this cause. One day they are egging the young people on, the next they're saying, "Hold it, hold it, no problem." One day they stir them up, the next day they calm them down. When is it going to stop? The people of Oka have returned home. They're eager for a peaceful solution. They're eager for everything to return to normal. They have lost a summer. They have lost their homes. They have lost personal property. And their eyes are smiling but not their mouths. Personally, Mr. Speaker, I say—

[*English*]

It is about time we got peace because these people did not ask for that problem. Non-Indian people there are suffering too. Nobody cares. We have everything on this side and we have nothing on the other side. I care for them. They are good people too.

Ms. Blondin: Is that a vote for me?

Mr. Della Noce: That is not a vote. They do not vote all for me, but I have got some friends that I respect very much. We were friends before politics and I hope we will stay friends. You see friends when you have problems. I went to visit and sympathize with them and tried to explain. Do you know what they asked me? They asked me, what would happen to me if I would go out with a machine gun? You would be arrested or shot, it is up to you. What would you like to do?

Even my kids said, "Dad, it is impossible that you guys cannot do anything about it". On TV I saw Lasagna playing the guitar with a big M-50 machine gun and then try to play with the arrow. Do you call that fun? Do you call that fun when kids are watching TV? Do you call that freedom of the press? Oh, the poor press, they suffer a lot. They show that almost live on TV. Playing the guitar with a machine gun in Canada when some poor taxpayers cannot even go through a red light without being put in jail.

Mr. Keyes: Freedom of the press.

Mr. Della Noce: Yes, freedom of the press. One law with some exceptions. I do not know what the Liberals have to say. I would like to ask some questions of them but time does not permit, and I respect that. I would like to know if a lot of people here have the same solution as Mr. Chrétien: let them go, catch them later. That is not what the people say in my area.

I met with all the people who have asked me to meet them on this issue. Why are we doing this? Why do I not have these benefits? Why do I have a special law? Why? What did we do wrong? We want to go to work. Ask the people at Chateauguay who have to go around. Nobody gave them anything free. Okay, now we will find some money, not too much, 10 cents a kilometre. When you drive a car it costs 36 cents a kilometre—41 now, my colleagues knows about it. It will be a present. My colleague from Chambly will understand that.

I did fight, too. I fought all my life for the consumer. We made a strike together. We had no guns and we won exactly what we wanted. I have a witness here. Thank God he is here to witness. We had no guns and we won. We won everything. Of course, there were some bad words going around. It is part of negotiations. We had something going on, but we did not have any machine-guns, thank God. We did not have any. What did we have? We had some friends who stuck together and we worked and tried to understand. When the minister called me and said we are ready to negotiate, I said, "Hey, boys, let's go back to work. These guys are serious". This was in the PQ time. He was there and saw what I did. We had 7,000 members on the road and everybody respected the law. If my people did not respect the law, we would not be here today.

I would like to finish with some—

Some hon. members: Hear, hear!

Mr. Della Noce: These guys do not like the truth. These guys only like to criticize the government. But they have no solution. The only solution they have is to let them go. We will catch them later. Try to explain that to my people.

What I saw yesterday on TV was a real disgrace. Jesse Jackson came in and tried to play the new star on TV, just for the new talk shows in the United States. The researcher did not even tell him where Oka was. Somebody had to drive him there because he did not understand anything in this area. Thank God, he is not the President of the United States today because he would be playing golf the wrong way.

I was very surprised and shocked to see the international people who tried to give us lessons such as *le journal le Monde en France*. They do not understand this issue. They do not know what the hell is going on here. They do not know anything because on their first page

they wrote that an Indian was killed in Oka. It is not true. It was a Quebecer who was killed. He was a human being, too. Corporal Lemay was killed. Try to explain that to his wife, try to explain that to his kids. He did not even have the benefit of this person to rest in peace.

[*Translation*]

The respectful defenders of international human virtue did their usual turn, Mr. Speaker. The Right Honourable Joe Clark put it very well when he said that the observers tried to comment and find solutions when they had no idea what was happening. No idea! I was on the barricades one day, and the international observers came and they said, "How terrible", and then left. They didn't even go to the other side of the barricades. And at that point the army wasn't even there.

In conclusion, Mr. Speaker, I want to say to the people affected that I sympathize with them very much. I know their problems and I was there to help. I hope the two levels of government are going to do something to help them and also to restore some economic vitality to the town of Oka. I want to congratulate the Mayor of Oka, and extraordinary major who did extraordinary work, because he managed to keep the peace. And all his townspeople displayed extraordinary strength. They didn't criticize; they didn't act like the people of Châteauguay. Maybe they should have.

Mr. Speaker, I spoke to Mayor Ouellet earlier and told him that I would convey this message to the House. I congratulate him on his good work and I hope the government will do something to save this town, the prettiest village in Quebec.

• (0140)

[*English*]

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I guess I am in a strange position having had my colleague, the hon. member for Laval-Est, put me in the same boat as he in the past. One thing that I have noticed with my colleague, the hon. member for Laval-Est, is that he has proven to me that anyone can become a member of Parliament regardless of creed, race or ability to understand a debate.

I think that what my colleague has said has been a mixture of insults to native people and an apology for the government. Unfortunately, I do not believe that he has really come clean in the sense of what he said publicly to the press. Before coming into the House today, he said publicly, and he had promised me that he would be saying that again today in the House, that he, as a member of Parliament, was very much upset by the way that his own government handled the native issue and that the members of his own party were not consulted and were left out and he felt very badly because of this situation. I see my colleague saying, yes, that is true and, at the same time I see other members of the caucus of the Conservative Party saying, no, that is not true. I think that is indicative of the fact that they were not able to get their act together before and they are not able to get their act together now.

To speak in terms of Mr. Erasmus, I do not agree with what Mr. Erasmus has said. I believe that he has been tendentious but I agree that the government has been equally tendentious, has been arrogant, has been wrong and has been provocative. To say that here is a man, a respected native leader and that we give him his food, to me, makes me feel dirty, it really does. It is not the appropriate kind of remark that we should make in Parliament about people who are Canada's original people.

I think that this entire debate has led itself to excesses on both sides and for one member of Parliament, my hon. colleague, the hon. member for Laval-Est to say that we have forgotten the other side, I do not think that is true. I have listened today. It is now almost two o'clock in the morning. I have listened because I figured I could make a better intervention if I heard what other people had to say, and I have heard, repeatedly, members from all the parties of this House saying that there has been a collective tragedy here on both sides. There have been people murdered—I am sorry, I must retract that—there has been one person killed, there have been people inconvenienced, there have been people injured, but I do not believe that we can put the blame on one side. I do believe that the government, as I said before must learn, and I wish that my colleague would learn, that this is a collective tragedy and that we should come out of this with the renewed desire to sincerely deal with native problems across the country.

One thing I would like to ask of my colleague and that is this: does he stand by the remarks he made outside of these halls, outside of Parliament, to the effect that the members of the Conservative Party—and I see him being coached right now by one of his colleagues and I understand he may need coaching but I would like the member for Laval-Est to answer on his own because he does that very well—did he not feel that the Conservative Party was running away from its elected members and it was really out of touch with native peoples?

Mr. Della Noce: Mr. Speaker, what I did tonight was try to explain that there are two sides to the story. The majority of our members tonight spoke about the Mohawk Indians. That was their right. I tried to touch on the other side a little, because these people need to be heard too. They are responsible people, good Canadians. They are taxpayers, and I have a lot of respect for them. I am a minority myself. I will not let anybody insult a minority in this House, even if my colleague tried a couple of times tonight.

The fact is that I was not informed. I said it and I will not hide it. There was a lack of information at the beginning. Of course nobody knew at the beginning where the story was going. I did inform my minister and we had some talks. I can tell the House that right after I was spoiled with information. There was a misunderstanding and some papers were sent to the wrong place. I accept that. I stand on what I said. On such an important issue people call their members of Parliament every day, people who were on both sides of the fence. At Oka and Châteauguay I have some people working there too who had lost their jobs. It is normal to be informed.

I did say that I was not well enough informed. I must say that after they did some research. Something happened and it was corrected, and after that I was spoiled with information. I must admit that I did not have very much time during the summer to read everything. I just wanted some important information about where we stood on the issue.

My hon. colleague from Chambly who asked me the question did not say a word in his speech about his constituents in Chambly. I met some people who were angry. I met some people who were not too happy about the crisis. They did not like the idea that they had to turn around and travel an extra 10 kilometres to 50 kilometres per day.

People called me from Ville La Salle. Maybe that is not exactly in the centre of Chambly, but I understand people called me because they knew me personally. Of course I am not their member of Parliament but I can still talk to these Canadians. They were unhappy. They did not like the idea, but that was the situation.

Of course they would like to have the situation changed after a phone call. I do not think anybody here has the right key for doing that. I hope that people understand that we try to do our best. We tried to work with everybody on both sides of the House and on both sides of the issue. I worked with the mayor, I worked with the people, and I think we did a hell of job.

I know my colleague from Argenteuil—Papineau spent many days there. I saw her on both sides, but most of the time she was on the other side of the barricade. I did not go on the other side very much. I was not allowed to go really. I stayed on this side of the barricade, and she was briefing me once a week.

The situation was not funny. We did not think for a minute that this thing would go on for 70 days or more, and the people sleeping in the homes at Oka tonight are not very secure. I understand that very well. If people here know Oka with the mountains, the golf courses and all the trees, they will know that they do not like that, but we assured them and the army assured them that there would be no problem. I am very happy that they went back to their homes tonight. I received that news at ten o'clock tonight.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I rise today to speak on an issue of great importance and urgency to our country and indeed of great interest to the people of Haldimand—Norfolk.

This summer our country's own Armed Forces have been deployed against its own citizens. This summer shots were fired and a Canadian lost his life. Several hundred Canadians have experienced violations of their basic rights. We have seen footage and heard reports of police harassing Canadians and Canadians attacking police. Canadians have attacked one another with names and sticks and rocks. Our mood has become one of confusion, of anger, and of vengeance. Canadians know shame as a nation that they have never known before. The cause of this shame is our inability to deal peacefully and justly with the native people of Canada.

• (0150)

Mr. Speaker, I submit to you that a great deal of the shame must rest with with government and its inaction to deal with this situation.

In my time as a member of Parliament I have never seen such complete lack of confidence, such lack of understanding, and such lack of leadership as I have seen on this issue. In its souless, gutless manner we have seen throughout, the government is now trying to shift the blame away from its own inadequacies, away from its own lack of leadership, to a whole different issue.

The Minister of Indian Affairs and Northern Development would rather talk about the conduct of our Armed Forces than to address the real issue, the real needs of our native Canadians. The Canadian Armed Forces are just that: they are Armed Forces. They were called into the communities at Kahnawake and Kanesatake and given a mandate in our society. They acted with discipline and efficiency, but the fact that the Armed Forces were called out at all was an admission of failure on the part of both this government and the provincial Government of Quebec, because arms are only taken up by people when they feel that all else has failed, when they feel that their governments have failed them.

The Minister of Indian Affairs and Northern Development seeks to condemn the Indian people in their use of arms. These arms were taken up rightly or wrongly after decades of attempts to deal and negotiate a settlement with the Government of Canada. How long did the federal government wait to send in its Armed Forces? How hard did the minister and the Prime Minister try to negotiate before sending in the Armed Forces?

The minister could not negotiate because he was far too busy trying to dodge cameras and to figure out how he could twist the situation and how he could tell the people of Canada that it was not his responsibility, that it was not the responsibility of this government. I tell the minister that Canadians are not buying it.

From the early stages of this crisis the only information we got from the government, the only word that came from the government, was that it was a police matter and out of its jurisdiction. There has been no leadership shown at all. It has completely abdicated the responsibility for first peoples.

That same point was made in a letter, of which I have a copy, to the Right Hon. Prime Minister from the Six Nations Council, from Chief Bill Montour. I want to quote a little from this letter because I think it is important:

> The Six Nations of the Grand River are alarmed to be informed by Six Nations negotiators in the Kanesatake territory that the federal government and the province of Quebec negotiators are unwilling to negotiate or entertain even serious discussions concerning the situation at Oka.

Later it says:

> We feel your government has shown a total lack of responsibility and sound judgment, passing the situation off as a police action of the province of Quebec. Your inaction will only serve to regress the social relationship between this divergent cultural group and the aboriginal peoples in Canada to that of 100 years ago.
>
> The Six Nations of the Grand River believe that it is your responsibility to take control of negotiations by defusing the trouble spots and negotiating a peaceful settlement with the Mohawks of the Kanesatake. Rather than allowing the bureaucracy to have total responsibility to uphold the honour of the Crown, we respectively demand that you recall Parliament to deal with the transgression by the province of Quebec.
>
> May our creator guide your thoughts.

That was sent to the Prime Minister by Chief Bill Montour of the Six Nations, and with no response.

By abdicating its responsibility I believe this government has guaranteed, as my colleague from Rainy River said, that the threat of violence could continue. By abdicating its responsibility for aboriginal peoples and for the policies concerning land claims, this government has told Canadians that they are an instrument of choice when it comes to a crisis requiring leadership.

"Forget leadership, forget Parliament, forget serious negotiations, because I have always got the police. I have always got the army to bring in." That is the message from this government to Canadians. Then the government has the audacity to tell first peoples and to tell Canadians about this magical rule of law. This is the same government that stood by while food and medical attention were denied Canadians, the same government that is now trying to justify the violation of the freedom of the press, the same government that manipulates jurisdictions and legislation just to hide from this difficulty, the same government that on numerous occasions has

shown complete and utter contempt for this House. Now it wants to tell Canadians about the rule of law.

Let us talk about that point for a second. I am not a lawyer, but I did have the opportunity to contact the Library of Parliament to find out what exactly its definition of the rule of law is. They gave me a quote of the rule of law taken from the *Oxford Companion* which it reads:

> The concept of the rule of law implies the subordination of all authorities, legislative, executive, judicial and other to certain principles—these principles such as the fundamental principles of justice, moral principles, fairness and due process. It implies respect for the supreme value and dignity of the individual. In any legal system, it implies limitations on legislative power, safeguards against the abuse of the executive power—

We all know—and even the government would admit it—that the treatment of aboriginal peoples throughout history on this continent has not been compatible with the fundamental principles of justice. The land dispute which gave rise to the blockades at Oka has its roots in the unjust allocation of land which arose when our society imposed concepts of land ownership and of land exploitation which were foreign and indeed caused conflict in this situation.

The rule of law implies supremacy of the moral principles and respect for the supreme value and dignity of the individual. Do we consider it morally right to deny food and medical attention to children? Do we abide by the violation of fundamental rights and freedoms?

All these things happened this summer and they are continuing to happen. Has this government done anything to solve these problems? Now government members opposite stand here before us and attempt to pass themselves off as defenders of this rule of law. What about the rule of law safeguarding abuse against executive power?

We on this side of the House demanded that the government recall Parliament so that representatives of Canadians from across this country could participate in a debate and that we could express to this government the anger and the outrage of many Canadians over this government's failure to act in this situation.

This government failed to commit the political will necessary to bring about a peaceful negotiated settlement to the situation and to preserve the dignity of all the individuals involved. This government refused to heed our call despite the fact that it had recalled Parliament to deal with events which while important were no more important than this situation. Members opposite like to talk about the rule of law and order, knowing that they are sacred cows which no one would dare contradict.

Let me express the perspective exposed by Ovide Mercredi, Manitoba Vice-Chief of the Assembly of First Nations. It is one I share with him. This government talks about law and order and what they do not seem to understand is that law and order is based on justice. Our population is law abiding because it believes in the justness of the law and the judicial system and where it does not agree with the law, it has confidence that the system will protect them and that it can be amended. We know that our judicial system, our police system and government have not treated aboriginals fairly or justly. How is it we expect unending patience, unending law and order from a group that we have endlessly abused and discriminated against? Does that mean that I think picking up a gun is a way to solve a problem? No, I do not.

• (0200)

What it means is that I believe it is abundantly clear that the current land claims system is a failure. It has little political legitimacy remaining and is in desperate need of reform. It is unacceptable that this government is trumpeting law and order and the rule of law as a new-found excuse to ignore and dismiss legitimate Indian demands. In fact, this government has violated the rule of law in almost every way imaginable in the last few months.

Mr. Speaker, I had the opportunity to participate last Sunday in Simcoe at a rally by constituents of Haldimand—Norfolk. It was pouring rain and there were hundreds out there. They signed a petition which I have here and I want to read it because I think it is important. It says to the Prime Minister of Canada and the Premier

of the province of Quebec and all those who may be concerned:

"We citizens of the Haldimand—Norfolk area of Ontario gathered in Simcoe September 23, remind our federal and provincial governments of the meaningful aboriginal status of the native people of Canada, of the important contacts with land and community which has sustained them in such symbols as the Mohawk tree of peace, of the privation and suffering which Canadian and American policies continue to cause them, of the need in Canada today for generous and neighbourly treatment of all citizens including native people. We earnestly request our governments to address at once the many outstanding land claims of the native people of Canada, to recognize and respect all treaty rights of native people, to support the native people of this country in their search for a meaningful degree of self-government, to accept due responsibility for the deterioration of the quality of life in many reserves and to take appropriate steps to correct it. Finally, we request the federal government to establish an aboriginal rights commission to push these developments.

At this moment of confrontation at Kanesatake and Kahnawake in the province of Quebec, we think it essential that the federal government exercise its authority to cause a withdrawal from the scene of the Quebec police and after that of the Canadian military personnel who are at present on the scene and enter into meaningful discussion with the native councils of these communities with a goal of peace and the well-being of their people and in demonstration of our sincerity in these matters, we have gathered food and money to aid the people at Kanesatake and Kahnawake and signed our names to this petition."

This petition is clearly the feeling of a great number of Canadians. I know my time is up so in closing, let me return again, to the Oxford Companion's discussion of the rule of law. I believe that these words serve as a very useful commentary on the government's reaction to the Oka crisis and in particular to aboriginal issues in this country. It says, "The rule of law means more than that the government maintains and enforces law and order but that the government is, in itself, subject to the rule of law and cannot itself disregard the law or remake it to suit itself".

Mr. Jack Shields (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, you caught me unawares as I thought there might be some questions. I take part in this debate this evening, or this morning, and I look at the resolution that we are debating, that this House commends the exemplary conduct of the men and women of the Canadian Forces at Oka and Châteauguay. We saw the TV coverage, particularly of the young soldiers who were pressed into something that I am sure that they did not enjoy, and the cool and patient way they approached a very tough issue facing Canada.

The second part of the motion reads:

> That, in the opinion of this House, the laws of Canada must apply on all Canadian territory, including Kahnawake, and that all persons currently at the Kanesatake Treatment Centre should lay down their arms and submit to the process of Canada's judicial system, thereby encouraging the creation of a constructive climate for discussions between governments and the Mohawk people on land claims and other issues.

I do not think there are many people in Canada who would not agree that the laws of Canada should be obeyed.

The last part of the motion reads:

> That upon adoption of this motion, the said motion shall be deemed referred to the Standing Committee on Justice and Solicitor General.

If I may take a few moments, I would like to point out something that I think has been missing in the debate that I have heard here today. I think it has degenerated into a situation of blame back and forth which I do not think that really helps the House of Commons. It is very important that we in the House of Commons try to examine the issue and maybe even try and come up with some constructive ideas on the way to resolve a very difficult situation.

I think one of the things that has been overlooked repeatedly, not only in the debate here but in the news media in the past month or so, is the difference between the warriors, the Warriors Society and the Mohawk people. I would like to just briefly read an article which was printed July 4, 1990 by the *Herald Journal* of Syracuse, N.Y. after an interview. It is by M.C. Burns, who is a staff writer:

> Louis Hall lives in an isolated trailer with battered typewriter he used to pound out his manifesto. Over the last 10 years, that document has inspired a divisive, militant resurgence in the Iroquois nation and fostered a rebirth of a warriors movement from Canada to Wisconsin.
>
> When masked Mohawks with assault rifles blocked entrance to the St. Regis Reservation a year ago, Louis Hall was behind them—not physically, but his words put them there.
>
> Those gunmen, members of the well-armed Warriors' Society at the reservation in New York and Canada, idolized Lewis Hall. Today, they are key players in the violence and the uneasy peace that exists in the place Mohawks call Akwesasne.

> Halls writing, produced by slender figures rattling his Olympia, is outrageous, vehement and angry. "There will come a day", he wrote recently, "when the Indian will put the white man in a boat and send him back to Europe where he belongs and keep him there".
>
> The manifesto reinterprets the Great Law Peace, the constitution of the Iroquois, and gives some Native Americans the rationale they need to carry weapons. In it, Hall asks, "What can the warriors societies do?
>
> He answers: Dump bridges into rivers—which are now sewers—and into seaway, cancelling all traffic, knock out powerhouses, high-tension power lines, punch holes in the reactors of nuclear power houses.

He urges young Iroquois to reject the peace-oriented teachings of the traditional chiefs, including those who sit on the Grand Council of the Six Nations of Iroquois.

> He believes that some traditional chiefs—including all of the ones who sit at the Onondaga Nation—have betrayed the Great Law, and for that they should be executed, Mafia-style, by Mafia hit men, if possible.
>
> Hall is not kidding.
>
> "They should be executing the traitors," he said in an interview. "But they would have to do it the way the Mafia do it—in secret and never see the victim again. No body. No case."
>
> Some Warriors agree with him and do not question his teachings, even concerning executions.
>
> "Yes, they should be executed," said Francis Boots, war chief of the Warriors Society of Akwesasne. "It's the law."
>
> Boots usually has a copy of Hall's manifesto close by.
>
> "But it is his actual presence that inspires us," Boots said. "He has the message, and he knows how to articulate it."

There is more that goes on and points out where the Warriors Society is coming from.

• (0210)

This is not supported by the Mohawk Council of Akwesasne. Let me show you a kit that I got from the Mohawk Council and I would like to point out just a few things. It is a chronology of violence and it basically states: "From Petty Offences to Multi-Million Dollar Crime". It is a brief history of events leading to the 1990 campaign of violence by the Mohawk Sovereignty Security Force (the Warriors) and the pro-gamblers.

In Akwesasne, May 1, 1990, ordinary people live in fear. Armed thugs rule the land. Gambling, narcotics, smuggling, beatings, and automatic weapons fire are everyday activities. Police protection exists only in some sectors and where it exists, it is overwhelmed by criminals. A ghetto in an American city? The Sicilian countryside? Life in Columbia? Not in this case.

The above description is of Akwesasne, a Mohawk Indian reservation with a population of about 9,500 located near Cornwall, Ontario, Canada and Massena, New York, in the U.S.A. It lies partially in Canada and partially in the U.S.A. How did a normally peaceful and law-abiding community become a war-zone reminiscent of Belfast or Beirut?

These are comments made by the Mohawk Council of Akwesasne. They wrote it. Jack Shields did not write it. This government did not write it. It is the Mohawk Council of Akwesasne who wrote this article.

From 1979 to 1980, the first step was smuggling cigarettes. They started out with petty crime. In 1981, a law enforcement vacuum—the bingo boom begins. A law enforcement vacuum was created on the American side of the reservation when the population disbanded the Tribal Police Force—that was on the American side—after charges of abuse and fraud. A high stakes bingo operator, partially funded by the smugglers and partially from outside sources, was allowed to set up under regulation of the Tribe. But he took advantage of the legal and enforcement vacuum to disregard the elected leadership and the deal that was signed with the Tribe.

In 1984, 1985, and 1986, speakeasies flourished; slot machines are added. As they accumulated wealth, the smugglers diversified into after-hours sales of alcohol and slot machines. Community objections increased after 19 people were killed in alcohol related car accidents as they left the speakeasies. Low skill jobs in the bingo halls and casinos attracted many young people away from continued studies. Community anger grew every day. Protests and attempts to have the illegal operations closed increased. The three Mohawk governments separately and then jointly attempted unsuccessfully to close them down. All of this supported by, not the Mohawks whom everyone talks about, but very clearly by this Warrior Society which was operating illegally among their own people, redefining what the Warrior Society was, following the teachings or the manifesto of Louis Hall.

In 1987, a chief of the longhouse, or the traditional government of the Mohawk people, is dehorned. He is

relieved of his authority and position for refusing to cease his involvement in the lucrative trade. He subsequently organized groups of young, unemployed men and boys to be runners or paid employees to help operate the business.

In 1987, the runners or foot soldiers of the smugglers received paramilitary training, bought sophisticated weapons and communications equipment, and emerged as the Warrior Society, later to become known as the Mohawk Sovereignty Security Force, MSSF or the warriors. They adapted and corrupted a tradition of the warriors which for centuries had meant societies which ensured protection of the nation, among other things. Traditionally, these societies were accountable to the traditional chiefs who call upon their services when needed.

In 1987, the MSSF claimed that their existence became necessary because the nation had been systematically attacked and rendered nearly powerless despite Mohawk protests. In reality, they emerged to protect the lucrative economic interests under the guise of Mohawk sovereignty because Canadian and U.S. officials and the good Mohawk people were becoming an impediment to business.

Again, I am saying, and I underline this, this is being written by the Mohawk council of Akwesasne. They are the ones who are saying this, not people in the House.

In 1988, 1989, and 1990, the warriors began to threaten and intimidate anyone who opposed the slots and bingos. Narcotics, especially cocaine and crack, became an increasing problem. Many people reported that warriors were dealing while others were often high while patrolling and handling their automatic weapons. Arrests were made of some warriors for attempting to take concealed weapons across the border. The State Police raided some casinos and confiscated slot machines but the operators replaced them and resumed full operations within twenty-four hours. Warriors began to run people off the road and ram vehicles. In Canada, you say?

In 1990, warrior violence increased. Beatings, threats, and shootings increased in frequency. Personal property such as homes and cars were damaged. Months of intensive efforts were made in vain to resolve the disputes through negotiation. The people, tired of federal and state inaction and wishing to stop their growth and eradicate the illegal activities, set up road blockades to stop the flow of clients to the casinos. That is the Mohawk people doing this. Warriors' reaction was to shoot at Mohawk people with automatic weapons and to destroy the barricades.

Warrior spokespeople appeared on television claiming to protect the nation from outside forces and promising to do away with any opposition. The warriors developed a hit list of Akwesasne Mohawks who opposed them.

In April, 1990, warriors declared war on their own people. Hundreds of Mohawks fled the reservation to escape the "civil war" atmosphere. Why have we not heard about that in the debate tonight? Why has it only been an angry outburst of emotion saying that Canadians or the government is not interested in the plight of native people and land claims?

On May 1, 1990, two young Mohawk men were killed in gun battles. The non-Mohawk police finally moved in to back up the Mohawk police on the Canadian side. Mohawks on the American side saw law enforcement officials on the territory for the first time in a decade. In other words, the New York police were, for the first time in a decade, on the reserve.

• (0220)

In June and July of 1990, tensions persisted as the police forces from Canada, Ontario and Quebec and New York State came to Akwesasne to help Mohawk police maintain peace. Warrior spokesmen declare publicly their intention to take over control of all Indian reservations in northeastern North America through undermining means.

There is no doubt that in the past years since our forefathers came to this country native people were shunted off into reserves. There is no doubt in our minds that many of the land claims settlements have not been done. We have tried a number of things and other governments have tried a number of things. One of the things that I experienced was to throw money at the problem. We saw 10 or 15 years of throwing money at the problem and nothing happened. There is a clash in the way we look at it and it is a misunderstanding, many times, of what native people want and what Canadians see.

One of the things that I think is very important is that the young generation growing to be citizens of this country, native people, must recognize that there is not much future on a reserve. Our whole society in Canada is built on the idea that if you work hard, you accumulate

your worth or your wealth, you are able to own your home and you are able to pass on some of these things to your children. It is not so on a reserve. A reserve is communally owned. People living on the reserve do not own their own homes, it is a band house. We have passed the economic development to try to get the economy of the reserves moving to the band rather than to individuals. It has always been my contention that we should be looking more at individuals and saying to individuals on reserves: "Look, you, too, can prosper. You, too, can take part in this Canadian idea of getting into business, owning property, and profiting from your sweat, your work and the hard things that happen when you get into business or when you work."

The other thing that is a problem, and I have seen this time and time again, is when natives do become educated, become doctors, lawyers, and dentists and get into other professions or end up living not on the reserve but in a city, working at a steady job such as the oil sands, for example, in my area Syncrude and Suncor, the other natives on the reserve soon refer to them as Indian white men. The drag-down system starts because the whole philosophy on a reserve is that everyone should be equal. Everyone owns, in a communal way, everything on that reserve. It is run by a band chief and council.

I want to take one more minute, Mr. Speaker, if you will just give me another minute.

It must be totally devastating to a native man who is raising a family and does not have a job. He wants basically the same things that we do. He wants security for his family, he wants to see his family educated, and he wants them to be healthy and happy. That is not happening today. We, in this government, are committed to see that it does happen and that we become more involved through the consultative process to bring natives to the standard of living equal to anyone else in Canada.

Thank you, Mr. Speaker. I see that you are signalling me to stop.

The Acting Speaker (Mr. Paproski): I regret that the hon. member's time has expired. On debate, the hon. member for Notre-Dame-de-Grâce.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, it is with a great deal of sadness that I enter this important debate at this late hour.

I say with a great deal of sadness because, despite the many excellent and constructive proposals made by members of the House and by individuals and groups including aboriginal groups across the country, proposals to peacefully settle this long-standing dispute, members of the government continue to justify the insensitive and irresponsible actions that we saw throughout the summer. They continue to support this fraudulent, dishonest and demeaning motion which is before the House.

I am sad not only for what this motion says to the people at Kanesatake and Kahnawake, and not only for what it says to all aboriginal people in Canada, but also for what it says to Canadians and about Canadians.

During the last week of August and the first week of September, I was at an international conference in Geneva. Day after day in the news, in Switzerland and in Germany, Canada was portrayed as a banana republic denying basic rights to aboriginal people and using military might to force them into submission.

I refer to the resolution before the House as dishonest and fraudulent. Let me illustrate.

The resolution starts by commending the conduct of the Canadian Armed Forces. The issue that should be before the House is the conduct of the government. Why did the government not have the guts, the intestinal fortitude, to put a resolution to the House which would have addressed the real issue, which is the conduct of the Prime Minister and the Minister for Indian Affairs? That is what we should be debating. What a smoke-screen this resolution is. What a fraud this resolution is. It is an attempt to whitewash the irresponsible actions of the government.

The Canadian Armed Forces, of course, have long experience in peacekeeping. Nobody condemns them for what they do under direction of the government. They are a professional armed force. They follow the direction and the laws laid down by the government. The problem we are faced with is caused by the government and, if the government had any gumption, any guts, it would have put a resolution to the House dealing with its conduct,

and it did not do it. It is a shame for the House and for the country that it failed to do so.

Let us look at the second paragraph of this resolution.

That in the opinion of this House, the laws of Canada must apply on all Canadian territory—

The implication of that particular paragraph is that all laws apply everywhere in Canada and that these Mohawks are wild, irresponsible people for suggesting otherwise. What is the government trying to say in that particular sentence? Does it not realize that the Indian Act, to start with, does not apply everywhere in Canada? The Indian Act itself applies to very particular people on very particular pieces of land, reservations and so on.

The government recognizing that Indian people were different in different parts of the country passed the Sechelt legislation a few years ago, whereby the Sechelt people in British Columbia were given a certain form of self-government and were exempted from the Indian Act.

• (0230)

If we look at the James Bay agreement, the James Bay legislation, there are provisions for those people living in northern Quebec which are quite different than the provisions under the Indian Act.

Many laws do not apply everywhere, and others that do should not in some cases, if we address them in a more critical fashion than we have in the past.

As I say, Mr. Speaker, the whole resolution is a fraud. What does the government mean by that particular statement that the laws of Canada must apply in all Canadian territory. It certainly does not mean the Indian Act, or the Sechelt Act, or the James Bay and Northern Quebec Cree Act. Maybe they are referring to the Criminal Code. Maybe they are implying that the Mohawk people, the Indian people, feel they should not be covered by the Criminal Code.

Once again, Mr. Speaker, one might ask if the Criminal Code was applied equally to Donald Marshall, and one might examine the criminal justice system and how it applies to Indians and non-Indians in this country.

I listened to the hon. member for Athabasca reading a long list of accusations against the Warrior Society. No one is suggesting that if there are any crimes against individuals or any crimes that are to be charged against individuals, they should not be charged with those crimes.

What I find is happening when I listen to the hon. member and others on the other side of the House is that they are trying to brand with a wide brush all aboriginal people and all Mohawks, including all those in the treatment centre, as being criminals and warriors, terrorists, and so on, following the lead of the Deputy Minister for Indian affairs who, in the month of August, more or less said that the people who were causing the trouble were criminals.

The fact of the matter is that there are many examples in this country of special laws for special peoples, depending on their circumstances. For many years in this country the aboriginal people have argued that many of the laws that apply to them were drafted and passed without their participation in a repressive, unjust, paternalistic and colonialistic fashion, and that their past, history, culture and backgrounds were never taken into consideration with the passage of those laws.

Sometimes, Mr. Speaker, this Parliament needs to recognize that. We recognize that to a certain extent in the James Bay settlement. We recognize that to a certain extent in the Sechelt Act. Some people will disagree with the Sechelt Act and say it is not really an act dealing with self-government, but despite that the Sechelt people were willing to accept it. So was the government and they made special provisions.

If we look at certain Indian nations in this country, they do have their own courts. They do have their own police officers. They do have their own probation and parole officers who understand their people and who apply their laws and customs in conjunction with the laws in Canada.

This conflict at Kanesatake and Kahnawake was a disaster from the beginning. It is a conflict that need not have happened. It should not have happened if the government had acted responsibly and correctly in the situation.

When I was Minister of Indian and Northern Affairs, if there was land under claim by an aboriginal group, we put a freeze on that land until the claim was totally settled. We would not allow oil and gas development. We

would not allow mining. We would not allow the construction of roads on that land while it was under claim.

Here we have the mayor of a small community deciding to expand a golf course and for that reason we have this dispute. If the minister and the government had been acting as they should have been, as trustees for the aboriginal people in this country, as they are supposed to do under the Indian Act and under our constitutional laws, and according to a recent decision of the Supreme Court, they would have immediately intervened and said it is irresponsible to move ahead with a golf course when this land is under claim. If they had done that, if the minister and the Prime Minister and the government had not been totally asleep with their heads in the sand, none of this would have happened.

However, here we are before this House debating a fraudulent, camouflage resolution about the conduct of the Armed Forces. Here we have this despicable conduct of the government, of the Prime Minister and the Minister of Indian Affairs and they have not even got the courage to put that to the House as they should have.

The conduct of this government in this matter from beginning to end was an abdication of responsibility. After the first incident of violence on July 11, we did not even hear from the minister or the Prime Minister for weeks on end. One wondered what had happened to the minister and to the Prime Minister. We heard from the Minister of Indian Affairs of Quebec, Mr. Ciaccia, we heard from Mr. Rémillard, also with the Quebec government, we heard from Mr. Bourassa. There was a total abdication of federal jurisdiction over Indian affairs to the Quebec government. That was bad enough but once the Armed Forces were brought in, this same government abdicated responsibility and jurisdiction over important decision making to the army, and I will illustrate that in a few minutes.

Decisions that were political decisions and should have been made by the government through negotiation and through intervention were left to the Armed Forces, which are not equipped and should not be involved in political decision making or in key decisions which will affect the political results between two peoples, as we saw in Oka and in Kahnawake.

In the resolution they talk about the laying down of arms. They ask that the people in the treatment centre at Kanesatake lay down their arms and submit to the processes of Canada's judicial system. There have been several proposals agreed upon by the Mohawks and by the Iroquois Confederacy to do that, but it also involves some obligations on the other side. But these were not taken seriously by the Bourassa government nor by this government.

There was a very complete proposal to dispose of the arms under supervision and so on and if people were to be charged, let them be charged. Let us go through the process, even though the process has been very unfair to aboriginal people over the years. I have already referred to the Donald Marshall case and there are others as well.

I heard about the situation last week where John Ciaccia, the Minister for Indian Affairs in Quebec, was in Toronto and worked out an agreement with the Iroquois Confederacy to settle both the short term and the long term issues in dispute, a settlement that I understand dealt with the laying down of arms and dealt with the Warrior Society. The hon. member for Athabasca was pretending I suppose that we suggested that those who committed wrong or committed criminal offences should go free. Not at all. Nor did the proposed settlement of the Iroquois Confederacy and Mr. Ciaccia do that at all.

What happened with that agreement? Once concluded, one of the representatives of the confederacy was to discuss it with people in the treatment centre to see if it was acceptable to them. When he arrived in Oka to gain entry to the treatment centre, he was denied entrance by the Armed Forces. That was not a decision to be made by the Armed Forces. Here we have a potential solution to the standoff, to the problem which has existed for several months, and the man cannot even get inside to discuss it with the people involved.

The representative of the confederacy then went to Ottawa to speak to people in a higher position in the Armed Forces. At that time he was told that this is a political matter and he should discuss it with the political authorities, so he goes to the political authorities. What did they say? "This is a military matter, go back to the Armed Forces".

Talk about sticking your head in the sand and avoiding your responsibilities. That is what we should be debating today, the conduct of the government. It is not up to the Armed Forces to make key political decisions that would have led to a settlement in this particular case. The Armed Forces is a professional organization, as I said, and they follow the orders of the government, the direction of the government, and the law laid down by this Parliament. They are not meant to make key political decisions involved in the dispute.

• (0240)

That proposal, as I understand it, dealt with the short-term and long-term issues that are before us. The short-term, of course, deal with the standoff at the treatment centre and the long-term issues, the claim policy, the policy that the government has for settling claims and matters of self-government and sovereignty.

With respect to the longer term issues, they will have to be dealt with because if they are not dealt with, we will continue to have problems and trouble in this country. They have been looked at over and over again. I was a member of the special committee on Indian self-government called the Penner committee. We travelled throughout this country for nearly two years and made a report which made serious recommendations to deal with these issues.

We had the Coolican report which recommended changes to the claims policy, which recommended the end of the extinguishment policy and the end to the policy of superseding by law legitimate rights. That is the problem with our claims policy. Indians go before the courts. They go before commissions and bodies and say "Here are our rights. We want them recognized". People in government keep saying "Well, those rights were extinguished by a law passed in 1905". They were extinguished by a law passed in 1917. They are superseded by law. But, many of those laws are unjust laws and that should not be an excuse.

At one time in our history we had laws on slavery. At one time in our history we did not allow women to vote. We got rid of those laws. It is time to get rid of a lot of other laws that affect our aboriginal people.

Mr. Caccia: And laws on child labour, too.

Mr. Allmand: Child labour, as my colleague mentions. There are all sorts of laws in our past history which were unjust and unfair. Thank God we recognize that. But, we have not done it with respect to aboriginal people. We keep citing precedents of courts and saying that is what must govern. We keep citing precedents of laws that go back to a period when people did not have the same understanding they have today, or should have today.

Mr. Speaker, you are giving me the signal that my time is coming to an end.

In conclusion, I want to plead with the government to show a little humanity, a little compassion and a little understanding. They should try to put themselves in the shoes of the aboriginal people in Canada and try to understand how they feel in this particular situation.

I ask the government to forget this ridiculous resolution that is before us and get down to serious negotiation for a just, fair and peaceful settlement. For God's sake, Mr. Speaker, let's see some leadership.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I just thought that perhaps it would be a good time to set the record straight about the story of the land at Oka because there seems to be some question in the minds of the members opposite about what the facts are.

I will go through it very briefly. It is a comment. It does not really require any response. This issue started, as some hon. members may know, back in 1717 when the seminary of St. Soltice acquired a tract of land from the King of France and set up a religious order there. They then brought some Indians with them from Montreal and included, not just Mohawks who are the ancestors of the present Indians, the group included Nipissing and Algonquins as well.

After a time, of course, the land was broken up. The religious order left and there was a dispute over whether or not the land that had been used by the Indians since 1717 was, in fact, theirs.

There have been numerous references to courts and to various methods of settling the dispute over the years, but I will just go quickly through some of the highlights. In 1851, in order to settle this dispute, a reserve was provided at Maniwaki and many of the Algonquins who were moving from Oka moved to this location, but many of the Mohawks stayed at Oka.

The dispute sort of continued. In 1881 there was another dispute and the Indians at Oka did not prevail. Finally in 1912 the judicial council of the Privy Council, at that time the highest court in Canada, ruled on this particular item and held at that time that the Indians at Oka had no title or right to control the administration of the land. At that time the highest court in Canada had decided that the interest in that land was not vested in the Indian people. It was vested in the other people who had been living there.

These claims continued. The hon. gentleman mentioned that if they were in power there would not be an opportunity to do anything on a piece of land that was under claim. Even though it had been finally settled by the the highest court in the land, the Mohawks submitted another claim, a specific claim, in June 1977 which was ultimately rejected in 1986. At that time the minister of the day, when he advised the Indians that their claim was rejected, told them however that he was willing to consider a proposal for an alternate means of redressing their grievance.

At that time they sat down and negotiated a framework agreement. We have heard much about it. It was initialled in September 1989. The rest is history. The leadership of the band changed and the land issue was once more in dispute.

It is important that hon. members recognize that this is a very unusual case. They should not ignore the facts.

Mr. Allmand: Mr. Speaker, I am very much aware of that history. It only confirms the points I was trying to make.

The hon. member, for example, referred to court decisions which said that the claim was not justified because according to the laws of the land at the time another owner had the right to the land. In other words, laws superseded what were real rights, rights that had existed for a long time. Although it is true that band of people had moved from one place to another, promises had been made and for one reason or another the dispute carried on for years and years, sometimes with more visibility and more aggressiveness and at other times much more quietly.

If we examine what happened in a chronological way—and I have this record here before me—the negotiations this summer and spring were moving quite well, until once again there was a turndown of offer by the band due to changes in the band administration and so on.

It was at that point that mistakes started being made. When the town of Oka decided to move ahead with the golf course, it was at that point, I submit, that the Minister of Indian and Northern Affairs should have acted as a trustee for the Indian people and said: "Do not go ahead with that golf course, because this land is still under claim. There is no basis for proceeding with that golf course". It was that incident and the lack of action and involvement by the minister and by the government which led to all these problems.

The minister should have intervened at that point and said to the Quebec government and to the mayor of Oka: "Under no circumstances should you proceed with that golf course while this thing is still being negotiated". It is true that the negotiations had broken down, but with mediators and with conciliation they could have got going again, and they will go ahead again with good faith on both sides.

I blame the government for not taking action at that time, for withdrawing from the scene and for leaving it entirely to the Quebec government; then bringing in the army and leaving entirely to the army when the army should have been given more direction and when decisions that were made by the army should have been made by the government. I could list a whole raft of inactions which should have been discussed and blamed on the government.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I welcome the opportunity to join in this debate. I cannot think of any other issue which has caused so much anguish among Canadians, so much lack of certainty about the purpose of their country, so much lack of generosity toward people who need some generosity and spirit from government, and some concern for their lifestyles and the peril they find themselves in.

• (0250)

I know that in Winnipeg North Centre, where close to 30,000 or 40,000 people of aboriginal descent live, this issue has been the one that caused the most anxiety this summer and the greatest number of phone calls, letters and demands for public action.

I ask myself why is it that in the organization of the business of the House of Commons such an important issue is being debated at 2.50 in the morning? I will tell the House why. It is because the government wishes to bury this issue. It wishes it to disappear. It wishes it to be

discussed in the darkness of night so that Canadians do not have to hear exactly what has been going on.

I can tell every member of the government sitting over there that we are not going to let this issue die, that we are going to keep fighting, that we are going to bring this to the public's attention, and that we are going to keep demanding a public inquiry because we have to get to the bottom of it and we have to stop treating aboriginal people as second-class citizens.

Mr. Speaker, tonight you have heard several times that the rule of law is the issue. The Prime Minister, in response to questions in Question Period, says that it is the rule of law, that we must have order. I used to be a political science professor before I took on this new task in life. I decided to go back to the textbooks and look up this concept of the rule of law. Apparently the Prime Minister did the same thing because in a speech given earlier tonight or late yesterday, depending on how one wants to count it, he too talked about the same writer, R. MacGregor Dawson, as he tried to justify why he is going to start appointing extra senators to beat back the Liberals in the Senate over the GST.

R. MacGregor Dawson wrote the book *The Government of Canada*, which is a basic text on understanding the Canadian government. I promise you, Mr. Speaker, that even though these quotations are long they are real eye-openers and you will enjoy listening to them.

Listen to what Mr. Dawson had to say, and I quote:

> —Canadian inheritance which is closely identified with some of these fundamental rights of the citizen is the rule of supremacy of law, a long-established principle of the British constitution. The exact meaning and implications of this principle are not readily stated, but its essence is the restriction on arbitrary authority in government and the necessity for all acts of government to be authorized by "reasonably precise" laws as applied and interpreted by the courts.

When we talk about the rule of law here, we are not talking about the actions of the Mohawks. We are talking about the actions of the government.

When referring to this provision, for example, in the old American Constitution, he wrote:

> —that "this shall be a government of laws and not of men" was clearly a vain hope, but it was an endeavour to state in one phrase substantially the same idea—the certainty of legal procedures, the absence of untrammelled official power, the protection of the citizen against unknown and unpredictable authority. The increasing complexity of modern government, the growing emphasis on the social rather than the individual good, and the resulting need for government intervention in almost all fields of human endeavour have inevitably resulted in far wider discretionary powers being given to executive and administrative officials, accompanied by a consequent narrowing of the rule of law. Thus the sweeping accountability of officials to the courts of law when the legality of their acts was in question has had its scope somewhat diminished by the grant of wider and more general legal powers, and this has tended to a limited degree to remove the acts of the officials from judicial scrutiny. Despite this modification, the rule of law remains a cardinal principle of the Canadian constitution and a sturdy bulwark against abuse of power.

The heart of the rule of law is not what the citizen is doing but is maintaining control over government. What have we seen in the last two months: that very concept, the essence of Canadian democracy, turned against Canadians and making them feel guilty about what they are doing.

Mrs. Finestone: Send it to the Minister of Justice.

Mr. Walker: Well, send it to the Minister of Justice. She does not read as carefully as the rest of us.

The second quotation is equally interesting. It is by Richard Van Loon and Michael Whittington. For the record, members might wish to know that these are people have been advisers to the government in Indian affairs and other matters related to that. They also talk about the rule of law. What is the rule of law according to these writers? It reads as follows:

> The manifest function of any constitution is to define the relationship between the citizen and the state, and, to the extent that the relationship can be defined at all, every country can be said to have some form of constitution.
>
> The principle of rule of law in the British and Canadian tradition asserts that any interference with the freedom of any individual must be performed only according to the legal process and carried out by legitimate authorities. No one is exempt from the law, neither citizens nor officials of the government, and no one can interfere with the rights of any individual, except through the legal process. Finally, the principle of the rule of law means, as well, *equality* before the law for all members of a political community. But if we grant that the Constitution of Canada is built on the principle of the rule of law, we must also ask why the rule of law is so important. The function of the rule of law is, briefly, to protect us, the citizens, from the arbitrary interference of government, or of government officials, in our

everyday lives. The relationship of the individual to the political system becomes, to some extent, fixed and impartial.

By contrast, the rule of the most benevolent dictators—

And here I include the Prime Minister:

—could conceivably deteriorate to rule by whim and caprice, for even benevolent dictators once in a while get out of bed on the wrong side, and so forth. The law, on the other hand, is presumed to be impersonal, predictable and coldly rational rather than emotional or moody.

I understand that is a very dry way to get ourselves involved with such an emotional topic, but if we stop and think about how this issue has been portrayed to Canadians, that the actions on behalf of the people in these communities has been wrong by definition in the eyes of the government, hence the Prime Minister, the Minister of Justice, and the Minister of Indian Affairs refused to negotiate. The heart of the matter is that they have deliberately, forcefully, and wilfully misinterpreted what is going on in order to satisfy their own political agenda.

The second point I would like to raise on this issue, which I think is important, is the great grief that it has brought to Canadians in the eyes of the world. One of the most memorable images that I have of democracy in the world was the site last June in Tiananmen Square in Beijing, China. There we had the sight of one man standing in front of a tank; the tank moves one way, he moves the same way, the tank moves the other way, he moves the other way, and there was a standoff.

I challenge the government to tell me what is the difference between that standoff and the standoff that we watched on *Newsworld* a few weeks ago between a Mohawk warrior and a Canadian army official? What is the difference? If you are sitting in China and it was the reverse than what it was last June, what would you think of the Canadian government? What would you think of that confrontation?

Or, I am drawn to remember in May when I visited Romania on behalf of the Speaker that outside of one of those major hotels, the Intercontinental in downtown Bucharest, there was a nightly demonstration of people talking about what it would be like to be in a democratic society. There was a second-floor balcony from which a student spoke and other members of the community. The crowd was of all ages and from all walks of life.

This summer I visited several times the peace village which aboriginal leaders in Manitoba erected on the legislative grounds to discuss the evolution of a democratic society in Canada, to discuss with political leaders such as members of Parliament and anybody else who would come forward to talk with them what it was that they were looking for. Everyone was peaceful. The leadership agreed to disband the camp during this week, the first week of Parliament, because they thought their point was made, and I agree with them.

Again, when the troops moved in in Bucharest we expressed shock and dismay that any government would turn on its people, but yet we do not even think about the peaceful demonstration taking place in Winnipeg. When I went there the leaders who are nationally known looked at me and said: "What do you think the Prime Minister is thinking? What do you think the government is trying to do to us? What do you think their ideas about us really are?" I stood there in silence because I could not explain to them what it was that the government was thinking. I could not explain to them why they were being treated that way.

However this has created a great unity among Canadians. Perhaps we are beginning to tie together different issues such as the environment and how we treat our land, because aboriginal people can tell us much about how not to spoil property, how to live for generation after generation. We should think of the changes to the lands of people who live in northern Quebec, and think of the way that people have changed their lives in northern Manitoba because of the northern flood agreement. We should think of all these changes and think of people who wandered through those areas and made their lives for generation after generation, and in two or three generations of Canadians we have managed to ruin that.

The peace movement which formerly looked outside of Canada for its issues now turns its attention to what is happening in our own country because we are on the battlefront. We can no longer take for granted the peace and security of our own citizens.

• (0300)

In Manitoba the peace community joined in at the Peace Village and this is why, in their own words: "We support the Mohawk nation and their struggle with the Federal government, Quebec government, Canadian

Army and *Sûreté du Quebec,* the Aboriginal people of Manitoba have established a Peace Village on the front lawn of the Manitoba Legislature" as a result of these events. In particular, we object to the Prime Minister who is responsible for this "by taking military action against the Mohawk nation. The Prime Minister has imposed a military solution where a political solution is required. This is a dangerous precedent, the security of all Canadians is at risk. The Mohawk people remain under siege with daily violations of their basic human rights."

Hopefully from news that we heard earlier this evening this is ending. "Children have been denied food and medicine, women have been assaulted and hospitalized, support and aid have been blocked by the army and the *Sûreté du Quebec* under the direct leadership of" the Quebec government. "The aboriginal people of Manitoba do not condone violence." They ask for our "continued support—to ensure that bloodshed is avoided and justice secured in this time of crisis." All Manitobans were welcomed to join in this Peace Village to show their solidarity. Many came bringing candles and tents and they joined in daily vigils and sunrise ceremonies.

I bring this to your attention and to the attention of the House to help us understand that although the House can fight over the specifics and disagree on the specifics, there is something at stake here which goes beyond the House. It is the transformation taking place in Canadian society. We can sit here and debate it all night, as we are doing today, because of the strong interest shown by this caucus in this issue or we can put our heads in the sand and pretend that if we ignore this or if the Oka crisis is settled this week that for somehow or another the whole issue will go away. In province after province, region after region, town after town and community after community this is going to be repeated until the basic injustices are settled.

It is up to us, members of all parties in this House, to work together with aboriginal leaders, with the support of the public who wish to no longer have to live through this nightmare, who wish to no longer hear about land claims not being settled, who wish no longer to hear about the poverty in urban Canada, who wish no longer to hear about malnutrition on the reserves, who wish to hear some good news based on facts about improved conditions due to a commitment on the part of parliamentarians that they wish to see some recognition on the part of government that there is a commitment to improve conditions. Once that happens, then all parliamentarians can take pride in this institution. Until then there is a black spot on this institution, there is a black spot on this country and it remains for the government to take action and to get us going again.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, roughly 10 hours ago we heard a deathbed repentance on the part of the Prime Minister of Canada when he spoke in this Chamber. He delivered his commitment as to what he is prepared now to do. After having imposed financial cut-backs on native communications, after the post-secondary education fiasco last year, after having imposed cuts on friendship centres, after having imposed cuts to grants for native organizations, after withdrawing from past commitments, after having demonstrated to the country that not six months, not one year, not eighteen months but two years after the last election this government has not been able to introduce one piece of legislation that deals with the native and aboriginal people, after having failed to introduce measures in the light of what the nation learned about the Donald Marshall case on the application of justice when it comes to the aboriginal people.

In the environment we have seen month after month since the last election provocations and injustices and sheer follies. We have heard about the Cree Indians from James Bay who had to make their point by coming down by canoe, by demonstrating in front of the House of Commons, and then by way of the Richelieu River making their way down to New York in order to demonstrate their rejection of the James Bay II project to the United Nations.

We have heard for the past 20 months in Question Period the issue of the Oldman River dam and how the Peigan tribe is fighting against all odds in order to bring the white community to reason.

We have heard about the Algonquin of Barrier Lake and their frustration in getting the white society to accept some sensible principles of forest management.

We have heard about the Akwasasne reserve people who have to struggle with pollution in the St. Lawrence.

Many times we have heard colleagues in this House raising the issue of the Walpole Island native people and the water contamination that forces them to draw water from a distant region.

Everybody knows about the Wabagoon River and mercury pollution and what the native people have experienced over the last three decades.

We are now at the beginning of another saga in relation to the ALPAC development in northern Alberta where we are giving away the forests and the land on which the native people depend with potential serious contamination of waterways.

We all know and have heard about the Lubicon Indians and their struggle. It is very revealing to read what a writer in St. Bruno, Quebec, Marjorie Marc, writes about the Cree people in northern Quebec. I would like to quote a passage from her study where she says:

[*Translation*]

To deal with the problem of mercury contamination suffered by the First Nations, in particular the Cree of Northern Quebec, the Quebec government is encouraging them to change their eating habits. So far so good. But it happens that their eating habits are based on a way of life that goes back hundreds, perhaps thousands, of years, the fundamental pillars of which are hunting and fishing. In addition, native people's restricted incomes make it hard for them to obtain products from the South, which are more expensive for them than for us because of the great distances they have to be transported. Insisting that they eat tinned food means not only changing and limiting their way of life, but also putting their mental and physical health at risk. It is not by chance that Amerindians have a high alcoholism rate and the highest suicide rate in the world.

[*English*]

Mr. Speaker, it is not only with the environment that our native people have been increasingly fighting the establishment. When it comes to conflicts, a brief piece appeared in the *Toronto Star* of September 1 which encapsules the plight of the Innu of Labrador who are, according to the writer from the Canadian Press historically, a peaceful, nomadic group which in recent years has repeatedly gathered at Canadian Forces Base Goose Bay to protest the low-level flying of NATO jets over their traditional hunting grounds.

You have the Micmac, traditional fishermen and hunters. During the 1950s their lives were disrupted by forest relocation. In the fall and winter of 1988 the Micmac in Nova Scotia protested provincial limits to moose hunting by hunting above the limits.

You know the saga in Temagami where after several years of protesting the extension of a nearby logging road this spring, the Indians won a say over the administration of part of the Temagami forest.

You have the Sarcee in your region, Mr. Speaker. In mid-August they marched on to the Canadian Forces Base in Calgary and claimed a large chunk of it saying the federal government stole it from them nearly 40 years ago.

• (0310)

You have the Peigan tribe, and I referred to them a moment ago when referring to the Oldman River dam. You have the Mohawks who are the subject and object of this particular debate today. It is worth while noting how, in the Toronto *Star*, Gerald Utting describes this history of Oka where reference is made to the fact that, and I quote:

> The Mohawks say they have been provoked to taking action after years of keeping the peace despite continual (and undeniable) land grabbing by the white man. Mohawks lived at Oka before the British took Canada from the French in 1759.

These are historical facts that cannot be easily brushed aside. It is against this background of interference, conflicts and injustices that we read in the Order Paper, and we will debate today, the great vision of the Minister of Indian Affairs and Northern Development. This vision is reflected by the motion that we are debating tonight in which he proposed that the House commend the exemplary conduct of the men and women of the Canadian Forces at Oka and Châteauguay, that in the opinion of this House, the laws of Canada must apply on all Canadian territory, including Kahnawake, and that all persons currently at the Kahnawake Treatment Centre should lay down their arms and submit to the process of Canada's judicial system thereby encouraging the creation, and so on and so forth.

What a vision on the part of a minister of the Crown whose task, whose assignment, whose mandate is that of speaking on behalf of the aboriginal people at the cabinet table, at the inner sanctum of power, federally speaking, and who takes this tack in this House, virtually abandoning the substance, the very essence of his political mandate as minister of the Crown in charge of aboriginal affairs.

For these reasons, and against the broader background that I have attempted to outline for you, Canadians have been asking questions all summer as to what is going on in this country. All of a sudden, why are we getting such bad press in virtually every country of the world. What is happening to our high reputation in international fora on human rights that we should all of a sudden, not only have a black eye but also be considered to be in a stage that we never thought we would be ascribed, namely, of neanderthalers?

We in the opposition have been restless all summer. We started urging the government to recall Parliament in July. There was a letter from the Leader of the Opposition on July 17 to the Prime Minister. We had a demonstration on the steps of Parliament to make the point with the help of the media to recall Parliament. Then, on August 22, the opposition House Leader, the hon. member for Ottawa—Vanier followed up that intervention with a letter of his own to the Prime Minister without avail, of course, as you know, Mr. Speaker.

Unfortunately, this debate has tended to polarize because except for some very rare exceptions this afternoon and this evening, the government back-benchers have been the champions of the law and order theme. It indicates no sensibility for the basic fundamental principles of justice, and have left the opposition to occupy the much broader territory, the much broader issue that endeavours to indicate that, because of historical facts and because of the fact that the law is meaningless and empty unless it is based on principles of justice, the approach of law and order in the context of what has happened this summer, and against the background of what has happened over centuries, does not make sense. But this is the kind of intellectual bankruptcy that we have to face more and more in this Parliament with this intellectually bankrupt government.

We actually do not have to go back very far to refresh our collective memories. We can go back just to 1983 and look at the Penner report on Indian self-government. I will just use a minute to go over the conclusions of that report because it is as valid today as it was then.

An all-party committee of the House in the Thirty-Second Parliament, three parliaments ago, said in the conclusion on page 148 of the Penner report:

> As Indian First Nation governments exercise control over their own affairs, the committee strongly recommends that the programs of the Department of Indian Affairs and Northern Development relating to Indian people be phased out. This process should be completed within five years. This recommendation does not affect the Department's mandate for northern development.
>
> The committee believes that the best way to promote Indian rights is through Indian self-government and not by special representation for First Nations in Parliament. Nevertheless, the situation of Indian peoples will change with self-government, and special representation in Parliament might in future offer benefits that cannot now be anticipated.

Finally, this observation:

> The committee has concluded that the implementation of this report in its entirety, legislatively and constitutionally, is the best means of satisfying international standards in relation to Indian First Nations.

I look forward to the Parliamentary Secretary getting up when I finish to indicate to me what has been implemented of this report of 1983, which is the most recent document produced parliamentarily in terms of a well thought out effort on the part of members of all three parties to launch a process. This was in October 1983.

To conclude, Mr. Speaker, I would like to bring to your attention the fact that in June 1984, Bill C-52 was introduced, an act relating to self-government for Indian nations. I would welcome an intervention by the Parliamentary Secretary to tell us what has happened since November 1984 in terms of introducing legislation in the House on self-government for Indian nations, apart from the legislation to which my colleague from Notre-Dame-de-Grâce referred to earlier. What has happened to the substantial body of legislative proposals that the Conservative Government found when it came to power in the fall of 1984?

I would also like to bring to your attention, Mr. Speaker, a paragraph which struck me as being indicative of the depths of thought and wisdom of the native people, produced on September 20, 1990, five days ago, by the Six Nation Iroquois Confederacy. It is a fairly long document and I will read only one paragraph, because it is very relevant to the situation we are facing today. I quote:

> Restricting negotiations at this delicate time to a military demand for an absolute surrender is, we feel, sadly short-sighted. We feel

> our draft agreement with Mr. Ciaccia bears a real hope for a more lasting peace. Since Mr. Bourassa has announced his desire to negotiate with the Confederacy, and since Mr. Mulroney has stated his desire for a peaceful negotiated settlement, we hope they will agree to support this accord and join us in peacemaking, both for this immediate crisis and for the coming generations.

• (0320)

Time will tell whether this advice and this invitation will fall on receptive ears.

I must say that I felt deeply distressed by the wording of the motion proposed by the Minister of Indian Affairs. It strikes me as a motion that avoids the real issue before us. It almost brings back memories of Louis Riel, who also was described as being outside the law. It ignores the fundamental principles of justice and it reveals an attitude of a government that has to rely on the army because it has no other instrument at its disposal in dealing with a profoundly complex social issue that has been screaming for attention and screaming to heaven for so many decades and for so many centuries.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I rise in debate at this early morning hour of 3.22 a.m. to add my voice to the consensus of my colleagues, the hundreds of constituents in my riding of Hamilton West and, I dare say, the hundreds of thousands of Canadians who agree that it has been a dark summer that has produced suppression, political interference, inaction and a failure of leadership and statesmanship on the part of our Prime Minister.

Even in the motion put forward by the Minister of Indian Affairs there is a degree of cynicism and political manipulation which I am sure all Canadians recognize and deplore. I draw the attention of the House to the first sentence in the government motion. It reads:

> That this House commends the exemplary conduct of the men and women of the Canadian Armed Forces at Oka.

How can I support such a sentence in this motion when I do not have the full story? In fact, what I have are newspaper articles, reports from the scene, such as that given by *The Globe and Mail* reporter, Jeff York, who last Saturday walked out of the alcohol treatment centre where he and 11 other journalists have been cooped up by the military since one week ago Monday. York angrily disputed claims by the army that it has been acting in a disciplined and professional manner. York, in fact, says that the soldiers set off smoke-bombs, that they come behind the wire when they say they will not and they taunt the Mohawks by throwing rocks, trying to provoke violence.

In my experience prior to being elected in November 1988 of 16 years as a news journalist, I always followed that unspoken code of the news journalist. That code says that you must tell the truth, that that truth must be verifiable, that we must present a balanced story, both sides of the story, and, of course, that we do not say anything that is libellous. What we have seen is a gag on the media on this issue; in essence, a violation of the Charter of Rights. On my office wall here in Ottawa and in the constituency office, there hang framed parchments of the Charter of Rights. Under the heading of fundamental freedoms, number 2(b), is freedom of the press and other media of communication.

Tonight in my office I took a call from a constituent who passed along this comment. He said: "Stan, the Mulroney government has dealt more gingerly with Saddam Hussein than it has with Canada's native people. The media is permitted to report back from the deck of HMCS *Protecteur* in the Persian Gulf, but not from behind the razor wire at Oka."

Maybe what the Prime Minister fears most is the video image. It can be very strong, very powerful. There is the image, you can recall it, of women, children, and elderly people leaving Oka, and having stones thrown at them. There is the image of natives kicking and punching soldiers, and soldiers kicking and punching and using their gunbutts against the head of natives.

What this government is telling the Canadian people is that it does not trust news journalists because, in this

situation, it realizes it cannot manipulate the media. The government has branded the Mohawks as terrorists and will not allow them to negotiate before surrendering. In its opinion, the Mohawks are guilty. The journalists have attempted to give them a fair trial, but have been cut off from presenting their case by the Minister of Defence who is in essence managing the news by eliminating coverage of the events. As the *Ottawa Sun* reported just yesterday: "No court has declared them—the Mohawks—criminals. They want to negotiate with the province and the federal government but the army won't let them".

Here is the evidence. The letter is from the Six Nations Iroquois Confederacy and dated September 20, 1990. It states that "representatives of the Grand Council of the Iroquois Confederacy arrived at a draft agreement to end the crisis at Kanesatake and Kahnawake with Quebec's Minister of Native Affairs, John Ciaccia. Mr. Ciaccia was acting in his personal capacity and had no mandate from his government, but we, the Iroquois Confederacy felt that the proposed agreement represented a real opportunity for peace, not merely a temporary solution to the present situation".

It would have resolved the issues that must be dealt with immediately, but the Iroquois found out that there was virtually no co-operation from the federal, provincial, or military authorities. Both Canada and Quebec have said that the negotiating mandate has been given to the Armed Forces. Military authorities say that their mandate is limited to negotiating an absolute surrender.

Instant deadlock, Mr. Speaker. Even tonight the Iroquois Confederacy proposed that the laying down of arms could be carried out within hours if the government agreed and accepted its final offer which included a demand for an independent Crown Attorney. We have just heard from the Quebec government. It has rejected that proposal. All of it begs the question: Who is in charge? Is it the Quebec government? Is it the Canadian army? It should be neither. It should be this place. It should be the House of Commons. It should be the federal government.

What it all boils down to is two issues, land and the withdrawal of the Armed Forces. There are not many Canadians or I dare say many members of the House who understand fully the relationship that native people have with the land.

I have had the good fortune to attend many information sessions in my riding of Hamilton West and here in Ottawa and I have come to the conclusion that to the natives, the land is sacred. It provides and nourishes. One native person told me: "The land gives us life and it is to the land we shall return when we die." So it becomes increasingly clear when, in the case of Oka, the dispute originated over the expansion of a golf course, for pity sakes, the Mohawks finally decided to stand up for their rights, to speak in unison with indigenous peoples in Canada and around the world who have spoken out wherever oppression exists. Elsewhere in the world we applaud their efforts and in some cases, we even send aid. But here in Canada the Prime Minister calls the Mohawks terrorists and convicts and refuses to act unless they first submit.

• (0330)

Now, maybe as fond as he is of the American way, perhaps the Prime Minister would like to hear what the great statesman and a founding father of the United States, Thomas Jefferson, had to say on individual liberty: "The nation that tries to suppress liberty in the name of law and order inevitably loses both; liberty and law and order."

However the Conservative government, and in particular the Minister of Justice whom we heard from tonight, has hidden behind this notion of law and order and in the process has sent our peacekeeping army. The army we so proudly present as the bringer of harmony and peace in times of conflict, we have put up against a people begging and now demanding to be understood and treated with dignity. Instead, this government has dealt ruthlessly, arrogantly and with force, rather than leadership. Their philosophy is quite clear: that might is right.

Mr. Speaker, this is a power that cannot remain unchecked, for as John Stewart Mill noted in his book *On Liberty*: "The people may desire to oppress a part of their number and the precautions are as much needed against this as against any other abuse of power. In political speculations, the tyranny of the majority is now generally included among the evils against which society requires to be on its guard."

The real irony of this notion as applied to the situation we are faced with at Oka is that while the government is the tyranny with the majority, it is apparent to me that the majority of Canadians do not side with the govern-

ment and are in fact angry and frustrated with our "prime misleader".

The government claims that it has advanced the cause of native Canadians, but the record will show that we are talking about a government that has persistently delayed the aspirations of aboriginal Canadians. Only when Canadians are armed with the facts will they have a better understanding of the anger and frustrations of Canada's indigenous peoples.

I draw your attention to the "Budget in Grief". It was presented to the Assembly of First Nations on March 15, 1990. It tells us a few of these facts. The two-year federal reduction of $100 million is deceptively buried in the 1990-91 Main Estimates and the budget papers. Twenty-six million dollars was cut from approved levels for capital facilities and community services; $15 million from band management; $7 million from welfare services; $2 million from economic development for each of the two years.

With a crippled economic base and no tax base, just where do native people find the finances to offset lost federal revenue? First Nations have been trying to do so, but each year it drives them more into debt. To make up for the shortfall of federal budgets since 1985, over $333 million would have to be added to the 1990-91 Indian and Inuit Affairs program budget to compensate fully for inflation and extremely high population growth.

All this resulted in some appalling statistics. In 1989, 70 per cent of the reserve Indian population had become institutionally dependent on government social assistance, 164,000 reserve Indians lived on social assistance, 120,000 Indians living away from reserves received social assistance. It means that 61 per cent of them are on social assistance. That is greater than the combination of all four Atlantic provinces. There is only one business for every 30 Canadians but only one native business for every 100 native people. Life expectancy of male and female Indians will be over eight years lower than their non-aboriginal counterparts in 1991. Infant mortality rates are more than double the Canadian rate, 17.2 per cent compared to 7.9 per cent for 1,000 babies. It goes on, Mr. Speaker.

What native people have been telling me is that they are no longer interested in handouts, what they want is a helping hand. Canadians see the trail of broken promises, of suppressed culture, of deprived economies. And while we must all take some responsibility for this tragic line of Canadian history, no government has ever been more blatant and more callous in its indifference, in its suppression of the needs of its indigenous peoples.

I want to conclude my remarks with a native myth, Mr. Speaker, the Indian myth about a tribe starving, unable to track the mighty buffalo herds. Two children brought the hunters' robes, made of coyote skins, begging that they wear them. Some of the hunters laughed, some were angry with the children's interference. But two elderly wise members of the tribe agreed to put on the coyote robes and, in doing so, found they had the vision of the coyote and were able to direct their people to the buffalo. Many stories of the great medicine wheel teach an important lesson that the government should learn and apply to the native crisis. To live in harmony and well-being we must see with the eyes of others, hear with the ears of others, speak with the tongue of others. I appeal to the government to put on the robes of the native people, to see and hear and thereby understand their hopes and their dreams.

Mr. Phillip Edmonston (Chambly) A comment, Mr. Speaker. I would just like to refer to my hon. colleague's remarkable and very well researched discourse on the present problem with the native peoples of Canada. I listened with great interest and I find that from his research he was able to give us a very good general sense of from where we have come and where we are right now with the native peoples, particularly in regard to Oka. I would like to make a comment and also follow it with a question.

I have learned tonight from a Canadian Press reporter, at this late hour, it is almost four o'clock in the morning, that there has been a declaration from the Mohawk warriors at Oka that they are prepared to surrender. They are prepared to unconditionally leave the detoxification centre as of Thursday or Friday next. If this declaration is followed by them, it would mean then that this entire controversy, which has taken up so much of our time and concentrated our efforts on looking for a way to resolve the issue, will have resulted in finally an end to a major conflict, I believe, between Canada's aboriginal peoples and the government, as well as the citizens. We have heard others say how much the citizens in the immediate area of both Oka and Châteauguay

were affected this summer. We have come to an end which is not a peaceful end. It has not been without a considerable amount of distress, inconvenience, even law breaking. We have to admit that. I am asking myself at the moment, are we going to be foolish enough, and I am speaking to my colleagues on the other side of this House, to feel that this is the end and that there is no more efforts that we must deploy in order to make sure that the conditions that bred this type of conflict no longer exist. Are we going to take this as the end of a conflict and that we do not have to turn attention to these problems? I certainly hope not.

• (0340)

If the Mohawks do surrender at Oka, and we have heard the government's promises, that it really wants to deal with the problems which are behind the grievances, initially of what the natives have brought to our attention so vividly through images, I trust and I hope the government will carry through with some of the comments and some of the promises it has made once again. However, understand we are in an area where the government has made many, many promises and that our native peoples have learned quite justifiably to be very suspicious.

What I would like to do in directing my question to my hon. colleague, and once again I would like to compliment him for a well researched job and very well presented, is ask him, in light of this new information, what concern he would have or whether he would share the same concerns that I have for the safety of the Mohawks in surrendering and the chances of having a fair trial. Finally, how does he see the next step for the government in light of perhaps—if what we hear right now at close to four o'clock in the morning is true—what he sees as the responsibility of us as parliamentarians. He has mentioned the ball is in our court and has to stay in our court. What is the responsibility of us as parliamentarians and on the government side? What is it in the very near future?

Mr. Keyes: I want to thank the hon. member for his compliments and the question. The end, of course, might have been reached much earlier had the government acted responsibly in the beginning. The answer is probably simply this. The actions at Oka obviously loosened the grip of the Prime Minister enough to force him to make the slew of promises that he made earlier tonight.

Yes, we heard the Prime Minister speak of the overhaul of native policies and changes to the Indian Act and speedier resolution of land claims, but you will have to excuse my scepticism if I say I have heard time and time again the right hon. member give us a record, be long on the promises but very short in the accomplishments.

Now I bring myself to putting aside the partisanship of the issue. We have made our point. We must act now together, as I explained earlier, to try to put ourselves in the position of our native peoples. We realize that may be an impossible goal but we must try to do that. Being able to see through their eyes and hear with their ears and speak with their tongues puts us in a better position to understand their problems, their uniqueness and their understanding and appreciation of the land. Therefore, we can work together, try to reach that goal and do what is right for our native peoples.

Mr. Jim Peterson (Willowdale): Thank you, Mr. Speaker for allowing me to speak and for your tremendous forbearance and an excellent job of chairing this House tonight.

To me this is a critical debate, not just in terms of what it means to Canada's native people, but what it means to all of us in Canada in terms of two very different systems of justice which are on trial before us. I am talking first of all about the type of judicial law-making system which is represented by this government's stand. Every one of the members from the Minister of Justice to the Prime Minister, to everyone who has spoken from that side, has spoken about law and order. Yes, this is one system of justice according to the principles of jurisprudence that is available in the western world and in all judicial systems throughout the world. The system of law and order in terms of jurisprudence is described generally as legal positivism or legal realism. It is represented by scholars such as Austin, Kelston and is maybe best expressed by the Swedish legal realist Lundsted, who said: "The assertion that law-makers and courts should be guided by ideals of justice, is completely useless".

In other words, the positives say if the law is properly passed, it must apply regardless. That is the government's position. That is their jurisprudential position. There is in jurisprudence one other position at least, and it is the one which is represented by persons such as Plato, Aristotle, Herbert Spencer, Lester Ward and W.R. Sorley. These are scholars who talked about the necessity for law, not just to be obeyed regardless, but

the necessity for the law to encompass equality and*or freedom.*

A more recent scholar in this area has been H.A.L. Hart. We go back to the Jeffersonian principles which he brought to the Declaration of Independence which again embodied the ideal that law is not right just because it is law. Law must satisfy the test of justice, and those tests for justice have often been the concepts, depending on the emphasis, of equality and*or freedom.*

I quote:

> This latter school embraces the philosophy that no philosophical or sociological treatment of the law which refuses to face the question of the goodness of the law, in addition to that of its formal validity and technical organization can provide us with an adequate insight into legal reality.

For the Minister of Justice to have stood up tonight and done nothing to recognize that there are other schools of legal philosophy, other schools of jurisprudence other than legal positivism was, I do not believe, an attempt to mislead this House. I believe it was based on ignorance, an ignorance which has led to the type of crisis we are facing in Oka today and which, if blindly followed, is going to lead us to many more crises across this land.

• (0350)

If laws do not meet the test of justice, equality, and freedom, we have seen in the past how it is impossible for any elected or self-appointed government to deal with the civil disobedience that will inevitably arise. It was Ghandi who asked the people simply to make their own salt from the sea rather than capitulate to the monopolies of the capitalists, and he had a nation marching with him in peace.

We know that it is even a part of modern day law that if there is a patently unjust law on the books, it is a crime to follow it. That was the decision of the Nuremberg trials.

Even the United States Supreme Court has introduced these new principles, not illogical, legal positivisms, through Mr. Justice Holmes, in Brown *v* Louisiana when five blacks disobeyed a law which said they could not go to a public library and the court finally acquitted them. Even though they disobeyed that law the court said the law was not right.

We do have higher laws in this land than just the laws passed by Parliament. There are other laws. There is the Constitution with its Charter of Rights and Freedoms which provides an override for all the laws which may be passed.

We have other laws too: treaties, which are laws. We have the laws of reason, of justice, and of equality.

When we come to consider what has happened—and I hope the standoff at Oka is over—how are we going to assess the roles of all the people involved: legislators, native Canadians, police, army? How are we going to assess that unless we have a full inquiry into the facts that led to the resolution of what has been a blight on Canada's national reputation and has caused us great anguish in the international councils of the world?

I want this government to order an inquiry starting say last January and following right through. If it does not we are not going to be able to show people that justice was done or not done. It is not for us to prejudge it. We do not have all the facts. Facts coming out of that place are censured now. We cannot even get in to determine things.

Native Canadians cannot even get in to propose earlier resolutions to that conflict. We need an inquiry into all the facts called immediately.

When we are dealing in the future with this question of whether we are going to be legal positivists or whether we are going to have a broader social view of law, it is critical that we remind ourselves of the plight of Canada's native people.

In Canada we have 466,000 status Indians, 308,000 of whom live on reserves. Their income levels are atrocious: 61 per cent of all reserve and non-reserve Indians depend on social assistance. Their income is only 54 per cent of the national average. Their unemployment level is 70 per cent. Illiteracy among our native Canadians is 45 per cent versus 17 per cent among Canadians as a whole. Only 20 per cent of our Indian children have completed high school; it is 75 per cent throughout our population. Life expectancy is eight years less than for other Canadians. Infant mortality is two times as high. In their homes the overcrowding rate is 16 times as high as in all Canadian homes and 38 per cent of native homes have no central heating.

Native Canadians constitute 2 per cent of our population. However, they constitute 10 per cent of our federal penitentiary population. If that is not bad enough, look at native children. Four times as many native children are under child care agencies, and seven times as many native children commit suicide as other Canadians.

Today in this House of Commons the Minister of Indian Affairs talked about increases in spending on native programs. Since 1985, Canada's Indian and Inuit population has increased almost 34 per cent, the spending for them in real dollars over that period has declined by 11 per cent.

We know that money is not everything. Surely we have learned some lessons from Oka. We cannot tolerate this government hiding behind a few warriors in the treatment centre as an excuse for giving up on all of its responsibilities to Canada's native people.

What did this government do to resolve the issue more quickly? If it was a question of law and order, because some of these natives have guns, the government knew about it years ago. Did it step in then on the basis of law and order to deal with the issue? No, it was only when the barricades went up.

The barricades went up on March 11. According to the chronology in the minister's own communiqué on federal actions taken at Oka, the barricades went up on March 11—the first federal initiative is July 17. "Minister Tom Siddon issues statement explaining profile of federal government". That was six days after the *Sûreté du Québec* went to the barricades, and the tragic death of one police officer. Where was the minister? Where was the federal government?

The Prime Minister admitted that he had not met with one native leader.

In the summer of 1985, 174 refugees were put ashore by boat in Canada. This House was called back because of that crisis and yet this government would not call back this House to deal with the plight of our own native Canadians as epitomized by Oka.

We needed more negotiations and less force. Is it not ironic that at Oka we have deployed 3,300 armed forces? Heck, this government sent only 2,000 to the Middle East.

I hope we have learned from Oka. I hope we have learned that there is more than one concept of jurisprudence and that the modern concept, the concept that justice, meaning equality and freedom, must also be components of an orderly, legal system. I hope that we have learned that that was critical to all of our future deliberations in this House.

If one good thing has come out of Oka it has shown Canadian people the plight of many of our native Canadians. We must not let it die here. We must have a public inquiry as to the events leading up to Oka. We must have a royal commission to investigate the plight of natives in Canada. We must speed up land treaty negotiations. We must bring about conditions of economic and social justice for all of our native Canadians. Surely by now we realize that they have a claim on the conscience of all Canadians.

The Acting Speaker (Mr. Paproski): I am sure there are no questions or comments.

Before I call it an evening, I would like to congratulate all members for keeping the debate on such a high plane this afternoon, this evening, and this morning.

There being no further members seeking the floor for debate, pursuant to order made on Tuesday, September 25, 1990 the debate is deemed concluded, the question being put and a division being demanded and deferred until three o'clock p.m. this day.

It being four o'clock a.m., pursuant to order made on Tuesday, September 25, 1990, this House stands adjourned until two o'clock p.m. this day pursuant to Standing Order 24(1).

The House adjourned at 4 a.m.

HOUSE OF COMMONS

Wednesday, September 26, 1990

The House met at 2 p.m.

Prayers

[*English*]

HOUSE OF COMMONS

BOARD OF INTERNAL ECONOMY

Mr. Speaker: I have the honour to inform the House that the Hon. Harvie Andre, member for the electoral district of Calgary Centre, the Hon. Gilles Loiselle, member for the electoral district of Quebec, have been appointed as members of the Board of Internal Economy for the purposes and under the provisions of Chapter 42, first supplement of the Revised Statutes of Canada, 1985, entitled "An Act to Amend the Parliament of Canada Act".

STATEMENTS PURSUANT TO S. O. 31

[*English*]

PARLIAMENT HILL

Mr. Maurice Foster (Algoma): Mr. Speaker, I want to call the attention of the House to a special ceremony which will take place on the lawns of Parliament this afternoon around 3.30, the unveiling of the statue of Lester B. Pearson, our former Prime Minister and the member of Parliament for Algoma East for some 20 years.

I hope every member of Parliament will be able to attend this special ceremony to honour the memory of a truly great Canadian who was the leader of a government with great vision, a government which gave us many of the social programs that we enjoy today, such as medicare, the Canada Pension Plan, and the Canada Assistance Plan. He also gave us our distinctive Canadian flag.

A choir from Central Avenue Public School in Elliot Lake, Ontario, under the direction of Lorraine Liss will sing at this afternoon's ceremony. This choir is an appropriate part of this special occasion because Mr. Pearson, during his lifetime, was a great inspiration to tens of thousands of young Canadians as he represented us as a Secretary of State for External Affairs at the United Nations, as the winner of the Nobel Peace Prize, as the Leader of the Opposition and finally as the Prime Minister of Canada from 1963 to 1968.

The legacy he left us as we entered our second century as a nation in 1968 was stronger, more compassionate and united nation after his many years of service to Canada.

* * *

PHARMACEUTICALS

Mr. Phillip Edmonston (Chambly): Mr. Speaker, the government is encouraging price gouging by drug companies at the expense of Canadians suffering from arthritis.

Lederle Cyanamid sells the same drug under two different names, Methotrexate and Rhumetrex. Methotrexate is sold to hospitals for 59 cents a tablet. Rhumetrex, the same drug, is sold to pharmacies for $2.32 a tablet.

This government knows consumers are being cheated but it is doing nothing about it. The Canadian Association of Rhumatologists voted last week to censure Lederle for this practice. Did the Minister of Consumer and Corporate Affairs respond? Not a word, Mr. Speaker. The *Conseil consultatif de pharmacologie du Québec* and the *Ordre des pharmaciens du Québec* have both denounced this scam. I call on the consumer and corporate affairs committee to order the minister and this drug company to appear before it to explain this flagrant and repugnant pricing abuse.

* * *

THE SENATE

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, this government was re-elected in 1988 because Canadians recognized that we had a plan for economic renewal. We told Canadians that we would build on the successful foundation that we laid in our first term.

Canadians were aware of our program and gave us the mandate and legitimacy to proceed. And proceed we did.

We introduced UI reforms to improve the system and save $2 billion a year. We introduced a large corporation tax to ensure fairness and save another $2 billion a year. These bills have been in the Senate 205 and 173 days and counting. We introduced the goods and services tax to reform an archaic and decrepit system and improve the Canadian economy. We have acted on our pledge, yet at each turn, a foot dragging Senate is thwarting the legitimate and responsibly elected government. Obstructionism in the Senate is adding billions to the deficit. The Senate blatantly brags that it will kill the GST. Such contempt for a responsibly-elected government and its electors is astounding.

To quote Stephen Lewis, "Either we have a parliamentary democracy, or we don't". Reason must prevail. The people of Canada and their responsibly-elected government will not be so easily duped.

* * *

PARLIAMENT HILL

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, in a ceremony later this afternoon the statue of the Right Hon. Lester B. Pearson, Canada's only Nobel Peace Prize winning Prime Minister will be unveiled.

I would like to read a short excerpt from the second volume of his memoirs, and I quote:

> My own experience has given me a great respect for those who discharge their political responsibility by working for the party of their choice, and especially for those who do so by serving, or seeking to serve, in Parliament or in other legislative bodies. There can be no prouder achievement than to be chosen by one's fellow citizens to speak and work for them in a freely elected assembly.

Those are values that all members of this House share, I am sure. It is a challenge for all of us to instil these values in all of the Canadian public.

[*Translation*]

Mr. Speaker, today we will honour the Right Hon. Lester B. Pearson by unveiling a statue in his honour. A remarkable Canadian, Mr. Pearson's became well known for his peace initiatives and for promoting dialogue between nations. So far, he is the only Prime Minister to have received the Nobel Peace Prize. Bravo, Mike!

Some hon. members: Hear, hear.

* * *

[*English*]

INDIAN AFFAIRS

Mr. Dave Worthy (Cariboo–Chilcotin): Mr. Speaker, this summer Canadians learned much of blockades.

Throughout the summer months my riding of Cariboo–Chilcotin was no stranger to the native blockades that affected many of Canada's small towns. I am sure all members of the House agree that while many of the aboriginal demands are legitimate, the use of illegal blockades are not the means by which they are to be realized.

On a national scale, we have been witness to a small group of masked insurgents holding our justice system hostage, a group who do not represent the legitimate concerns or aspirations of the native people.

More insidious than this, down the hall from this very House, another blockade has been put in place, a blockade erected by a group of misguided Liberal senators. Being held hostage behind this blockade is the Canadian democratic parliamentary system that we know and enjoy.

* * *

AGRICULTURE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, let us take a minute to look at the summer's events in agriculture.

A farm aid package to help boost disastrous farm incomes provided half measures. Over a billion was needed, but $500,000 came.

To meet current needs, another $1.25 billion for grain growers is needed now because of a drop in initial Canadian Wheat Board prices at prairie elevators of 22 per cent on August 1, and increases to the export subsidy program used by Europeans and Americans. The Americans are now over $55 U.S. a tonne and have effectively pushed the world price well below initial prices.

At the GATT, our government is negotiating Article XI. At issue is whether supply management for agriculture production can survive. The system eliminates wastage and overproduction, and assures consumers a secure supply of product in return for a fair price to producers.

Cabinet must direct our negotiators at GATT to reject the aggregate measure of support concept that assumes that when a marketing board's prices are above a so-called world price, then the difference be construed as a subsidy. We must strengthen Article XI and maintain the viability of our dairy, poultry and egg farms.

* * *

BILL C-21

Mr. Peter L. McCreath (South Shore): Mr. Speaker, last week Patricia Wong came to see me at my office in Bridgewater. She was eligible for the fee payer program of the Canadian Jobs Strategy and she was accepted into the cosmetology course at the Nova Scotia Community college.

But Patricia Wong and many like her have been disappointed and let down because the funding for that program has been cut off by the actions of the other place down the hall. The Government of Canada believes that the Patricia Wongs of this country deserve a fair break, and a reasonable chance.

I urge the Liberal leaders of the other place to give Patricia Wong and others like her their just due, and to respect the long standing principles of Canadian parliamentary democracy. Pass Bill C-21.

Either we have parliamentary democracy or we do not.

* * *

STATUS OF WOMEN

Ms. Mary Clancy (Halifax): The Minister of Justice is hosting a meeting on Vancouver Island next month entitled "Women Towards the Millennium", the purpose of which is, according to the Minister, "to explore the position of women in Canadian society."

We do know that 60 women have been invited to this meeting, but who these women are remains a mystery. We also know that neither the Liberal or the NDP critics for the status of women have been put on the list.

Indeed, in speaking with representatives of national women's groups, I could find none who had been invited. Does it not seem unusual that such a meeting is being held without representation of the major women's groups in this country? Is it not equally unusual that not one female member of Parliament from this side of the House has been invited?

I think it is time for the minister to come clean with Canadian women and tell us what this meeting is really about, who is invited to it and why so many who work through their national organizations for gender equity are not on the minister's list.

* * *

[*Translation*]

THE SENATE

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, thousands of Canadians are angry, and rightly so. A group of Liberal senators, supported by Liberal Leader Jean Chrétien, has betrayed them by ignoring the democratic choice they made by electing a majority government in 1988. Thousands of women are unable to take advantage of the benefits of Bill C-21, including maternity leave, because Liberal senators and Jean Chrétien decided otherwise.

Thousands of unemployed workers have no hope of returning to work because Liberal senators and Jean Chrétien are denying them the right to training. Thousands of Canadian men and women can no longer hope that reducing the deficit will put this country on the road to economic recovery because Jean Chrétien and his senators have decided otherwise.

Canadians ought to know that the unwarranted action taken by the Liberal senators and Jean Chrétien will increase the deficit by $8 billion.

Canadians ought to know that all our social programs and our economic future are being compromised by the unwarranted action of the Senate.

* * *

• (1410)

[*English*]

THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, Parliament has proven to be extremely poor in responding pro-actively

to environmental crises. The warning about zebra mussels fell on deaf ears and now the Great Lakes and its tributaries face contamination.

A few days ago Norwegian MPs appeared before Canada's environment committee and warned of the crisis facing Norway. Due to a major outbreak of parasitic disease, Norway has begun a program to kill all life in 70 rivers. Combined with the destructive effects of genetic pollution from salmon escaping from fish farms, Norway's wild salmon and rivers face extinction.

Let me quote the MPs from Norway, "This is maybe the main ecological problem in Norway, the most concrete we are facing" and "We cannot sit around tables debating while the salmon just die in the rivers." Further quotes are: "In the end the politicians gave in and the import occurred against the advice of the best informed scientists in the country" and "Some of the fish farmers went to Canada. They said we want bigger fish farms, we can do as we like."

Mr. Speaker, Norway is intentionally killing all life in 70 rivers. Failure to act here in Canada beginning today would be a crime. No Canadian river deserves a death warrant due to political negligence.

* * *

MISSING CHILDREN'S NETWORK

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, in light of the forthcoming World Summit on Children, I rise today to bring to the attention of the House the plight of thousands of families across Canada who have suffered the disappearance of a child. It is our responsibility, as representatives of the people of Canada, to ensure that we offer protection and support to the victims and families of this crime.

We must support organizations such as the Missing Children's Network that works tirelessly for the protection of our youth.

[*Translation*]

Thanks to the perseverance of the Missing Children's Netword, dozens of children have been able to get back to their families. We must help organizations like these respond to the needs of those people in our communities who are confronted with the disappearance of a child.

THE CONSTITUTION

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, this morning we read in the papers that the Quebec Chamber of Commerce has rejected the constitutional status quo and wants the Quebec Government to ask Canada, in no uncertain terms, for all the powers it needs for its political, social and economic development.

This group of 60,000 business people feels Quebec has no choice. It must be able to act independently in the following areas: education, culture, communications, employment, manpower, unemployment insurance, regional development, financial institutions, health care, social and urban affairs, and recreation.

Mr. Jean Lambert, president of the Chamber of Commerce and former president of the "No" Committee in Quebec in 1980, made it clear these were minimum demands. I would advise the Mulroney government to reconsider the new approach it seems to have taken to Quebec as a result of pressures, namely from Ontario.

Taking a hard line will be useless. The Mulroney government's refusal to negotiate on a government-to-government basis with Quebec will merely stiffen the resolve of all Quebecers to get rid of a form of federalism that is no longer worthwhile.

The failure of the administrative agreement on immigration and Mrs. McDougall's announcement that she intends to create unilaterally a national occupational training commission, with no regard for Quebec's demands, and considering the failure to renew agreements.

Mr. Speaker: I am sorry to interrupt the hon. member but his time has expired.

* * *

[*English*]

PARLIAMENT HILL

Mr. John E. Cole (York—Simcoe): Mr. Speaker, I would like to take this opportunity to invite everyone in this House to participate in the unveiling ceremony of the Lester B. Pearson statue this afternoon.

As every member of this House will agree, this tribute is an occasion of honour and distinction. While the monument will remind us of Mr. Pearson's achievements, it should also serve to reinforce our responsibilities as parliamentarians. Mr. Pearson's conduct in the House serves as a model for us all. We should also take heed of his respect for parliamentary procedure, responsibility and tradition.

The current tactics undertaken by unelected senators with respect to passing government legislation would surely be frowned upon by Mr. Pearson. This monument, then, is not only an occasion of remembrance but it is also an echo from the past at a time when the integrity and responsibilities of the elected Parliament are hampered by the unaccountable Senate.

I know all Canadians will join with us in remembering and paying tribute to such a distinguished citizen and respected statesman. The thought, the emotion and the artistic energy expressed by the artist, will form a fitting tribute to the late Prime Minister Lester B. Pearson and we, as parliamentarians, can share with family, friends and colleagues in honouring "Mike" who contributed so greatly to Canada and Canada's stature in the world.

* * *

THE SENATE

Mr. Garth Turner (Halton—Peel): Mr. Speaker, this afternoon I would like every Canadian to ask themselves three questions.

One, should the unelected and unaccountable be the ultimate power in Canada over the elected and the accountable? Two, is this a desperate Senate action by Trudeau cronies to slow down the plunging popularity of Liberal Leader Jean Chrétien, the shadow man? And thirdly, why has Jean Chrétien consistently refused to state any alternative to the GST?

Again, all Canadians must reflect on the words of Stephen Lewis who is opposed to the GST but said: "Do we want a Parliamentary democracy or not?" The time to choose is now.

ORAL QUESTION PERIOD

[*English*]

GOODS AND SERVICES TAX

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, my question is directed to the Prime Minister. Last night the Prime Minister said he would not hesitate to stack the Senate with eight additional Conservatives in order to ram through the goods and services tax.

Some hon. members: Oh, oh.

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): The Prime Minister said this even though millions of Canadians have made representations to parliamentarians saying they do not want this unfair, regressive and damaging tax. In fact, Mr. Speaker, every measure of public opinion shows that the majority, the overwhelming majority of Canadians do not want this tax.

Instead of trying to stack the Senate, why will the Prime Minister not listen to Canadians for a change and scrap the GST?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend knows as well as I do that all tax measures tend to be unpopular and he indicates that public opinion is against the GST.

Public opinion is invariably against any new tax measure introduced by any government. But to run a government, looking out for the interests of the nation five, ten and twenty years from now, you cannot do so the way you run a hotline show and make fiscal policy based on the number of telephone calls you receive in the morning. We were elected with a mandate and we hope to have an opportunity to execute it.

I draw to my hon. friend's attention an editorial in one of Canada's leading newspapers, *The Toronto Star*, this morning. It stated:

> In fact, Prime Minister Brian Mulroney won a parliamentary majority two years ago on a platform that included the GST—
>
> Like a sepia-toned photograph of Liberal governments long dead, the lingering Liberal majority in the Upper House still has enough bodies and votes to defeat the tax. Regardless of the merits of the GST, or what happens to it, one thing is clear: Canadians need one government in Ottawa—not two.

That is the parliamentary government. That is what we have and that is what—

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): Mr. Speaker, if the Prime Minister is so interested in newspaper articles, why does he not look at the *The Wall Street Journal* that says: "Canada's Mulroney is leading the pack for title of the most unpopular leader of the western world"?

Some hon. members: Oh, oh.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the proposed goods and services tax of the government is considered so unfair and damaging that three provincial governments, one of them a Conservative government, intend to challenge the GST itself in court, and intend to challenge the right of the Prime Minister to swamp the Senate with eight additional senators.

In 1981 when provinces went to court to challenge the way the then government was proceeding to amend the Constitution and bring it back to Canada, the government of the day withheld its activities and did not proceed until the court challenges were completed.

Why will the Prime Minister not follow this precedent and wait until the court challenges are decided before trying to stack the Senate with eight more GST-loving Tories?

• (1420)

Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition has let the House in on a kind of an embarrassing secret that, in fact, I have become unpopular. I am embarrassed by that, but I am somewhat comforted by the view that so far my unpopularity lasts during the term but it changes quickly during an election campaign when the votes are counted.

Some hon. members: Hear, hear.

Mr. Speaker: Perhaps the Right Hon. Prime Minister could answer the question.

Mr. Mulroney: Mr. Speaker, the last time they asked me to call an election they did not like the results.

Some hon. members: Hear, hear.

Mr. Speaker: Perhaps we could have another try.

Mr. Mulroney: All right, Mr. Speaker. In a final try, let me tell my hon. friends who are crying for an election that we are discussing the Constitution and one of the most important things I learned as a student of constitutional law is that a term in Canada is five years, not three.

Mr. Gray (Windsor West): Mr. Speaker, it is interesting that for two days in a row the Prime Minister insists he will not call an early election. He knows exactly the same thing that Canadians know, that whenever he calls an election he will not be there after that election.

Some hon. members: Hear, hear.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, again I ask the Prime Minister why he does not wait for the court rulings before appointing eight additional senators. Why does he not respect precedents, as previous governments did in the past. This is the same position as the one taken in 1981 by the Leader of the Opposition who is now his Secretary of State for External Affairs and who chose not to proceed until the courts had ruled?

Right Hon. Brian Mulroney (Prime Minister): What a joker, Mr. Speaker!

The Leader of the Opposition is urging us to respect precedents, yet his political allies in the Senate refuse to respect the most elementary precedent, namely that the members elected by the people must prevail over the non-elected senators.

Some hon. members: Hear, hear.

[*English*]

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is directed to the Prime Minister. One province has already stated that it intends to challenge the federal government's right to act under Section 26 of the Constitution. One individual has already served notice that he is going to do so. Two other provinces may be challenging by this time next week. We are talking about the rights of the provinces here. We are talking about the rights of the people.

Some hon. members: Oh, oh.

An hon. member: They do not believe in rights for anybody.

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. MacLellan: Mr. Speaker, 80 per cent of the people of Canada are opposed to the GST. We know he is not in favour of provincial rights and he is obviously not in favour of the opinion of Canadians—

Mr. Speaker: I wonder if the hon. member could hurry up and put his question.

Mr. MacLellan: Will the Prime Minister state categorically that he will wait until the court challenges are resolved before he appoints any additional Senators.

Right Hon. Brian Mulroney (Prime Minister): No.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, in a question that is this important and this unpopular to Canadians, Canadians have the right to hear the opinion of the courts. Why will the Prime Minister not respect this and wait for the court challenge to be answered?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think we have answered the questions very directly. It is quite surprising to see a veteran parliamentarian who has a good reputation in this place rising to suggest anything other than the supremacy of the elected members of Parliament over the rights of the Senate.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, it is wonderful to see the Liberals and the Tories fighting over the Senate. Neither of them did anything for 125 years to give us a legitimate Senate.

Some hon. members: Hear, hear.

Mr. Speaker: I am trying to assist hon. members to get on with Question Period. The hon. member will put his question as quickly as possible.

Mr. Blaikie: My question, Mr. Speaker, is directed to right hon. Prime Minister. Surely the Prime Minister realizes that he is on the brink of pushing the country into another constitutional crisis.

I want to ask the Prime Minister why he cannot see the wisdom of not causing a constitutional crisis in the name of an unpopular tax? Why not just withdraw the unpopular tax, save us from the crisis, and get about the business of real tax reform in the country?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am surprised to see the usually thoughtful member of the NDP make an argument that specious in regard to a role in Parliament that his party has consistently analysed in a different manner over the decades.

In fact, his hometown newspaper this morning provided some views that he ought to reflect upon. The *Winnipeg Free Press* stated that: "The Liberal majority's plan to kill the GST is a perversion of the useful role (of the Senate). It is a dangerous and irresponsible abuse of power which should concern all Canadians whatever they think of the GST". I assume that includes the NDP.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, the Prime Minister will get nowhere with me quoting the *Winnipeg Free Press*. They were for the free trade agreement as well.

Does the Prime Minister not realize that we patriated the Constitution in 1982? What he is considering is a step which would put Canada back in a quasi-colonial status, having the Prime Minister go to the Queen in order to solve a Canadian political problem that he could solve by listening to the Canadian people and withdrawing the GST.

Mr. Peterson: Call an election, Brian.

Mr. Andre: Is that the same advice you gave your brother?

Some hon. members: Oh, oh.

Mr. Speaker: Perhaps the right hon. Prime Minister could answer the question.

• (1430)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, all I can say is the member for Willowdale has been consistently referring to an election that took place in Ontario a few weeks ago and, while I like him a great deal, I did not know that he was a masochist.

Some hon. members: Oh, oh.

Mr. Mulroney: I have been trying to stay away from it, Jim.

Some hon. members: Oh, oh.

Mr. Speaker: Perhaps we should hear the next question.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I never got an answer to my last question because it was taken over by this idle chatter between two representatives of the corporate elite in Canada.

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member for Winnipeg—Transcona has the floor.

Mr. Blaikie: Mr. Speaker, perhaps the Prime Minister could answer the question as to why he wants to embarrass the whole country by going cap in hand to the Queen and, at the same time, explain why he continues to maintain that he had some kind of mandate for the GST when it was he and his colleagues who shut up the hon. member for Mississauga South when he mentioned the GST in the early stages of the 1988 campaign.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, on a number of occasions, including November 17, 1988, October 1, 1988 and throughout, there were very specific and lengthy arguments by me in regard to our position on the GST. We said that if we were re-elected in 1988, if we received a mandate from the people of Canada in that election campaign, we would bring in and pass the GST. We have done that. That is the fundamental principle of democracy and I am astonished that a socialist will not stand up and acknowledge that.

My friend from Willowdale and I are being accused by the NDP of idle chatter between the corporate elite. Let me quote a spokesperson for the dispossessed and the downtrodden, Stephen Lewis, on the CBC yesterday morning. Mr. Lewis said: "And I must say that if Brian Mulroney were driven to the eight additional senators, I can't say I blame him. Ultimately, we have a parliamentary democracy and the way in which they are behaving in the Senate really drives me crazy".

* * *

[*Translation*]

MONETARY POLICY

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, I direct my question to the Minister of Finance. The minister would know about the recent announcement that there have been at least 30,000 bankruptcies in Canada since the beginning of the year. Monetary policies, especially as they relate to overly high interest rates, are strangling the Canadian economy. My question to the Minister of Finance is to find out whether at long last the government and the Minister of Finance acknowledge that they must change their monetary policy, let interest rates drop, and lower the value of the Canadian dollar?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I should point out to the hon. member that while there are a significant number of bankruptcies, and I do not take any pleasure in seeing that, there have been something like 350,000 new businesses created in 1989. While there are companies that fail, there are considerably more companies that are being created because of the dynamic economy that we have had over the last six years.

An hon. member: Where?

Mr. Wilson (Etobicoke Centre): The hon. member says, where. If he would care to look around in any part of this country, he would see that during this period of time we have had over 1.5 million jobs created. We have been one of the leading economies in the world. If the hon. member will not open his eyes to the progress that we have seen in this country over the last six years, there is no hope for him.

I say to my friend that over the past three months we have seen an alleviation in the implementation of monetary policy which resulted in a 1 per cent drop in the prime rate and about a 1.5 per cent drop in the Treasury Bill rate and the Bank of Canada rate. We are reflecting the change in the economic circumstances in the policies we have been following. If there is a continuation of the ease in inflation and of the ease in the economic conditions, that trend to lower interest rates can continue.

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, the fact is that Canadian business cannot wait. The high interest rate policy is driving thousands of them out of business. If he looks at the job creation he is referring to, he should realize that we are losing jobs in the manufacturing and exporting sector.

Does the Minister of Finance understand that this is just the tip of the iceberg? If he is listening to business in this country, he should realize that the last nail in the coffin of the Canadian economy is going to be the goods

and services tax if it passes. Is the minister going to wake up to the economic realities in this country or not?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member's question would have some legitimacy if he had an alternative to the goods and services tax. His colleague from Ottawa said that the credibility of the Liberal Party would be in shreds if the Liberal Party of Canada, through its non-elected Senate, votes down the GST when it does not have an alternative to put in place.

If the hon. member is concerned about the business community in this country, he will listen to what the business community is saying about the tactics of the Senate. The people in the business community are saying that if the GST is stopped now by the unelected Senate, there will be chaos in the business community. If the hon. member does not want to see that sort of thing happen, he should speak to the people in the Senate and tell them to get on it and pass this legislation in the interest of the people that he is concerned about.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, my question is to the Minister of National Revenue and it is simply this: Will the Minister confirm for the House today that he has instructed businesses across Canada to begin advance collection of the goods and services tax even though it is not the law of Canada?

Hon. Otto Jelinek (Minister of National Revenue): The answer, Mr. Speaker, is no. If the hon. member would welcome the invitation that I gave him for a briefing, I would be very happy to let him know the rules of C-62.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I have already written to the Minister.

In supplementary, Eaton's, for example, has told its customers that according to regulations provided by the minister's department, it is obligated to begin collecting the goods and services tax effective September 1. In view of the fact that the tax is not yet law and that the Speaker has already censured this government for premature advertising about the GST, will the minister today, in the interest of fairness and for respect for law, which we have heard so much about in the last couple of days, instruct his department to stop advance collection of this proposed tax which is not yet law and ensure that it is not collected until both Houses of this Parliament pass the law?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I realize the member's disadvantage in being in this portfolio as a critic of revenue a short period of time, but I would want him to very carefully study the directive that he refers to which refers to two things: first, goods sold after January 1, 1991, and second, on the condition that it become the law of the land, which is not yet the case. I hope that he will talk to his friends in the Senate and, on behalf of businesses and consumers in this country, get some sense into those senators who are holding back this good piece of legislation. On behalf of all Canadians, get to work on it.

* * *

INDIAN AFFAIRS

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, my question is to the Prime Minister.

In his announcement to the House of Commons yesterday, the Prime Minister appeared to make an offer in good faith to the aboriginal people. Yet, yesterday again, the Liberal premier of Quebec rejected a modest three point proposal which would have allowed an honourable disengagement at Oka rather than the humiliating defeat which Premier Bourassa seems to be committed to.

• (1440)

Is the Prime Minister prepared today to facilitate an honourable disengagement at Oka and to finally settle this dispute in good faith in accordance with the gesture he made yesterday?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, the Prime Minister did indeed make a wonderful speech to this House yesterday along with a number of very, very positive undertakings to the aboriginal people of Canada. All Canadians can be justly proud of the record of this government, which we will continue and supplement on behalf of our aboriginal people.

In fact, when the warriors in the treatment centre put down their arms and come out, we will be able to make great progress on behalf of the aboriginal people of Canada.

An hon. member: Hear, hear.

Mr. Robert E. Skelly (Comox—Alberni): A supplementary. The Prime Minister promised to reconsider his government's comprehensive claims policy which most people acknowledge as a key factor in the Mohawk's grievance. Will he take the advice of the Coolican report and the Canadian Bar Association and recognize aboriginal title in a new claims policy? Will he introduce legislation to create an independent aboriginal claims commission? What is the Prime Minister prepared to do to prove his offers were made in good faith and are not yet another set of empty promises to aboriginal people?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, the record of achievement of this government on behalf of aboriginal people is far and away more generous and has advanced the cause of aboriginal people far more than any previous government in the history of this country. We appreciate the discussions, the important contributions made yesterday and by aboriginal leaders. We will continue to develop these programs in consultation with aboriginal people.

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, my question is for the Prime Minister of Canada with regard to his broad, sweeping statements made yesterday to accelerate the comprehensive land claims process.

No specific commitment to changing the outdated claims policy, which is very divisive, was made. This is viewed as being another empty promise. The extinguishment policy which I referred to violates the fiduciary responsibility the government has for aboriginal peoples.

I ask the Prime Minister, will he make a commitment here and now to abolish this destructive extinguishment clause in the comprehensive land claims policy?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I know how deeply the hon. member is concerned about the cause of aboriginal people and the nature of the comprehensive claims policy. We will have ample opportunity to further the discussions which were held in this House these past 24 hours with members of the various caucuses and parties. I will be personally examining many of the fine contributions that were made here in these important debates.

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, since I have not received an answer to my question, I redirect this question to the Prime Minister. My supplementary is to the Prime Minister.

If he does want to reintroduce the dignity and trust he spoke of into the process of consultation and negotiation of such items as comprehensive land claims, will he commit to this House and aboriginal groups to changing the outdated land claims policy by accommodating the Penner and Coolican reports on the abolishment of the extinguishment policy here and now today. Yes or no.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I was present in the House, as was the hon. member, when the Prime Minister indicated that one of our most significant priorities would be to deal with the claims process in terms of specific claims, in terms of the treaty land entitlements which have not been fulfilled and in terms of changes to the comprehensive claims policy which would allow us to expedite the processing of these claims.

I ask the hon. member to show some trust and confidence that we will be able to make these changes, as the Prime Minister has promised.

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[*Translation*]

IMMIGRATION

Mr. Alfonso Gagliano (Saint-Léonard): In the absence of the Minister of Immigration, Mr. Speaker, I direct my question to the Minister of State for Employment and Immigration and Minister of State for Seniors.

Figures indicate that federal funds for teaching French to immigrants have decreased by 17 per cent in the last year while the number of immigrants has gone up by 12 per cent during the same time.

Mr. Speaker, some immigrants have to wait up to five months before being able to register for French lessons. Can the minister explain why the government cannot make this program more readily accessible to immigrants who need to learn French to make their transition into their chosen society that much easier?

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, I thank the hon. member for this question

which enables us to stress again that the government does give priority to immigrant linguistic training.

This is why in excess of $120 million was earmarked for language training in 1990–91, three times as much as in the 1984–85 budget. Still I hasten to point out to my colleague opposite that budgets and programs have to be re-examined every year. We do that in close co-operation with our provincial colleagues to make sure that our programs are indeed tailored to real needs.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, only a few days ago, the Canada Employment and Immigration Advisory Council said in recommendation No. 7 that the Council recommended making French-language training available to all immigrants in Quebec. This morning, the Quebec Department of Immigration confirmed the information we got from the media, namely that there had been a reduction of 17 per cent. Why doesn't the government listen to its own advisory council and immediately increase funding to make French-language courses for immigrants available to all?

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, I again wish to stress the importance of co-operation in identifying these needs with our provincial counterparts. Speaking on behalf of this government, I am very much aware of the importance of making this kind of training available to immigrants. I want to repeat that $120 million have been earmarked within our budget. We want to manage our programs effectively, and I can inform the House that the programs approved this year are three times what they were in 1984–85. That is quite an improvement.

* * *

[*English*]

PERSIAN GULF

Mr. John Brewin (Victoria): Mr. Speaker, my question is for the Minister of National Defence. The ongoing situation in the gulf, which is dangerous and serious, continues to concern Canadians and the people of the world.

There are authoritative reports that the U.S. intends to launch an offensive attack on Iraq completely outside the terms of the United Nations resolution.

Will the minister instruct the Canadian contingent in the gulf that it is strictly to limit its activities to those which are within the terms of the UN resolution and that under no circumstances is it to become involved in precipitated U.S. offensive action against Iraq?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, the hon. member is right in assuming that there is a serious international crisis in the gulf. I suggest he is foolhardy in relying on his information through the newspapers as to reports of actions taken by governments.

That being said, I can assure him that before any changes are made to the mission that Canadian forces are involved in at this time in support of the United Nations sanctions, resolution 665, that of deterring aggression, they will have to be consulted and we will have to make that change in Canada. It will not be changed by the commanders in the area.

Mr. John Brewin (Victoria): Mr. Speaker, among the sources for the suggestion that there is an offensive U.S. policy is none other than the recently fired chief of the air force in the United States of America. This has been supported by all kinds of independent analysts.

I would like to know and this House would like to know what steps the Government of Canada is taking to persuade the United States to give sanctions and the United Nations a chance to get the hostages free and to get Iraq out of Kuwait.

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I think the hon. member answered his own question as to his source. A source that has been dismissed is no longer a reliable source, I would suggest to the hon. member.

• (1450)

Let me go a little further and suggest to the hon. member that the actions taken by the ambassador of Canada and United Nations Ambassador Fortier since the outset have been to convince all nations involved to abide by the United Nations resolutions. Canada has co-sponsored on several occasions those resolutions.

Canada has been working consistently since the invasion of Kuwait by Iraq to bring about a peaceful resolution through the United Nations.

I suggest to the hon. member that what he sees taking place, the enforcement of the resolutions by the world and that world condemnation, is proof that Canada and other countries including the United States are prepared at this time to work through the United Nations.

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AGRICULTURE

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, my question is for the Minister of Agriculture. We in this House should not forget the plight of Canada's farmers.

Last spring this government took away interest-free cash advances from farmers. That was a horrible mistake, and it hurt farmers.

In the face of the current difficult situation—plummeting prices, lost markets, and high interest rates—I want to know whether the Minister of Agriculture would restore interest-free cash advances.

I think the farmers of this country deserve an answer now.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I want to assure my hon. friend that we are not overlooking the needs of farmers.

As I indicated in the House yesterday, we are looking at several options, one being the hope or expectation that we can develop a long-term safety net stabilization program that would provide confidence, stability, and security for our grains and oilseeds sector.

I appreciate the magnitude of the question, and I will certainly take his question as representation.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, the answer from the hon. minister lacks precision. The farmers are in a desperate situation and they need answers now.

In light of the horrible mistake that he made, I would suggest to the hon. minister that he swallow his pride and deal with this issue in a serious way. If that means going over and twisting the arm of the Minister of Finance, I will be more than happy to come down there and help him.

Some hon. members: Oh, oh.

Mr. Speaker: I take it that is not literally physical force the hon. member is advocating. Perhaps the hon. member could put his question.

Mr. Harvard: Physical, I do not care.

I have a supplementary question for the same minister. Unfortunately interest-free cash advances are not good enough any more. The farmers of this country need an emergency aid package, and I want to know whether he is considering an emergency aid package now.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am not sure whether the hon. member's offer should be interpreted as a threat or as a favour but, having said that, the hon. member knows very well that this government provided $500 million in emergency assistance. Some of that assistance is still in the process of being circulated to farmers, and I am sure that is appreciated.

I think it bears re-mentioning that had the provinces been able to comply with matching funds, we certainly would not have been in the same position as we are today. We are looking at what can be done, but I repeat that I hope I can count on the hon. member's support in developing a long-term safety net program which will serve the long-term future needs of the grains and oilseeds sector. I can assure him that we are actively working on that.

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CHILDREN'S RIGHTS

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, the amount of food on the table and the amount of knowledge in the mind determine to a large extent the health of children, and a healthy childhood invites freedom from all types of abuse and exploitation.

Since the Prime Minister is going to New York this weekend to chair one of the most important international meetings, the World Summit for Children, for their sake, is he now prepared to table in this House a comprehensive national strategy that would set the stage for a war on poverty on behalf of the children of Canada

to eliminate or significantly reduce this social cancer in our country?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, I want to thank my hon. friend for a very excellent question. He quite correctly points out that the UN World Summit, which will be co-chaired by the Prime Minister, represents a vital advance for the children of the world. This will be the largest get-together of world leaders since the Vienna Congress in 1814.

One of the goals of the summit will be to plan a concerted attack on world poverty among children. One of the commitments of this government is to continue to do everything that we can to reduce the rate of poverty among children.

I am pleased to be able to tell the hon. member that since 1984 we have been able to reduce by over a quarter of a million, the number of children who are living under the low income cutoffs. We are determined to continue to keep that effort and do everything that we can to reduce the level even further.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, very sadly, there are at least one million Canadian children who are poor and dying. We cannot long endure their continued loss to ignorance, abuse, and ill health. The length of lineups to food banks now extends from Ottawa to New York. In Winnipeg alone, the lineup to food banks has swelled by 30 per cent in the last year.

The Manitoba Child Care Association echoes the fear of all day care supporters across the country, that thousands of children are at risk in life and in health due to an inadequate child care system in the country.

When will this government start providing the now long overdue universal affordable day care to children of Canadian families?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, on the subject of child poverty, I believe that we have done well but I believe that we can do better in Canada. That is the commitment that we make. We are committed to introducing a child care policy during the life of this Parliament.

In addition, the hon. member could be very helpful to all of us who are committed to providing assistance for Canada's children. As he is aware, at the present time before the Senate there is legislation that provides for a $500 million increase in parental benefits for parental leave under unemployment insurance reforms. He could be exceptionally helpful if he would ask the Liberal senators to pass that legislation without further delay.

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AIR CANADA

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I have a question for the Minister of State for Transport.

Air Canada has confirmed plans to lay off at least 2,300 employees and rumours suggest that the number may be as high as 3,000. There is also every indication that Air Canada will eliminate several so-called unprofitable routes.

What action will the minister and the government take to protect those jobs and to protect Air Canada service to those communities where it is threatened?

Hon. Jean Corbeil (Minister of Labour) and (Minister of State (Transport)): Mr. Speaker, I would like to congratulate the member on his nomination as transportation critic.

In answer to his question, I will remind him that Air Canada is now a private company that operates under market laws and therefore has to conform with the demands.

We will certainly make sure that all employees who will have to be laid off, if there are any layoffs, are properly treated.

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AGRICULTURE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, my question is for the Deputy Prime Minister and Minister of Agriculture.

Canadian farmers have been left in the position of sitting on a very good crop with excellent quality facing U.S. subsidies which have exceeded $55 per tonne, a change from the days when they were offering $5 and $7 per tonne.

While this contradicts my reading of the Canada-U.S. trade agreement where they had agreed not to offer those subsidies to third countries, I am wondering what the government has done about the reports that Congress is now very close to changing the trade law to

permit the extension of export subsidies for the sale of U.S. wheat into Canada.

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, the hon. member raises a very good point. It is a very serious one as far as the government is concerned.

He is right. We have harvested a better than average crop. It has come off in good condition. We find totally unacceptable the bill that was passed in the U.S. Senate about 10 days ago, targeting specifically Canadian markets.

We are examining very thoroughly and very carefully the possibilities of pursuing an action under the free trade agreement. Once that advice is complete, we will then be in a position to make a decision.

In the meantime we are making strong representations to the U.S. administration to not see that the bill comes into law because, if it does come into law, there are some very pertinent implications as far as the free trade agreement is concerned that we intend to pursue.

* * *

• (1500)

AGRICULTURE

Mr. Bruce Halliday (Oxford): Mr. Speaker my question is also for the Minister of Agriculture. Both dairy and poultry producers across Canada are concerned about the future of supply managed commodity sectors and therefore the future of the Canadian product that is produced by those farmers.

When the Canadian position on agriculture is tabled at GATT on or before October 15, can we have the minister's assurance that the supply management programs will not be jeopardized but will be strengthened by better support in Article XI of GATT and further, that they will not be compromised by any Canadian support for the aggregate measure of support formula?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am sure my hon. colleague knows that the balanced position Canada has developed with respect to our position at the GATT negotiations has been brought about as a result of extensive consultations with the provincial governments and with all sectors of the agricultural industry. I think it is fair to say that there is general approval for the position that Canada has taken.

We have proposed the strengthening and clarification of Article XI and have outlined the manner in which that will be done. The position we have taken is that we are asking all participating countries to reduce trade distorting levels of support in all three areas. We consider that the aggregate measure of support is a useful tool in terms of monitoring the level of that support. What we are proposing are really reductions that would be considered to be direct support by the government. Of course that would all be conditional upon the other participating countries taking similar action.

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PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the attention of members the presence in the gallery of the Right Honourable Roland Michener, former Governor General of Canada and former Speaker of the House of Commons.

Some hon. members: Hear, hear!

Mr. Speaker: I wish also to draw to the attention of members the presence in the gallery of the Honourable Dr. Franjo Tudjman, President of the Republic of Croatia and Dr. Zarko Domljan, President of the Croatian Parliament.

Some hon. members: Hear, hear!

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POINT OF ORDER

UNVEILING OF STATUE OF LESTER B. PEARSON

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I rise on a point of order concerning the unveiling of the statue to Lester B. Pearson later this afternoon. I believe you will find consent for the following motion:

That, once the deferred division in relation to Government Business No. 17 on the Order Paper is completed later today, the sitting of the

House be suspended for one hour or until the ceremony unveiling the statue of the Right Honourable Lester B. Pearson is completed.

Mr. Speaker: The hon. member for Ottawa—Vanier, on a point of order.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, whilst we are very happy with this proposal, since it came from this side, I wonder if the government would be ready to suspend the House until the ceremony is terminated? It could be one hour or when the ceremony is terminated.

Mr. Cooper: Mr. Speaker, it is our understanding that when the ceremony is finished the bells will ring to call the members back. That would be fine with us. I should also mention that it is our understanding that the time allotted for this particular event will be added to the clock at the end of the day.

[*Translation*]

Hon. Jean Lapierre (Shefford): On the same point of order, Mr. Speaker.

We had agreed to a one-hour suspension of the sitting. If the House wishes to take an hour of its time to pay tribute to Mr. Pearson, that is fine, but we cannot agree to extending the sitting past 6 p.m.

[*English*]

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, in an effort to enable members of Parliament to attend the unveiling, may I suggest that we agree for the one hour break or as long as the ceremony lasts and terminate this session at six o'clock as per usual.

Mr. Speaker: The hon. Government House Leader.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Certainly, Mr. Speaker, we want to participate in honouring this great Canadian who did say, at the end of the day, the will of the House of Commons must prevail over the Senate. So, let us go and honour him.

Some hon. members: Hear, hear.

Mr. Speaker: I have to advise the House that there seems to be a lot of consensus around here except as to whether or not we sit for another hour.

The hon. member for Ottawa—Vanier.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, there are provisions in our Standing Order that could allow that. We will look into that.

Mr. Speaker: Pursuant to what I think has been agreed, the House will adjourn at 3.30 p.m. for members to be able to attend the unveiling of the statue. It will be immediately after the vote which should take place shortly.

The hon. Government House Leader.

Mr. Andre: In anticipation of calling the vote, I believe there is agreement between the two whips that there will be a short bell, not the regular 15 minutes and we can have the vote immediately.

Mr. Speaker: Agreed?

Some hon. members: Agreed.

Mr. Speaker: The hon. member for Shefford.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, we just want to know what has finally been decided. Do we agree to withdraw for an hour to pay tribute to Mr. Pearson, come back and resume sitting until 6 p.m. as usual? Is that what we agreed?

[*English*]

Mr. Speaker: No. What we have agreed to is that immediately after the vote, we adjourn for an hour or however long it takes to complete the ceremony in honour of the former Right Hon. Prime Minister of Canada. After that there will have to be some discussion as to whether or not there is provision or we are able to extend the sitting or not, that is a secondary question. I am trying to make it very clear that that is what we have agreed to at the moment.

It being 3 p.m. pursuant to order made Tuesday, September 25, 1990, the House will now resume consideration of the motion of the Minister of Indian Affairs and Northern Development respecting the situation at Oka and Châteauguay.

GOVERNMENT ORDERS

[*English*]

INDIAN AFFAIRS

SITUATION AT OKA AND CHÂTEAUGUAY

The House resumed from Tuesday, September 25, consideration of motion of Mr. Siddon:

That this House commends the exemplary conduct of the men and women of the Canadian Forces at Oka and Chateauguay.

That, in the opinion of this House, the laws of Canada must apply on all Canadian territory, including Kahnawake, and that all persons currently at the Kanesatake Treatment Centre should lay down their arms and submit to the processes of Canada's judicial system, thereby encouraging the creation of a constructive climate for discussions between governments and the Mohawk people on land claims and other issues; and

That upon adoption of this motion, the said motion shall be deemed referred to the Standing Committee on Justice and Solicitor General.

And the amendment of Ms. Blondin:

That the motion be amended by deleting all the words after the word "Châteauguay" and replacing them with the following:

"and that this House condemns the complete failure of the government to address and offer solutions to the problems that led to the Armed Forces being deployed; and

That upon adoption of this motion, the said motion be deemed referred to the Standing Committee on Aboriginal Affairs.

And the subamendment of Ms. McLaughlin:

That the motion be amended by deleting the words "this House condemns the complete failure of the government" and replacing them with:

"this House condemns the complete failure of the current and past governments".

Mr. Speaker: We will now proceed to the deferred divisions. The question is on the amendment to the amendment. Call in the members.

The House divided on the subamendment, which was negatived on the following division:

(*Division No. 289*)

YEAS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Blackburn (Brant)
Breaugh
Butland
Fisher
Gardiner
Grey (Beaver River)
Hunter
Kindy
Langan (Mission—Coquitlam)
Lapierre
McCurdy
Murphy
Parker
Riis
Rocheleau
Skelly (Comox—Alberni)
Tremblay (Rosemont)
Whittaker—39

Angus
Black
Blaikie
Brewin
Duceppe
Funk
Gérin
Hovdebo
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Leblanc (Longueuil)
Mitchell
Nystrom
Plamondon
Robinson
Rodriguez
Taylor
Waddell

NAYS

Members

Andre
Assad
Attewell
Baker
Bélair
Belsher
Bernier
Bird
Blackburn (Jonquière)
Bosley
Boudria
Boyer
Browes
Cadieux
Campbell (South West Nova)
Cardiff
Chadwick
Charest
Cole
Comuzzi
Cooper
Corbett
Crawford
Crosby (Halifax West)
Darling
de Cotret
Dick
Dionne
Domm
Duhamel
Edwards
Feltham
Ferland
Flis
Fontana
Friesen
Gagliano
Gibeau
Gray (Windsor West)
Guilbault
Halliday
Harvard
Hawkes
Hockin
Holtmann
Horner
Hughes
James
Johnson
Jordan
Kempling
Kilger (Stormont—Dundas)
Langlois
Layton
Lee
Loiselle
MacDonald (Dartmouth)
MacKay
MacLellan
Malone
Marchi
Marleau
Mayer
McCreath
McKnight
Merrithew
Milliken
Mitges
Moore
Nicholson
O'Kurley
Parent
Phinney
Plourde
Pronovost
Prud'homme
Reimer
Rideout
Rompkey
Schneider

Arseneault
Atkinson
Axworthy (Winnipeg South Centre)
Beatty
Bellemare
Berger
Bertrand
Bjornson
Blais
Bouchard (Roberval)
Bourgault
Brightwell
Caccia
Callbeck
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Clancy
Collins
Cook
Corbeil
Côté
Crosbie (St. John's West)
Danis
DeBlois
Della Noce
Dingwall
Dobbie
Dorin
Duplessis
Epp
Ferguson
Finestone
Fontaine
Fretz
Gaffney
Gauthier
Gray (Bonaventure—Îles-de-la-Madeleine)
Greene
Gustafson
Harb
Harvey (Chicoutimi)
Hicks
Hogue
Hopkins
Horning
Jacques
Jelinek
Joncas
Karygiannis
Keyes
Koury
Larrivée
LeBlanc (Cape Breton Highlands—Canso)
Littlechild
MacDonald (Rosedale)
MacDougall (Timiskaming)
MacLaren
Maheu
Manley
Marin
Martin (Lasalle—Émard)
Mazankowski
McGuire
McLean
Mifflin
Mills
Monteith
Nault
Nunziata
Pagtakhan
Peterson
Pickard
Porter
Proud
Reid
Richardson
Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)

Scott (Hamilton—Wentworth)	Shields
Siddon	Simmons
Sobeski	Soetens
Sparrow	Speller
Stevenson	Stewart
Tétreault	Thacker
Thompson	Thorkelson
Tobin	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Valcourt	Vanclief
Van de Walle	Vankoughnet
Vézina	Vien
Vincent	Volpe
Walker	Wappel
Weiner	White
Wilbee	Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard	Wilson (Etobicoke Centre)
Worthy	Wood
	Young (Acadie—Bathurst)—197

The Acting Speaker (Mr. Paproski): I declare the subamendment lost.

SUSPENSION OF SITTING

Mr. Speaker: As per agreement, the sitting is suspended to the call of the chair for approximately one hour.

The sitting of the House was suspended at 15.29 p.m.

SITTING RESUMED

The House resumed at 16.35 p.m.

* * *

[*Translation*]

POINT OF ORDER

HANSARD

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): A point of order, Mr. Speaker.

Mr. Speaker: On a point of order, the hon. member for Argenteuil—Papineau.

Mrs. Bourgault: Mr. Speaker, I am referring to the comments I made yesterday, as reported on page 13307 of both official versions of *Hansard*. I got a call this morning and was told that I mentioned the Quebec Department of Indian Affairs. I meant to say the Regional Directorate of the Department of Indian Affairs in Quebec. I would like to have the record corrected.

Second, Mr. Speaker, there is another problem. In my answer to the hon. member for Kootenay East I seem to imply that he is responsible for the failure of Meech Lake. That is not what I meant to say, Mr. Speaker. Obviously I was referring to Manitoba MLA Elijah Harper who used procedural tactics to defeat the Meech Lake accord. I hope the correctioon will be made in the final version of *Hansard*. Thank you.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, we will have to be careful when members want to make corrections to *Hansard*. They should indicate the page and the word to be changed. But if a member seeks to change the meaning of an intervention this might create a problem. In that case perhaps the member would have to debate the matter at some time. But I think it is not correct for us today to accept that a substantial change be made to the record. Surely the hon. member can understand that it is impossible to change yesterday's record. Her intervention is accepted for what it is worth today.

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, this is on page 13311 and it does not change anything to the meaning of the speech. Mr. Speaker, I simply do not want people reading these speeches in a few years to conclude that the hon. member for Kootenay West was responsible for the failure. I did not mean to involve him. It does not change anything to the meaning of my speech.

Mr. Speaker: I thank the hon. member.

• (1640)

BUSINESS OF THE HOUSE

Hon. Jean Lapierre (Shefford): Mr. Speaker, during the time set aside for unveiling the statue, we had a chance to consult, and if the House is prepared to consider the proposal submitted by the hon. member to the House with respect to the time of adjournment today, I think you will find there is unanimous consent for adjourning at 7 p.m, notwithstanding the provisions of Standing Order 26, of course, to make sure 7 p.m. stands.

[*English*]

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, if I understand the hon. member, he is suggesting that we go back to what we had originally proposed at three o'clock which was that we add the time, roughly speaking it would have been an hour, but we would agree to seven o'clock. I think all of the members would be happy with that as it provided two things: one, to unveil

the statue and, second, to make sure the House does not lose its valuable time.

Mr. Speaker: The member for Thunder Bay—Atikokan wishes to comment. Agreed?

Mr. Iain Angus (Thunder Bay—Atikokan): Agreed.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, we accept that great compromise.

Mr. Speaker: So ordered.

* * *

[*Translation*]

PRIVILEGE

POLITICAL AFFILIATION

Mr. François Gérin (Mégantic—Compton—Standstead): Mr. Speaker, my question of privilege is partly related to something that happened yesterday in the Legislative Committee on Bill C-79, the Parliament of Canada Act. You must have noticed the problem since you testified before the Committee.

Briefly, the list of committee members shows me as a member of the Progressive Conservative Party, although everyone knows that since May 18, I have had no further interest, either directly or indirectly, in the party and no longer wish to be associated with it.

It goes further than that, however. It seems that despite my speech in the House on May 18, 1990, my name continues to be associated with the Progressive Conservative Party in various committees, and I make this statement today, Mr. Speaker, to ensure I am no longer associated with this party, either in committee or in any other way.

Furthermore, although nearly 3 per cent of the people in Laurier—Sainte-Marie do not agree with me, 68 per cent will probably appreciate my position.

Mr. Speaker, I would now like to get to the main problem which affects my privileges in this House and indeed one of the rights recognized by the Canadian Charter of Rights and Freedoms and I am referring to freedom of association. I would like to read the following—for the benefit of those who might be watching at home, these glasses belong to my friend, Mr. Plamondon—and I quote: "The Canadian Charter of Rights and Freedoms guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society."

Everyone has the following basic freedoms: freedom of conscience and religion, of course, but also freedom of association.

SPEAKER'S RULING

Mr. Speaker: I regret having to interrupt the hon. member, but there is no need to read the whole document. The point the member raised is legitimate. I can assure him that the necessary corrections can be readily made. I fully agree with his comments.

Does the hon. member have anything to add?

Mr. François Gérin (Mégantic—Compton—Standstead): Mr. Speaker, my question of privilege was two-fold.

You have dealt with the first part regarding my former affiliation with the Progressive Conservative Party. The second part has to do with my name being mentioned in official documents of the House and especially on air when the proceedings are broadcasted, as it is the case now.

I request, in the name of the freedom of association and pursuant to the Charter of Rights, the right of freedom of association, that fundamental right I had to be associated with my colleagues of the "Bloc Québécois". I also request that the Canadian people, as well as the people of Quebec and of my riding of Mégantic—Compton—Standstead, be informed of my new political allegeance, the political affiliation I have chosen under the Charter of Rights and in accordance with the basic principles of democracy in our society.

I believe, Mr. Speaker, that precedents on this subject dating back in many instances 200 or 300 years cannot be put forward, given that the Canadian Charter of Rights and Freedoms takes precedence over any other text or privilege since coming into effect in 1981.

Your ruling will have to be based exclusively on the Charter, setting aside precedents from another era.

This alliance, as you have been officially advised, was agreed to and signed by the new members of a group called "Bloc Québécois", and must be recognized as such. In fact, what would it mean to recognize the right of association, the freedom of assocation, if you were not to recognize this group and call it by its name. You cannot simply say: You, the member for Mégantic—

Compton—Stanstead, are entitled to associate with the member for Richelieu, as long as it is kept under wraps.

On this matter, I don't think you can afford to bury your head in the sand. The only thing I ask is that, during debate in this House and the broadcast of the proceedings, as well as in committees and every time my name is mentioned, I be referred to as the member for Mégantic—Compton—Stanstead of to the "Bloc Québécois", just as any other member affiliated with one group or another is referred to.

My request, Mr. Speaker, is supported by the most fundamental texts in our country, which are widely recognized in every nation of the world and by all governments and democratic assemblies.

Hon. Jean Lapierre (Shefford): I should like to comment on the same point of order, Mr. Speaker.

I think my colleague from Mégantic—Compton—Stanstead is quite right, for he speaks for us all. You may recall that all the members who had signed the memo I sent you on September 17 asked or officially advised you of their decision to sit under the banner of the "Bloc Québécois".

This note was signed by all my colleagues and expressed our common will to sit under that banner. That being so, be it in the various committees—indeed we will have to deal further with this because I imagine the Chief Government Whip will have something to say about it—if the various committees of the House are to be representative of the House it is obvious that we will have to find a solution concerning our participation in the various committees, given the number of us.

If the committees want to be true reflections of the composition of this House we will have to find a solution to that. I would ask you, and the Opposition Whip more particularly, to consider the matter.

Mr. Speaker, this involves not only television and the committees but also all the elements you mentioned with respect to the various proceedings of the House and the ministerial statements when we hope to be able to have the floor, whenever a decision has been made about that.

Since I am on this subject and knowing that your illustrious Board of Internal Economy had a meeting today, at least I imagine it did, I wonder if the House might be advised as to whether your board has reached conclusions. This might be a good opportunity because all members of the House want to know to what extent a group which a member has joined freely must be recognized.

• (1650)

Mr. Jim Hawkes (Calgary West): Mr. Speaker, yesterday, in the Committee on the Review of the Parliament of Canada Act, we had practically the same discussion, not exactly the same but almost.

[*English*]

I think it is clear from our precedents in this Parliament, let alone previous Parliaments, that it is the right of members in terms of designation to remove the designation they had when they arrived in this place. If they ran under the Canada Elections Act under a particular party name and they choose no longer to be a part of that, then that is their choice. I discovered through conversations some months ago that no one else can take the designation away from them. That is a matter of individual choice and is well centred in our parliamentary democracy.

The issue the member is raising clearly today is whether or not he has the right to substitute for that designation a new designation of some kind. I am not sure; perhaps it would take a bit of table research to decide whether or not we really have any kind of clear precedents for the power to put a different set of words behind one's name in all of our publications including *Hansard*.

I do not know if anybody in this Chamber feels negative about the notion that the issue of labelling in our documents be referred to the Standing Committee on Privileges and Elections and that committee members, in their wisdom, hold whatever hearings they need and report back to the Chamber about that specific issue.

In the course of the argument some other issues were raised, for instance the issue of committee membership. The striking committee has not even met to consider the letter that is in our hands. On the issue related to the Board of Internal Economy, it has not met since that correspondence arrived. It would probably be premature to send any of the other matters to committee at this point.

Perhaps there is a predisposition and it is acceptable to the member and all other members of the House to put the issue of labelling in documents by agreement into the hands of Privilege and Elections, with the sense that it would report with due speed and diligence. It would not be something the committee would just sit on for quite a long time, but it would attack the problem and provide us with advice reasonably soon. If we could reach agreement on that, we could proceed to the business of the day or to the rest of Routine Proceedings and then to the business of the day.

I am not sure if I am detecting positives or negatives on the other side.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, we accept the proposal by the Government Whip that this question be referred to a Standing Committee of the House for examination and consideration, with the recommendation to act with the requisite diligence so that this matter can be settled as soon as possible.

There is a problem. Two more issues were raised by the hon. member for Mégantic—Compton—Stanstead in his statement. There is the matter of the designation below the name of the person speaking, and I am referring to the individual's political affiliation. On television we see the member's name, and if I am not mistaken, some indication of the political party to which he belongs. I think we have to say, Mr. Speaker, that this is a very important matter that concerns all members of this House, and I think we will have to determine whether independent groups of members constitute a political party in this House and whether we should refer to them as members of a political party, a political affiliation, a group, a coalition or a block.

That, in fact, is another matter, of some concern to us, and I simply want to inform the independant member for Mégantic—Compton—Stanstead who spoke earlier that here again we feel that the entire question could be referred to a committee of the House for discussion. We are willing to discuss the matter here in the House, but it is not that easy. In fact, it is a very complex matter. To some observers, it may seem trivial, but for us the designation of a political party, a block, a group, a coalition or what have you is essentially a matter regarding the organization of this House. Mr. Speaker, we know the British tradition, even in the way the seats are assigned, with the government on your right and the opposition on your left, suggests the existence of a long standing tradition where there is a government and an opposition, and the fact that the latter is divided into parties, groups or simply composed of independant individuals is not important.

But we will have to decide once and for all if a group, a coalition or a block should be designated as a "political Party". That being said, Mr. Speaker, I know that those problems are a great cause of concern for my independant friends from Quebec who recently broke ranks with the traditional parties. But I want to have the opportunity to discuss the matter freely and to deal with it once and for all. If we have a debate, today or in the next few days, I will be ready to take part in it. I have enough notes to talk for almost two hours, but I will not make my speech right now even though I am anxious to have a debate on that matter.

Mr. Speaker: I have listened to the representations made by both the Hon. Member for Mégantic—Compton—Stanstead and the Hon. Member for Shefford.

[*English*]

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I would like to make a brief introduction on behalf of my party. This is a subject matter of which I think we have all been seized in various ways for quite some time now. I think the suggestion of the chief government Whip, supported by the Whip of the Official Opposition to refer to the Standing Committee on Privileges and Elections—

An hon. member: House leader.

Mr. Angus: I am sorry, I forgot about his semi-promotion.

Anyway, the point is that I think that Privileges and Elections should be seized of this particular matter. I might want to add that we have had situations in the past where a member of the Liberal Party, the member for Kenora—Rainy River, Mr. Reid, referred to himself as a Liberal Labour MP out in the hustings, but in the House he was a Liberal member. That was a requirement of the rules of the House.

It may very well be that the broadcasting procedures may dictate the manner in which the label should be applied. We would have to revisit that, much as we have revisited the whole question of television services outside this House and in committee. I think it is rolled together and we have to take that into consideration as well.

There are other matters, but I think it is better that the committee deals with it.

Mr. Speaker: I have listened carefully to the representations that were made. There is a disposition in the House to refer this matter to the appropriate committee. I have to be very careful here because that may very well be the most sensible approach.

However, there were several matters raised in the question of privilege of the hon. member for Mégantic—Compton—Stanstead. If it is going to go to the committee and is going to end up giving me any assistance, it is very necessary that the matters which the hon. member has raised are those that are included in the terms of reference to the committee.

I am in the hands of the House. I have some doubt as to whether this is really a question of privilege. I have very grave doubt about that. However, it certainly could be taken as a point of order. I do not know whether it would be advisable to ask the hon. member who has raised this matter perhaps just to adjourn the matter, over say this evening, until he has a chance to speak to the House leaders. Then come back and give me some indication as to whether or not there is a meeting of the minds on this. That would assist me. In the meantime, naturally the hon. member's application would stay on the floor of the House and we would return to it. I would be very pleased to give the hon. member the opportunity to discuss this over the evening and if he could, get back to me and give me an indication of how the conversations are going.

• (1700)

[*Translation*]

Is such a proposal agreeable?

Mr. François Gérin (Mégantic—Compton—Stanstead): Yes, Mr. Speaker, I think your suggestion is quite agreeable, because the points are very important. Yet, Mr. Speaker, it is possible that I may not be able to get back to you tomorrow on this issue. But even if we had to wait until next week; I have the feeling that you would have no objection. Therefore, I understand that consideration of this matter is suspended until we return to it.

Mr. Speaker: I appreciate the Hon. Member for Mégantic—Compton—Stanstead's co-operation. Clearly, there is no need for a solution by tomorrow.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, since the Hon. Member for Mégantic—Compton—Stanstead would not want to take the House by surprise, could he give us his word that he will give advance notice to all Hon. Members before raising this issue again in the House?

Mr. François Gérin (Mégantic—Compton—Stanstead): If he were to invite me to dinner, we could certainly talk about it.

Mr. Speaker: I think that there is a certain level of agreement in the House. I thank all Hon. Members who took part in the debate. This is a major issue.

ROUTINE PROCEEDINGS

[*English*]

TOURISM INDUSTRY

TABLING OF GOVERNMENT STRATEGY

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I am pleased to be able to table today, in both official languages, copies of a document entitled *Tourism on the Threshold* which is the first ever federal government tourism strategy. This is for the 1990s.

Mr. Speaker, this particular document recognizes tourism as a strategic industry, not as a parenthetical industry, but strategic to our economy. It focuses on strategic plans for the industry and it recognizes that governments, federal and provincial, must co-operate with the industry in order to build a stronger industry. I am very pleased to table this in both official languages.

Routine Proceedings

COMMUNICATIONS AND CULTURE

FOURTH REPORT OF STANDING COMMITTEE

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I have the honour to present the fourth report of the Standing Committee on Communications and Culture, in both official languages.

This report on the National Arts Centre arises from the committee's motion, adopted on May 29. The committee requests that the government provide a comprehensive response to this report in accordance with the provisions of Standing Order 109.

Among many recommendations, it is our firm conviction that the National Arts Centre Orchestra remain as a resident company and it should be renamed the National Orchestra of Canada.

I would like to add that it is our view that this report will contribute to the lessening of tensions in evidence at the Centre and I am grateful to the members of the subcommittee and their staff. All along, their approach has been to foster a dialogue designed to help the Centre as it enters its third decade.

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

* * *

INTERNATIONAL SALE OF GOODS CONTRACTS CONVENTION ACT

MEASURE TO ENACT

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved for leave to introduce Bill C–81, an act to implement the United Nations Convention on Contracts for the International Sale of Goods.

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

* * *

APPOINTMENT OF A PORT WARDEN FOR THE HARBOUR OF QUEBEC

MEASURE TO AMEND

Hon. Tom Hockin (for the Minister of Transport) moved for leave to introduce Bill C–82, an act to amend an act to provide for the appointment of a port warden for the harbour of Quebec, and an act to amend and consolidate the acts relating to the office of port warden for the harbour of Montreal and to validate certain fees and charges established pursuant thereto.

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

* * *

BILL C–78

POWERS OF SPECIAL COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I know most of the members of the House are anxious for committees to be able to perform their duties.

We do have a problem with one of the committees of the House, and I have had some discussions in the hopes that I could get the consent necessary for this motion because we do want to see that the committee proceeds.

It is a committee on a very important subject, the subject of the environment. I wonder if I can just read the motion and see if we have consent to proceed with it:

> That notwithstanding any special order of the House, a special committee of this House established on Wednesday, June 27, 1990 to prestudy Bill C–78, an act to establish a federal environmental assessment process have all the powers Standing Order 113(5) confers on legislative committees.

Mr. Speaker: Does the parliamentary secretary have leave to present the motion?

Some hon. member: No.

* * *

PETITIONS

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my pleasure, pursuant to Standing Order 36, to present a petition on behalf of a number of constituents from Kamloops, British Columbia who oppose the government's proposed goods and services tax.

The petitioners point out at some length all the reasons why they oppose this tax and why they feel that this is the wrong tax at the wrong time hitting the wrong people. They are asking the Liberals in the Senate to at least filibuster sufficiently so that the tax would not

become law, because they do not have confidence that they will actually vote against it.

BILL C-21

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, it is my honour and privilege to rise in accordance with Standing Order 36.

I have a petition duly certified by the Clerk, and signed by 62 constituents of mine from the town of Bonavista.

The petitioners are concerned about Bill C-21. They are particularly concerned that the Government of Canada is proposing to drastically cut unemployment insurance benefits by making it more difficult to qualify by reducing the number of weeks covered.

Also, they are concerned that the government is withdrawing its contribution of, when last checked, $2.9 billion to the unemployment insurance fund, leaving the financing to workers and employers.

The petitioners humbly pray and call upon Parliament to reject this bill.

* * *

QUESTION ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, Question No. 317 will be answered today.

[*Text*]

$500 MILLION ASSISTANCE PACKAGE—FUR COMPONENT

Question No. 317—**Mr. Althouse:**

Has the Deputy Prime Minister proposed a $500 million assistance package that contains a fur component and, if so (a) who will be eligible for this assistance (b) what amount is to be paid (c) by what method (d) are provinces required to match funding or share funding of this program and, if so, in each case, what federal-provincial sharing arrangement will apply?

Hon. Donald Frank Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): The 1990 special assistance package of $500 million is contingent upon provincial participation. Federal funds allocated from the $500 million for other commodities total about $50 million. The provinces have agreed to administer the assistance program and they have the flexibility to direct assistance to those producers most in need.

While assistance for grains and oilseeds has been announced, details regarding assistance for the other commodities are yet to be finalized. Provinces are working on ways to distribute funds.

[*English*]

Mr. Speaker: The question as enumerated by the parliamentary secretary has been answered.

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

Mr. Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, Notice of Motion for the Production of Papers No. P-27 in the name of the hon. member for Mission—Coquitlam is acceptable to the government, except for the documents which cannot be released pursuant to the Access to Information Act. These documents are tabled immediately.

• (1710)

Ms. Joy Langan (Mission—Coquitlam) moved:

That an Order of the House do issue for copies of all background papers produced in relation to the evaluation by the Department of Health and Welfare of the Canada Assistance Plan, published between August 1989 and May 1990.

Motion agreed to.

Mr. Cooper: Would you be so kind as to call Notice of Motion for the Production of Papers, No. P-24, in the name of the hon. member for Saanich—Gulf Islands and No. P-26, in the name of the hon. member for Trinity—Spadina.

Ms. Lynn Hunter (Saanich—Gulf Islands) moved:

That an Order of the House do issue for copies of all documents and correspondence pertaining to the decision to admit Francisco Nota Moises to Canada as a convention refugee.

Mr. Dan Heap (Trinity—Spadina) moved:

That an Order of the House do issue for copies of operational memoranda, directives and other documents referred to by the Minister of Employment and Immigration on May 7 and 8, 1990 (p. 11048 and pp. 11134-5 of the House of Commons Debates) which

outline and give effect to the practice whereby medical attention, in particular the administration of drugs, is given to rejected refugee claimants awaiting deportation.

Mr. Cooper: Mr. Speaker, Motion No. P-24, in the name of the hon. member for Saanich—Gulf Islands, is not acceptable because it makes requests for personal information.

Motion No. P-27, in the name of the hon. member for Trinity—Spadina is acceptable with reservations. Perhaps the hon. member for Saanich—Gulf Islands would ask that those be transferred for debate.

Ms. Joy Langan (Mission—Coquitlam): Transfer for debate.

The Acting Speaker (Mr. Paproski): Is it agreed that Motions No. 26 and 27 be transferred for debate?

Some hon. members: Agreed.

Transferred for debate.

GOVERNMENT ORDERS

[*English*]

HIBERNIA DEVELOPMENT PROJECT ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-44, An act respecting the Hibernia Development Project and to amend certain acts in relation thereto, as reported (with amendments) from a legislative committee.

MOTIONS IN AMENDMENT

The Acting Speaker (Mr. Paproski): There are three motions set down on the motion paper for the report stage of Bill C-44, an act respecting the Hibernia Development Project and to amend certain acts in relation thereto.

Motion Nos. 1 and 2, standing in the name of the hon. member for Timiskaming are technical in nature as they correct obvious errors in the bill. They are in order. They will be grouped for debate and a vote on Motion No. 1 will apply to Motion No. 2.

Motion No. 3 standing in the name of the hon. member for Kamloops is also acceptable and will be debated and voted upon separately.

MEASURE TO AMEND

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources) moved:

Motion No. 1

That Bill C-44 be amended in Clause 2 in the French version by striking out line 21 at page 2 and substituting the following therefor:

"de la mer territoriale là où ce rebord se".

Motion No. 2

That Bill C-44 be amended in Clause 3 in the French version

(a) by striking out lines 1 and 2 at page 4 and substituting the following therefor:

"(iii) un montant supplémentaire d'au plus trois cents millions"

(b) by striking out lines 36 to 40 at page 4 and substituting the following therefor:

"c) des dispositions relatives à la participation de Sa Majesté aux bnefices nets;

d) des engagements relatifs aux retombées industrielles et aux avantages pour l'emploi;"

(c) by adding immediately after line 50 at page 4 the following:

"f) les autres mesures que le ministre juge souhaitables."

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I just want to make a comment or two about the two amendments, motions No. 1 and No. 2, which were grouped for debate. They are technical amendments relating to wording changes that were not caught at the time of the committee hearings. I will speak more on third reading.

These two amendments are very much in the tradition and nature of the spirit that characterized the work on Hibernia. As we enter this last phase on the debate on Hibernia, it is important for the House to know what actually happened in respect of this long-awaited project. What took place was simply this.

It goes back to the mid-1960s when the then Premier of Newfoundland, the Hon. Joey Smallwood, in an act in the best traditions of Newfoundland politics, decided to hire a boat and crew to go to the Grand Banks and used deep-sea divers to place on the floor of the ocean a plaque designating that the resources that some day would be discovered on the Grand Banks. He obviously had visions which others at that time might not have shared. With the placing of that plaque on the floor of the ocean, he claimed those resources for the people of Newfoundland and Labrador.

It was no different, I would suggest, than that which we on the Prairies faced at the time when we entered Confederation and were not seen wither worthy or capable of ownership of resources. In fact, the three prairie provinces did not get ownership to their resources—Manitoba, when it entered Confederation in 1870,

and Saskatchewan and Alberta in 1905—until the passage in the House of the Natural Resources Transfer Act of 1930.

In respect of Newfoundland and Labrador, I will not go through a lot of history today. My colleagues from that province on both sides of the House know the history of their province much better than I do, but this summer particularly I have been somewhat steeped in the history and folklore of those people and their province.

With the Atlantic Accord came the dream that Joey Smallwood and, I am sure, many Newfoundlanders and Labradoreans had—the dream that those resources would in fact been seen by the rest of Canada as being a resource, in this case, equally shared between Canada, in the right of Canada, and the province of Newfoundland and Labrador. It is that spirit which has surrounded this bill as it has made its way through the House and its committees.

In the committee, there were quite a number of amendments and members of both sides of the House were very co-operative and I want to thank them for that again. They were co-operative because as we were moving this enabling legislation through the House and the committee, we were also negotiating in Toronto. Therefore I had to make amendments as the negotiations were going on. Generally in this place, as most members with any experience know, it is very difficult to get legislation passed or amendments passed until every *t* is crossed and every *i* is dotted in the contractual form. That was the spirit in which this committee worked. These are the two amendments that were not caught that evening and it is in that same spirit that these amendments are brought forward.

At this time, as we enter report stage, it is important to understand what happened in Newfoundland. When the announcement on Hibernia was finally made, obviously the people of Newfoundland and Labrador welcomed this development. I was honoured to be there along with my colleagues and I invited all members of the House to that event. I was there with my colleague, the Minister for International Trade who is the hon member for St. John's East. I have had words with other colleagues from the other side of the House with respect to what happened that day.

• (1720)

It is important for us to know that for the people of Newfoundland and Labrador, while the Hibernia project will not bring the kind of wealth or possibly the bonanza that some have always hoped for, that it was seen, as the Prime Minister said, as more than simply another deal. It is more than barrels of oil or economic activity. Rather, it is an issue relating to fairness, equity, and dignity.

I hope that this legislation is seen in that light and, while it benefits the people of Newfoundland and Labrador in the first instance as it should, that members on both sides of the House will recognize that it brings the final act in legislative and legal terms to fruition.

I also hope that members of the House from other provinces will recognize why it is important, first, for the people of Newfoundland and Labrador. They do not want to be recipients of equalization any more than any other province, but rather want to contribute to the financial well being of Canada as they have always wanted to do. So, we must look at this bill as having benefits in the first instance for the people of Newfoundland and Labrador, but also as having great benefits for the residents of other provinces of Canada. I have never known major projects that can ever be isolated or insulated for benefits to only one province or region.

I am reminded of years ago when I was Minister of Indian Affairs and Northern Development, and it seems like years ago, in 1979. I was on a drilling rig in the Beaufort Sea. On the drill floor I met a fellow who must have been at least 135 pounds dripping wet. I asked him where he was from and he said: "From Newfoundland." I said: "Well, what are you doing here?" He answered: "Well, it is pretty obvious. I am drilling for oil."

I always thought of that when I heard people say that the people from Newfoundland would not get benefits out of this project because they do not have either the expertise or the experience. It was my understanding and my knowledge that they had been willing to go to all corners of the world to work on projects such as these. I asked him why he was there and he said: "So I can earn some money to go back home, build a house and get

married." I thought that was a fairly legitimate objective as well.

I use that human story to point out that in this place we can very often get tied up with all kinds of legal arguments and political games. Let us remember that this legislation is good, first for the people of Newfoundland and Labrador, and also for all of Canada.

Some hon. members: Hear, hear.

The Acting Speaker (Mr. Paproski): The hon. member for Bonavista—Trinity—Conception. I will then recognize an NDP member and then the hon. member for Richelieu.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, first, I would like to say how honoured and privileged I am to rise, both as the member from Bonavista—Trinity—Conception on the east coast of Newfoundland and as the associate critic for energy, mines and resources, to speak to these amendments.

As the hon. Minister of Energy, Mines and Resources said, this is very much a housekeeping amendment and as such I have no detailed comments *per se*. If I could be permitted, there are a number of comments I would like to make at this point in time.

I would like to say at the outset that, as a Newfoundlander, I am very pleased—in fact, I am overwhelmed—about what this is going to do. Again, as the Minister said, this is not the be all and an end all. There are all kinds of *i's* to be dotted and *t's* to be crossed. But I would like to make the point that it is good not just for Newfoundland, it is good for all of Canada. The expenditures that are going to be involved and the oil resources and revenues are going to benefit Canada, not just from the participation and the spinoffs economically, but, indeed, reducing our dependence on white oil.

If I can perhaps be allowed a bit of a motion in this particular aspect, I would again look at the Newfoundland benefit. I would like to go back to the reference the hon. Minister made with respect to the Hon. J.R. Smallwood, the first Premier of Newfoundland. Indeed, it is generally well known by anybody who has been involved with Hibernia that he was the first. He sent a diver down on the Grand Banks because he believed in his province and he believed that if we were going to succeed as a province in the long run we were going to have to diversify from the 1497 comment of John Cabot who said: "Fish were teaming. You can catch them in baskets." It is not quite that way any more.

At about the time that Mr. Smallwood was laying the plaque at the bottom of the Grand Banks, I was a lot younger than I am now. I remember the kind of songs that we used to sing in folklore, songs like *Lots of Fish in Bonavis Harbour, Lots of Fishing Around Here*; songs like *Tickle Cove Pond*; songs like *The Trinity Cake*; songs like *A Great Big Sea Hove in Long Beach*. Happy songs. Songs that said that although there were always hardships in Newfoundland we could always see through the hardships because there was always the hope that something would come along next year. I remember my grandfather having tough years and good years in the fishing and his father before him. There was always hope that something would come along that we did not have to have these alternatively good and bad years.

Now what are we seeing in Newfoundland just before Hibernia was signed again? The song that is now being sung and understood very much in Newfoundland, if I could be permitted, is a song made popular by the late Stan Rogers, a very well known folk singer. It is a very emotional song. I do not propose to sing it for you, Mr. Speaker, but I would like to give you the chorus. The song is called *Make and Break Harbour* and the chorus is a very sad chorus and it goes like this:

> In Make and Break Harbour the boats are so few
>
> Too many are hauled up and rotten
>
> Most houses stand empty
>
> Old nets hung to dry are blown away, lost or forgotten.

Forgotten, Mr. Speaker, because of the state of the economy dependent on the fishery almost as a sole industry. Yes, we have forestry and pulp and paper, but fishery is our mainstay.

In Newfoundland in the last two years—and I do not mean to be political about this but I have to take it from my end and portray at least the 100,000 constituents in Bonavista—Trinity—Conception—you have got goods and services tax, you have claw-back, you have got Bill C-21, you have got a reduced, total allowable catch, and you have got foreign overfishing. Wherever you turn around when you get up in the morning, life is not good.

Hibernia represents perhaps a change from the "Make and Break Harbour" syndrome and perhaps a change from the no-hope syndrome that so many of my people report to me and that I have witnessed myself.

Apart from the discussions that will take place here tonight, apart from the housekeeping amendments, apart from all the things that will go on, the one thing that it has given Newfoundland is hope, hope in the midst of despair, hope still for the ocean, but hope in a different aspect, in a different dimension of the ocean.

Mr. Speaker, I wish you could have been in St. John's, Newfoundland on September 14, a week ago Friday. I know the hon. Minister was there. The feeling is very difficult to translate. It did not matter which party you were from. It did not matter what part of Newfoundland you were from. It did not matter whether you had an invitation or not.

• (1730)

The almost 1,400 people who attended that reception in the Hotel Newfoundland was something to behold. The whole thread of hope went right through that reception. That emotion is still with us in Newfoundland. We know that there is more to it than this and we know the spin-offs are not just for Newfoundland. They are for the rest of Canada and we are happy about that. We in Newfoundland are not greedy. We are very pleased to be able to share a project of this nature.

I would be less than total and complete in my introductory comments if I did not admit that the majority of this project, that is the building of the gravity base structure will take place almost in the epicentre of my riding, near Sunnyside, about four miles from it at Mosquito Cove near Bull Arm, nice picturesque words. There is hope.

There is one other comment I would like to make. I have not been in this political business very long, but I have been involved in different aspects of different bills. I must say that it gave me, as a neophyte politician, great hope in the politics and in the business of doing these kind of things in this House, the highest court in the land, when I saw the kind of co-operation we received in getting this bill through. I believe we started first reading, if my memory serves me correctly, on November 7 last year. We had another round I believe on February 9 for second reading. We got through committee stage shortly after, I think about June 6 or 7. I remember the hon. minister and his staff making themselves immediately available. It was detailed, it was hard work. We worked into the night and we finished it very quickly and very amicably.

I would also say that I am very conscious, as I know my Newfoundland colleagues are, and I hope the House is very conscious of the personal hard work and energy the the hon. Minister of Energy, Mines and Resources put into this. I am sure the hon. Minister of International Trade and others did also. I know they were in the forefront of the very difficult negotiations that took place this summer.

We were hoping to have third reading before the House took recess, but for reasons that I need not get into, it was not deemed appropriate to bring it before the House. As a last resort I asked the minister, and I quote the question:

> Is it possible for the minister to give us any indication of the date so that the people of Canada would have some indication of when they are finally going to derive some benefits from this mega project?

I do not have the minister's exact reply, but he knows that he said: "Yes, we will continue to negotiate during the summer and work will begin this fall". I believed the minister. I knew he would work hard at it, and I am very pleased to report that the results at this point in time are history. Therefore, I would like to go on record for myself and certainly my Newfoundland colleagues and all my colleagues on this side of the House and thank both ministers. I know the hard work the Minister of Energy, Mines and Resources and his staff put into it. That certainly is to be taken into account.

I know we will be speaking in more detail on this and in depth. I have more detailed comments to make and I know a lot of my colleagues wish to speak to it as well.

At this this particular point in time I would like to say: Thank you for the progress we have made so far and let us hope that we can continue in the spirit of hope and co-operation as we go through to third reading.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I just have a few comments about the bill before the House today and the concerns I have about energy development in this country.

The bill before the House today is important for the taxpayers of this country. What we are looking at is the expenditure of $2.7 billion of taxpayer's money from the federal taxpayer, wherever that federal taxpayer may live in this country. Mr. Speaker, $2.7 billion is a fair amount of money for the taxpayers of this country. Later on in this debate the House leader of our party will be moving an amendment that will make sure that the federal taxpayer has accountability in terms of adequate annual reports being made to this House about the Hibernia project, and what it he is doing not only for the province of Newfoundland but indeed for the people of this country.

We want to know for example, Mr. Speaker, what would be the net direct and indirect economic benefits in each Canadian province that will result from this Hibernia project.

The Acting Speaker (Mr. Paproski): I would just like to bring to the attention of the hon. member that we are now speaking on amendments Nos. 1 and 2. We are not on the main bill. I would just like to bring that to the attention of the hon. member for Yorkton—Melville.

Mr. Nystrom: As I was saying, Mr. Speaker, we will be moving further amendments because we are concerned about how they spend the taxpayers' money in this country, and as an Albertan I am sure you, Mr. Speaker, would be greatly concerned as well.

I have seen the polls from the province of Alberta where your party, Mr. Speaker, is now running fourth. I am sure you will be very sensitive as to how government money is spent. I do rise to speak on the amendments that are before the House at this time saying that the main concern in our party is accountability, to make sure that money is well spent, to make sure that taxpayers' money is not wasted, be it a taxpayer from Yorkton, Saskatchewan, or Cambridge, Ontario. It is important that we keep a close watch on the expenditure of money.

I am also concerned about an intention of this government that I want to raise on these amendments as well, because it is very relevant, to privatize Petro-Canada very shortly. I think that is also going to be a waste of the taxpayers' money, a corporation that has now accumulated assets of around $5 billion in this country. It concerns me that the government across the way is going on an ideological binge to satisfy their friends in corporate Canada. They want to privatize Petro-Canada. They want to make sure they have made some very good economic deals like having a Hibernia for some of their rich and powerful friends in corporate Canada. That really concerns me as a New Democrat, concerns me as a Canadian, as a Canadian taxpayer. I am sure it concerns Newfoundland as well. That is being done for ideological purposes.

Mr. Reid: What has this got to do with Newfoundland?

Mr. Nystrom: I am sure the member from Newfoundland who was so active in the constitutional debate, in his heart of hearts being a red Tory, would not favour the privatization of Petro-Canada.

I am sure he would recall that the public institution was formed back in 1974-75 because of an OPEC crisis in the world and the escalating oil prices and because we had a minority parliament where the NDP insisted that we have this public co-operation which would be a window on the oil industry in this country. That is why we had Petro-Canada.

It strikes me as ironic that at the time when there is another crisis in the Middle East and the Persian Gulf this government would want to privatize Petro-Canada. I think it is very important that we mention that in this debate on Hibernia.

We have to deal with these amendments before the House, Mr. Speaker. It is very important that we mention that at this particular time because the people of this country must be made aware of the ideological blinders on the government across the way.

It is like the province of Saskatchewan where the premier a year or so ago tried to privatize the Saskatchewan Energy Corporation and the opposition New Democratic Party walked out of the legislature and let the bells ring. The people of that province, my province, rebelled and forced the government to withdraw the bill to privatize the energy corporation of Saskatchewan.

Mr. Speaker, I perhaps want to give you advance warning that when the privatization bill for Petro-Canada is tabled in this House in a few days, we intend to make that a fight across this country and show the people

of this country what the Conservative party is planning to do with their money.

The people of Canada do not agree with the Conservative Party of Canada. That is very obvious with recent polling results and recent election results and when they try to privatize Petro-Canada, there will be another catalyst, another warning gong to the Conservative party across the way. Come the election campaign in 1992-93 the Conservative Party will go down to a very resounding defeat.

It is short-sighted to embark on some of these policies. It is very short-sighted. We are running out of resources in this country. Under the free trade agreement we will be exporting more and more gas and oil to the United States, and it seems to me very unwise that they have moved to privatize Petro-Canada. I raise that at this time in the Hibernia debate because this is only part of the energy policy of the Conservative Party. What they have done here is they have signed a sweetheart deal that will benefit in the main some of their wealthy friends in the oil industry. I just wonder whether it will be of great benefit to the people of Newfoundland. How many jobs will this create in Newfoundland? How many long-term jobs in Newfoundland will this create? I just wonder. I am really curious about that and I am sure you are too, Mr. Speaker.

• (1740)

I see many of these megaprojects that cost millions of dollars for the creation of one good long-term job, millions and millions of dollars. If it would create a lot of jobs for unionized workers, I would be very happy and very surprised, but I am sure that will not be the case.

When we discuss these amendments, I hope the Conservative Party across the way will look very seriously at amendments that we are proposing and we are moving which will demand more accountability. I hope that they will also come to their senses and not table a proposal in this House in a few days to privatize Petro-Canada because if they do that, that will just put a few more nails in their coffin.

I am sure you remember, Mr. Speaker, before I sit down, back in 1979 when the then Prime Minister Joe Clark decided to privatize Petro-Canada. That was one of the reasons why the people of this country defeated the Conservative Party with a resounding vote on February 18, 1980. I know the minister across the way, the Minister of Energy, agrees—I can see him from here shaking his head in agreement—because he was part of that government and he was defeated because of the insensitivity of that party across the way. Increasing oil prices by 18 cents a gallon, do you remember that, increasing oil prices when John Crosbie, the then Minister of Finance, said that we needed this short-term pain for long-term gain. Then the agenda was to privatize Petro-Canada and give more and more breaks. It just shows the Liberals—

An hon. member: Order.

The Acting Speaker (Mr. Paproski): I know there are times when we are not really relevant to what the motions are but when you start getting a little off that, I think that I should intervene. I think the hon. member's time has expired in any event. I will recognize the hon. member for Richelieu.

[*Translation*]

Mr. Louis Plamondon (Richelieu): Mr. Speaker, the Hibernia project has been around for quite some time. From the outset a number of Canadian companies, including companies from Quebec, had shown considerable interest and in fact had high hopes for this project. As you know, a consortium headed by Marine Industries had been formed, to maximize Canadian content. Companies in Montreal, Toronto and the Atlantic Provinces established a consortium to include companies specialized in platforms and ensure there would be more spin-offs for Canadian industry.

Of course, the new Hibernia project raises a lot of questions, especially for Quebec workers at Lauzon and MIL-Tracy. First of all, one unit, one part of the contract is being built directly in one province, without tenders and without the assurance that local expertise is available to carry out the contract at the best possible price.

The second aspect, which may come as somewhat of a shock andurprise to Canadians and Quebecers, is that federal funding available from the so-called Eastern Canada energy development fund is being used to build infrastructurtes and set up companies that will compete with existing Canadian companies. This is a flagrant denial of the principles of free enterprise and the principles of a Conservative Party that has always stood for private enterprise and keeping government interven-

tion to a minimum, when existing private companies can do the job.

The fact is that hundreds of millions of dollars have been spent to set up companies competing with existing Quebec and Canadian consortiums. This raises a lot of questions for Quebec workers. Why isn't this kind of megaproject used to give existing Canadian companies a chance to develop and why aren't companies like Mobil Oil and other multinationals required to pay the price if they want to exploit the natural resources of a country? Why not let Canadian companies develop their expertise?

Why is the Canadian content not higher than in the present project? It seems to me that the percentage is quite small.

Why is it for instance that, for years now, since the idea of rationalizating shipyards came out, one shipyard after another is closing down, particularly in Quebec—after all, the party I represent puts the financial and other interests of Quebec first? A shipyard was closed in Montreal, then in Tracy. There is only the one in Quebec City left. We were told that the rationalization process would be nation-wide. It was not. So, we end up with several Canadian companies relying on designated contracts from the federal government for their survival. On the subject of military expertise, for example, we know that Marine Industires built most of the frigates during WWII. The frigates contracts having been split—one calling for the conception and construction of six frigates for the Liberals and, more recently, one for another six for the Conservative government—, the military expertise is now shifting toward New Brunswick, whereas it already was in Quebec.

Here is another example: the off-shore contract. The only Canadian company experienced in the construction of drilling rigs was Davie Shipbuilding, in Lauzon. Once again, federal funds are being used to transfer knowledge and expertise outside of Quebec so that, come new projects in the future, such as the Beaufort Sea one, expertise is already in place, having been transferred from another region, it will once again have priority over institutions and companies already established in that field. That is of great concern for Quebecers. This raises a great many questions among workers who expected to see spinoffs either on MIL-Tracy or MIL-Lauzon.

I am quite surprised and I hope that the Quebec Members of the Tory Party and Liberal Party will object to the fact that this project remains as it is and will seek changes in order to increase the Canadian content thus bringing spinoffs to Quebec and the rest of Canada.

I suggest that the decision to reserve to Newfoundland the lion's share in this project worth billions of dollars transforms this Canada-wide project into a mostly Newfoundland project. We certainly do not object to the fact that a very large part of the work will be done in that province. What we cannot accept is the fact that public funds are used to create and finance companies which will compete with existing corporations in other regions of Canada which could bid on these various jobs.

I should like to remind you also that the Hibernia consortium is reserving just one module for Canadian corporations, before going on the international market with the hope that Canadian corporations will be able to compete.

We know that foreign countries grant enormous subsidies to their shipyards which build all these support ships involved in such projets. Canada does not grant subsidies to its shipyards, and therefore they cannot compete internationally. Therefore, the Canadian content should be increased in order to get more spinoffs for Canadian corporations, not only in Quebec. But I know that Marine Industries in Quebec have created a consortium with a number of other companies in Toronto and the Eastern provinces to secure contracts for this Canada wide project.

To conclude, Mr. Speaker, I wish that my Quebec colleagues will join us in our efforts to increase the Canadian content in this project and have changes made to have more spinoffs for Quebec.

• (1750)

Finally, Mr. Speaker, I would like to move the following amendment to motion No. 2 in the name of Mr. MacDougall.

> That motion numbered 2 be amended, in the French version, in paragraph (*c*), by adding after the word «souhaitables», the following: «notamment l'assurance que les appels d'offres sur les cinq super modules de la plate-forme soient, dans un premier temps, réservés aux seules entreprises canadiennes.»

Mr. Speaker, I want to apologize for giving you a handwritten motion, but I am sure that provided the other parties show some understanding, as soon as we

have a research budget, we will be more than happy to provide a typed copy.

[*English*]

The Acting Speaker (Mr. Paproski): You might be able to come to my office and I will let you have a typewriter.

Some hon. members: Oh, oh.

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, in entering this debate I would like to take a moment to thank the hon. member for Bonavista—Trinity—Conception, the energy critic from Edmonton East, and the officials for the work that has gone into developing this legislation and getting it to the point where we are today. Hopefully we will reach third reading of this legislation by the end of this week.

I would like to make a couple of points. I had the opportunity to be involved in this project for a great number of months. I had the opportunity to be in Newfoundland 10 days ago to understand firsthand how important it was for the residents of Newfoundland, for residents of eastern Canada, and for all Canadians. It will probably be, in my life as a member of Parliament, one of the most key pieces of legislation that has been put forward.

It is going to help economic development across Canada, not only in the province of Newfoundland. I would like to say that it was a great honour to be part of that project, and again I thank my colleagues for the great detailed work they did in this regard.

The member who spoke previously on this amendment mentioned work and the way that parts of this work should be spread across Canada. It certainly was, Mr. Speaker. After my address I would like to send a copy of this release dated November 14 to my hon. colleague. It is entitled "The MIL Group Anticipates Key Role in Canadian Offshore Projects" and in part reads:

> Montreal, Quebec—As Canada's most experienced fabricator of offshore structures, The MIL Group is pleased at the go-ahead announcements for the Hibernia Offshore oil project in Newfoundland—Robert Tessier, President and CFO of The MIL Group, commented, "The MIL Group has been working closely with the international offshore industry for more than ten years. I am very confident that The MIL Group will be able to successfully compete for a wide range of the project content."

The communique goes on, but I would like to condense parts of it because I think it is very important to all members in the House and all Canadians to understand that this is not only a Newfoundland project. This is a Canadian project from which all Canadians are going to benefit.

In closing the communique reads:

> Current MIL estimates project a potential of over 2 million manhours of work accessible to The MIL Group and its associates over the next few years from the Hibernia—projects.

For the benefit of the residents of the province of Quebec who will be paying a key part of this, it is worth $1 billion.

Mr. Speaker, as you can see, with this piece of legislation the Government of Canada under the Prime Minister and the Minister of Energy, Mines and Resources and the groups, the consortium, have done their utmost to ensure that all Canadians will have the opportunity and the benefits directly and indirectly in this project.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, I presume we are on dealing with the amendment moved by the member of the Bloc Quebecois, the hon. member for Richelieu, one of the new kids on the block.

I would like to put a couple of things on the record. I was not intending to say anything during this debate, but I can see what the members are up to. They will be moving motions to delay this legislation.

Mr. Speaker, you will notice that when the motion was moved the hon. member kept referring to work in specific locations in one province, namely the province of Quebec. He kept referring to the province of Quebec. He kept saying that the entire intent of this motion was to say that Quebec was not getting enough out of this deal. That is the entire intent of this motion.

There will be another motion, there will be another motion, and there will be another motion. We are going to be here day after day after day dealing with motions put by these members who are saying that one section of this country—

Mr. Lapierre: No, Canada.

Mr. Baker: Read over his words, Mr. Speaker. Every single reference to employment was either to a specific company or a specific city. Let us get it straight here. Newfoundland is the poorest province in Canada. We already passed an act in this House that set out the benefits from the Hibernia deal. And where do they go, Mr. Speaker? Do you know that under this deal right

now, not one petrochemical plant industry can be built in Newfoundland from the offshore petroleum resources until existing industrial capacity is satisfied in three other provinces in Canada under an agreement between the Province of Newfoundland, under the former government, not the present government and this government in legislation passed before this House.

• (1800)

Imagine if the Government of Canada had brought in legislation when the tar sands projects were being negotiated, and said that we are going to contribute to this, but the oil that comes from here will have to go to existing industrial capacity in British Columbia, Manitoba, Saskatchewan, Ontario, and Quebec. It would be unheard of, it would be laughed out of this Chamber. But that is what we have had to put up with under this Hibernia deal just to get it going.

And we have to put up with hearing the minister announce 1,100 jobs when the thing gets going. We have had to put up with an agreement that says that only the Come-by-Chance oil refinery can be served by all this offshore resource for all time if the Come-by-Chance oil refinery was operating at capacity on the day of the coming into force of this act.

Just imagine what we have had to put up with in Newfoundland. Where do all of our energy resources presently go? Let me put it on the record of the House. We sell it to Hydro Quebec for $8 million and it sells it for $800 million to the United States. So let us keep things in perspective here, let us keep this record straight and let us have it on the record that Newfoundlanders are fed up with this. They are fed up with giving this away and that away and something else away and being told, well now this has got to go to this province, this has got to go to that province. And now we have a group of people down here, the "bloc head" is not here today but the new kids on the block are here. They are the guys who are saying this is not good enough for the Province of Quebec. Mr. Speaker, we say this is not good enough for Newfoundlanders either, but we want this project started and we are not going to put up with these stalling tactics by this group of members down in the far corner.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I would like to address some remarks on this motion as well. I just want to answer the question asked by the hon. member from Newfoundland. He asked where all their energy resources had gone. Under the previous Liberal government, the Trudeau government, they all went to the federal government and at least the Conservatives have split it fifty-fifty, between the provinces and the feds in terms of control and so on. He should at least concede that the Province of Newfoundland had a worse deal—well it had no deal because Hibernia did not happen—in terms of sharing energy resources. I am sure I will hear the old kid on the block on this later on.

I also want to point out to him that the Premier of Newfoundland is lukewarm to this deal. As I understand it, he is saying, "Look, maybe we are not going to get all these things that we thought we were going to get"—

An hon. member: They will lose equalization payments.

Mr. Waddell: —and as my colleague points out, they will lose equalization payments in return. Let us be careful of who is benefiting from this.

I do not want to get in between a dispute between Newfoundland and Quebec here because you cannot win on that—

An hon. member: Oh, oh!

Mr. Waddell: No, no. I was just going to say something that you might consider sensible. With respect to the Hydro Quebec deal and the Newfoundland deal, if we were really sensible people and Quebec was sensible—and I put the blame on Quebec mainly—it would renegotiate that deal. It is not fair. I say that and I am from British Columbia. It is not fair. It is part of the reason for bad blood between Newfoundland and Quebec. We are going to have to create some good blood and one way is to renegotiate that deal. I can say that because I am an outsider to this but I know a little bit about it. Second—

[*Translation*]

perhaps I may inform the «Bloc Québécois» or our independent members that I agree with the amendment.

Some hon. members: Hear, hear.

Mr. Waddell: Not so fast! Wait until I finish. Provided the platforms are built by Canadian, not Quebec but Canadian companies. If Quebec is not in the Canadian Confederation: no jobs, nothing, no Canadian companies in Quebec.

[*English*]

So if they leave, they do not get any jobs at all. They are gone. This is *entreprises canadiennes*. Some of them may be in Quebec—

[*Translation*]

I want to see Quebec.

An hon. member: United.

Mr. Waddell: No, but Quebec in Confederation with Canada.

[*English*]

Perhaps there will be a new relationship but in here. You know, if Quebec leaves, I tell my friends, there will not be any jobs. I tell the member from Hull none of his constituents will be working over here, my friend, so perhaps he had better deal with that.

But, Mr. Speaker, the real issue is perhaps highlighted by what the Minister of Energy told the committee. Hibernia is a big, fat subsidy to the multinational oil companies. We have given our major oil find to Mobil Oil and its friends. It is unbelievable. We are guaranteeing $1.7 billion in loans and we are giving a grant of $1 billion. That comes to $2.7 billion for the oil companies, the very companies that say, "Let's go by the market". Nice market, eh, if you can have it subsidized by the Canadian government and have it guaranteed by the Canadian government. That is a free market? Well, that is rather a different definition of the free market.

Here is the minister in front of the committee. The NDP member for Edmonton East asked him:

> What is the department's best estimate of the percentage of Hibernia production that will be shipped to foreign market and never seen in a Canadian refinery?

In other words, are they going to refine it here. I asked the minister to respond to this in the House. He said in committee:

> Mr. Chairman, it is possible that some of the production over a given period of time entirely could go to a refinery other than Canadian—

[*Translation*]

My friends, this means not Quebec or Newfoundland, but New York and New Jersey—

[*English*]

—where the home companies are.

The minister continues:

> —primarily refineries in the northeast United States. It will depend quite frankly on Canadian refineries bidding on the sum of that crude.

We have to bid for it and we have to depend on Mobil and Exxon. Do you know where they are going to send it? They are going to send it to their own. We will not be coming by chance. There are no chances in this one. They will go to the parent.

Hibernia represents practically the greatest giveaway in the century of Canadian resources. The reason is that Mobil and the oil companies have control. Petro-Canada should have been running that entire operation or some other Canadian company should be running it.

When I sat on the energy committee as NDP energy critic for eight years and went up and down the national energy program, we studied a thing called sourcing. It was Bill C-48 in those days. We had witnesses from all over the world: from Norway, the United Kingdom and other countries that were involved the North Sea. We learned that you have to target your sourcing. You have got to require sourcing.

• (1810)

[*Translation*]

That is why it is a good amendment for Canadian companies—and I say it again.

[*English*]

We should get some of those. We have to guarantee that some of those platforms will go to Quebec, that all the oil will be refined in Canada, and that the benefits will go to other parts of the maritimes and spread out into Ontario and the rest of the country. It just does not happen because Hibernia is going to be run by Mobil and the other companies. There is the minister's own testimony. The government is guaranteeing the project and giving vast loans. It wants to tackle the deficit. What a giveaway that is. Then it bribes the people.

The people of Newfoundland are poor. They need jobs and they need aid from the federal government. They say: "There is a billion dollars". It is balderdash. "It is a pot of gold at the end of the rainbow. Don't really diversify your economy, Newfoundland; just get this big megaproject and you will be all right".

This is all very well now when the price of oil is going up, but if the price of oil goes down—I predict below $40 Canadian per barrel on Hibernia because I think that is what it will cost to get out of there—what will happen is that taxpayers will be left with a $2.7 billion plus debt.

An hon. member: You are sounding like the Tories.

Mr. Waddell: The member said I am sounding like the Tories. I am just sound fiscally responsible. We are in Ontario, you know.

[*Translation*]

I agree with, I support and I am in favour of this amendment. It is a good amendment, proposed by the new kids on the block, the «Bloc Québécois».

[*English*]

I tell them, before they clap, to remember that this enterprise is Canadian. This makes it a guarantee of Canadian sources. We in the NDP want Canadian sources. We want Canadian control of Hibernia. We do not want a government, in false promises to people, guaranteeing jobs that will not be there or guaranteeing a project that is not going to benefit all Canadians.

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, it is a pleasure for me to speak in this debate this afternoon. I had intended to speak briefly.

I was first involved in this project some 15 years ago, and ever since then in one way or another, either in this life or other lives, I have been involved in Hibernia. Through the development of what initially was discussions about the imposition of regulations by the Newfoundland government, there have been huge changes as the project has changed, as the science has changed, as the corporate world has changed, as the political world has changed. We have all had things that we have wanted and things that we have desired. We have entered into major economic battles. We have had huge political battles over control of the resource and whose responsibility this would be and who would pay for that.

We saw the Atlantic Accord. We have seen the signing of principles. At the beginning of this month we saw the signing to start the project, but as I sit here and listen to this debate and listen to my good friend from Gander—Grand Falls and my friend from British Columbia, I think of all the things we would like to have.

Yes, we would like to see this project proceed with no subsidies. We would love to see this project proceed, developed by just Canadian companies, and all the work done just in Canadian shipyards or with Canadian products. We would love to see no giveaways for Newfoundland—everything Newfoundland wants it gets, and everything Quebec and Ontario and New Brunswick want they get. That would be great, except there is only one problem: there would be no project.

An hon. member: That is not true.

Mr. Reid: It would not happen. If you can tell me that after the work that has gone on between two successive governments at each level, a variety of CEOs in a variety of companies, after 10 years, we have come up with an agreement that all of us feel we can live with, that none of us love, that none of us are fully content with, we now have a project. We may have the oil, but it is no damn good to us in the ground.

Some hon. members: Hear, hear!

Mr. Reid: I resent sitting here and listening to our friends from rich British Columbia telling us: "You know, we are giving it all to the oil companies and poor old Newfoundland." Well, let me tell you, the iron workers who built New York City, who live in my constituency and who leave Newfoundland every year or maybe if they are lucky go to Gander for four months, they are fed up with your unemployment insurance and promises about what they are going to get and what they are not going to get. No, this project is not perfect but a lot of people have done a lot of work and are risking a large amount.

Mr. Waddell: Mobil Oil.

Mr. Reid: That's right, we are. The people of Canada are finally saying to all the people of Canada, and particularly the people of Newfoundland and Labrador, it is your turn. We are willing to invest in your futures. We are not talking about Hibernia with one gravity based system and one platform with five supermodules on top of them. We are talking about Hibernia. Then, we are

talking about a series of six or seven other projects that are ready to go, Wild Rose, Ben Nevis and numerous others. We are not just talking about cement and steel and putting steel together and putting it on a big platform. We are talking about engineering.

We are talking about the capacity technology development and transfer gives us. My hon. colleagues opposite question whether the people who work and live in Newfoundland and Labrador have the skills to do this work. Can you believe that? My Newfoundland colleagues are horrified at the thought because we, the people of Newfoundland and Labrador, have the skills that have kept cities like Cambridge, and places like Thompson in northern Ontario and across the west working and building for years. Well, now it is our chance to build our own home where people can live and work in the place where they grew up and want to live. They will build their futures for their kids.

If that is what $2.7 billion gets us, then it is a damn good investment for the country now and in the future.

Some hon. members: Hear, hear.

Mr. Reid: I didn't even look at my notes.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I hate to interrupt my friend from St. John's East who admits he did not look at his notes. I am waiting to hear what he is going to do when he actually checks what he was really going to say.

Like every Newfoundlander who sits in this chamber, I am pleased that the Hibernia project is going forward. At the outset I want to do what I have already done publicly, to congratulate the gentleman from St. John's West, the Minister for International Trade and the Minister of Energy for the effort they put into this. I know that behind the scenes my good friend from St. John's East was in there batting, too. We are proud the project is going ahead.

I was following the proceedings in my office a minute ago. There is not much need to deal with this issue because my friend from Gander—Grand Falls dealt with it admirably, but I did hear the gentlemen from Richelieu when he spoke a few moments ago. Don't desecrate the new kids phraseology, it is the new heads on the block.

[*Translation*]

—waiting for the guillotine.

[*English*]

As one of the new heads on the block was saying a moment ago, the gentleman from Richelieu—and my friend from St. John's East touched on it just for a moment—he was taking about this condescension. He said that we cannot do it. These poor, stunned Newfoundlanders cannot work a few bolts or put a few pipes down the ocean or pour a bit of cement. Now that kind of nonsense—

• (1820)

Mr. Plamondon: I never said that.

Mr. Simmons: Read the transcript, that is exactly what the gentleman from Richelieu was saying.

Mr. Plamondon: No.

Mr. Simmons: If he knows as much about the other causes he espouses as this particular one, God help the cause he is espousing!

Mr. Plamondon: I never said that.

Mr. Simmons: Denial, denial. That is the other plank in their platform: deny everything.

Mr. Speaker, I give you notice and I give the new heads on the block notice, I give them all notice, I give everybody notice that this project within the parameters as it has been spelled out will be a first-class project, done the way that Newfoundlanders do everything—with class and with pride. There is no doubt about that.

Let us not hear again from the gentleman from Richelieu or anybody else about the quality of the project and whether it can be done. If that is what he is losing sleep over at night, he should sleep soundly tonight.

While we have my good friend here, the Minister of Energy, I want to put something else on the record. Yes, we are glad this project is going ahead. Yes, we admire what the Minister did and the Minister for International Trade did and, on the other side, the Premier, Mr. Wells, and the Minister of Energy, Mr. Gibbons, did. We admire what they did. But let us understand the parameters within which they were operating. Let us understand

that all four of these men went into this exercise with their hands tied behind their backs because, you see, they had to negotiate a deal within the parameters of the 1988 Statement of Principles.

I recognize that the Minister of Energy and the Minister for International Trade not only had their hands tied behind their back, but participated in the tying a couple of years ago. The project does not give to Newfoundland all the largess that one would be led to assume by listening to the rhetoric in the House in the last hour or two. Newfoundland, under the Statement of Principles, got very badly robbed on the issue of equalization. It is robbing Peter to pay Paul. It is taking it out of the left pocket to put it into the right pocket. Never let it be misunderstood for a moment. We were very unhappy and I sat in the Newfoundland chamber at the time when the premier of the day, Mr. Peckford, came back with the Statement of Principles. We were very unhappy then and we continue to be unhappy with the parameters on which this whole agreement has been built.

This is not a day for recrimination or for talking about what might have been. I just wanted to get it on the record. But having said that, I laud without qualification with what the Minister of Energy has done in respect to bringing this to a final agreement and what the gentleman from St. John's West has done and, of course, my colleague, my friend from St. John's East, I am sure has played a role in this. I laud that and it is a good day for Newfoundland. It would have been a much better day for Newfoundland had it been done right in the first place, but that is a story really for another day.

I want to raise a an issue or two with the Minister while we have a few minutes.

An hon. member: Ask him where it is going to be refined, Roger.

Mr. Simmons: It is one of those days when I need a good script writer. I am going to the gentleman from B.C. He has a job articulating these ideas, but he puts them on paper well and one of these days I am going to turn to him—if I ever can afford him—the smart, transplanted lawyer from Toronto who found a good thing in B.C. and stayed there. Now, Mr. Speaker, getting to the subject at hand. I hope the minister at some point, maybe at third reading, will address something that was not really adequately addressed in the agreement. That is the possible impacts. On this I really want the minister's attention, just for a moment. I hope he will address the possible impacts on the fishery should the unthinkable happen.

In that respect, he will know that in the last few weeks there has been some effort by the fisheries union to open some dialogue on this particular subject. I know he cannot negotiate in public, but I hope he would give it some indication of the framework in public. Will he tell us in at least some general terms what kinds of safeguards there are because this is an industry that is going to be with us for 20, 30 or 40 years.

We have an industry that has been with us for 500 years. I have in my riding alone 17,000 people, men and women, who make their living either in the boats or in the fish plants throughout the riding of Burin—St. George's, 17,000.

They are just part of the total number throughout Newfoundland and Labrador, so it would be a disaster not only in economic terms but in cultural and way-of-life terms too. This would be an unmitigated disaster. I want to have on the public record some of the preventive steps that are being taken and some of the compensation, if you can ever compensate should the unthinkable happen. I want to hear in some detail from the minister what the ministry and the government have in mind should all not go as well as one would like.

There is another issue here that I want to raise. I am covering several subjects quickly because I am not going to be in the Chamber tomorrow. I will be in my riding. I am not sure when the bill might get through. If it is around next week, I have some other things I want to say. I want to get one of those in the record. I hope we have not tied our hands behind our backs in another respect. I hope in getting a labour piece agreement for this project, and that in itself was a commendable effort, I hope we have not short-changed the opportunities for people with skills who are close to the project in terms of where they live but who happen not to have a particular union card. That is going to be a very difficult, frustrating issue if there are people whose only sin is that they do not belong to a particular union.

An important issue that spins off from that is what happened to the union at the Marystown shipyard. As a result of a decision on jurisdiction that went against them in the period leading up to the culmination of the agreement, there will be a situation for people in my riding and the town of Marystown.

The Marystown shipyard will fabricate certain items for the project. At some point in time, as is often the case with these large items that have to be built at one site and then transported to another site for integration of the over-all project, they will have a situation where all the work will not be able to be done at the Marystown shipyard. It will be desirable to do some at the GBS site, in this case at Great Mosquito Cove.

They have been told, as the minister will probably be aware, that any work they do on that item that they will have contracted must be done at Marystown, and once it moves to the other site they have no participation in the finish of that particular work.

That, in my view, is an absolutely mad scheme. I see my time is up so I will clue up for now. On behalf of the people who are directly affected, the workers at the Marystown shipyard, at Cowhead in particular, I make a plea. If there is a way to moderate that in some particular fashion, I would appeal to him to use his best efforts to do so. I may come back to that later if there is a further opportunity, but I realize my time is up.

• (1830)

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I want to speak to the amendment and possibly cover some of the points that members opposite have been making. I, first of all, want to speak about the benefits. I thought we might get into the benefits argument a little later but, in respect to the amendment that has been moved by members opposite, that brings me to that point right now.

What has to be understood is that in any project in which extensive negotiations are going to take place, you are going to win some of the points that you put on the table, some of them will be modified and some you will not win, but at the end of the day there is a contract, an agreement. We have another step and that step is right here in the House, passage of legislation.

The hon. member for Port Moody—Coquitlam says other countries do it differently, and I want to take him up on that challenge. I would think it would be fair that when we look at a project, we should compare offshore projects to offshore projects not compare, for instance, Hibernia to Nugrade in Regina, which this government also helped to subsidize, but I have never heard a peep from the NDP. I am just wondering if it is because it is a co-op refinery. Probably they will now come to their senses on it.

Second, if one looks at the first projects on the North Sea, the first offshore projects, what they call the national content, either for the U.K. or for Norway, the percentage of domestic content was 35 per cent. I do not know if the hon. member has been to Stavanger but take a look at what has happened in Stavanger. That was 35 per cent of the first projects. In the statement of principles of July 1988, there was a 45 to 50 per cent Canadian content. That is what we had to negotiate, almost double some of the first offshore projects that came in on the North Sea.

The hon. member said that I had to negotiate with my hand tied behind my back. Maybe I did, but we still had one hand and the agreement that we signed now gives us 55 to 60 per cent Canadian content in Hibernia. I think, when one looks at negotiations honestly and fairly, that is not bad. That is not bad.

I want to comment on the remarks of my friends opposite in respect of Quebec. At one time they were members of other parties, at the time the statement of principle was brought into this House, and they agreed. At that time there was zero for the rest of Canada. Funny how things change. Now they want to get into these debates. Let the truth be known. There were 2 million hours guaranteed for Newfoundland and zero for the rest of Canada in metal fabrication. There was 8 million for the rest of the world, on which we could bid, in the agreement that was signed and we had a change, if members are honest. We had to change the entire topsides configuration and move from a multiple module system to a supermodule system and we did. We guaranteed for Newfoundland that they would retain those 2 million hours. I did not want just that they were going to be pouring concrete. I wanted technical jobs as well. I negotiated that on behalf of the Government of Canada and I would think for the people of Newfoundland as well and we got 2.1 million hours out of the two.

• (1835)

Mr. Waddell: You're tough, considering we own the oil—

Mr. Epp: My friend, if you were so smart, why did you not develop it on your own money?

Mr. Waddell: You are developing with my money, $2.7 billion.

Mr. Epp: And you know all about the LRS too. Secondly—

Mr. Waddell: I know a sell-out when I see it.

Mr. Epp: Mr. Speaker, the member is exercising his mouth. Is his brain attached to it?

Second, Mr. Speaker, we got for Newfoundland 2.1 million hours against the 2 million hours and for the rest of Canada from zero we got 2 million hours. That gives you the content that I refer to, but I do not hear the hon. member when he talks about North Sea, I do not hear him today for example complaining that out of the North Sea we draw 350,000 barrels of oil for imports into Canada every day. I do not hear him complaining about that.

Mr. Waddell: We do not refine it.

Mr. Epp: Yes, we do. I am saying to the hon. member that he cannot have it both ways. In terms of Canadian content, I think the figures stand up for themselves.

I want to look particularly now at Quebec. One of the arguments was, how can you guarantee it because for Newfoundland obviously we are going to do the GBS and if you are going to do the work Great Mosquito Cove, near Bull Arm—I am starting to learn those Newfoundland words—and if you are going to do at Come-By-Chance and Marystown, obviously there is going to be a lot of work in Newfoundland. Why? Because it is being done in Newfoundland. That is where the project is. I think that even makes some sense. That is why it is being done there.

On September 14 when we announced the final contractual agreement, literally hours later, the consortium announced two major contracts. One was for the GBS, the gravity based structure, and the work relating to the gravity based structure. That contract came in at $1.3 billion Canadian. Of the five members of the consortium that were the winning bid, there are three that each had 29 2/3 per cent of the $1.3 billion in terms of ownership. In large contracts, members will know that consortiums are formed in order to spread risk.

Two of the three major companies are in Quebec and so Quebec companies got 59 1/3 per cent of $1.3 billion on the first contract. Most calculations I think will put that well over $700 million. The second contract which was for topside design and project management, high-tech jobs, we had estimated that contract to be worth something like $230 million. It came in at $360 million. It is headed by S and C M Anenko. Eighty-five per cent of the work in Quebec, I am glad that is the case. I am glad it is a Canadian company. I say to my hon. friends, they argue fairness. Be fair.

• (1840)

The Acting Speaker (Mr. Dorin): Perhaps I could indicate to the House that there have been two members seeking the attention of the Speaker, the hon. member for Longueuil and the hon. member for Saint—Léonard. We have time to hear from both members before we adjourn today, if that is acceptable. They will divide the time equally, 10 minutes.

[*Translation*]

Mr. Gilles Rocheleau (Hull—Aylmer): Mr. Speaker, I rise on a point of order. What you are saying to the House is that my colleague the hon. member for Longueuil has been on his feet three times already. As much as 66 percent of our caucus is here, while in the rest of the House, I do not see many members of the other parties.

I feel the Chair should treat everybody the same way. Mr. Speaker, I suggest that you should give the floor to the hon. member for Longueuil. The Liberal member could speak after him.

[*English*]

The Acting Speaker (Mr. Dorin): As I indicated, if we do not debate this too long there will be enough time for both people to make their remarks, if we move on to it right now.

The hon. member for Saint—Léonard.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I should like to deal with the amendment moved by the hon. member for Richelieu and calling for the contracts to be awarded to Canadian firms.

First of all, Mr. Speaker, I should like to establish the fact that for the past six years, Quebec Liberal members have tried to convince of that the Tory government to which the hon. member for Richelieu belonged up to a few months ago.

At that time, Mr. Speaker, the hon. member was in agreement with the government. When we consider the policy of this Tory government concerning the naval shipyards in this country, we realize that it has destroyed almost all of them.

What one should do is look at what is being done in this area throughout the world. All the countries of the world which have shipyards are providing them with subsidies to help them compete on international markets.

How many times have we urged the Minister of Industry, Science and Technology, whose parliamentary secretary at the time was the hon. member for Rosemont, to provide Marine Industries with subsidies to help them compete on international markets.

This afternoon, or rather tonight, Mr. Speaker, they moved a motion which would appear quite normal, calling on the government to protect Canadian firms. Yet, Mr. Speaker, they overlooked the fact that Canada must abide by international agreements.

Some hon. members: Oh, oh!

Mr. Lapierre: Come on!

Mr. Gagliano: If these independent members from Quebec would only listen, perhaps they could learn something. They are trying to make gains in Quebec, so that they can claim they are the only true Quebec representatives. Yet, Mr. Speaker, they forget that some major Quebec engineering firms compete on international markets.

If the House adopted such a motion, these Quebec firms could no longer compete on international markets and would be treated accordingly. While trying to make political gains, they could cause serious prejudice to some major Quebec corporations which, like Lavalin, are awarded contracts on international markets.

• (1845)

I cannot see siding with the Quebec-based high-tech firms in this debate as beneficial for the independent members from Quebec. They are only looking for an excuse to say: "We are the real champions of Quebec." But they are penalizing Quebec firms trying to tender on the international markets. Were they really sincere, they would want to help Quebec and to help the shipbuilding industry in Quebec. They should ask this Conservative government to give grants to naval industries so that—

M. Plamondon: Point of order, Mr. Speaker. I want to point out that it is assigning me motives to state that, were I sincere—to question my sincerity. There is no place for that word in this noble House. I request that the hon. member withdraw his statement.

M. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, what I meant was that, if he had been aware of the situation, he would have, as we have for six years now, been calling for grants for that industry. It is done everywhere in the world. Grants are handed out to groups in the naval industry so that they can tender.

To support the MIL Group, which I believe should land very important contracts given the importance of that industry for the province, the Quebec and federal governements should precisely get together and offer grants to make such groups competitive. The Japanese, the Koreans, the Italians, the French and the others who tender in that industry all get grants from their governments. And that is the positive thing to do: To find a way so that our industries can compete on the world markets since shipbuilding has access to world markets.

But if we want indeed to gain political points in the short run, my colleague may present a motion to the effect that contracts be given to Canadian companies. Naturally, he has give the impression that is standing up for Canadians and Quebecers but, in the long run, it is the Quebec engeneering firms that will pay the price for those political points.

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I am pleased to speak on the amendment of my colleague from the riding of Richelieu. It is the first opportunity I have of rising in the House since I quit the Progressive

Conservative Party to join the Bloc Québécois. It is a new experience for me as I said earlier because, for the first time, today I will finally be able to speak freely, without any restraint, in support of Quebec's interests. I will be able to work without worrying about votes I could lose or win in Newfoundland, in Ontario or in the West. I speak freely for Quebec, without any restraint. That must be clearly understood.

I noted today there was a certain complicity among all three parties Liberal, Conservative and New Democratic. They have decided to unite their efforts to launch a project that seems beneficial to Canada. I do not know how they managed to arrive at a consensus on such a project.

I say I am very reluctant to accept this project. First, Canada is so deep in debt that it is almost bankrupt. This is no secret now Canadiens must realize that Canada is practically bankrupt. We are in debt to our ears.

• (1850)

And so the government launches a project. For some time, a number of experts in this country have been saying the project is not viable. Considering that fact, plus a national debt that is absolutely horrendous, I wonder why all three parties decided to support this project. I intend to support the interests of Quebec. I know Quebec pays a substantial share of income tax and taxes to the federal government, and I have an obligation to defend the interests of Quebec. Speaking on behalf of Quebecers, I say this project is not viable and that we should refuse to go any further until we have tangible proof that the project can make a profit. That is my point. I am not saying we should block the project altogether but I think we should take the time to analyze it and make sure we are not putting our money down a bottomless pit.

Mr. Lapierre: All $2.7 billion!

Mr. Leblanc (Longueuil): I have the impression, and a lot of Quebecers with me, that we are just throwing money out the window.

Quebec has built a lot of big hydro-electric projects, for instance, for which Canada never paid a cent. We spent billions of dollars on developing expertise in the hydro-electric field, and Quebec paid the whole shot. Meanwhile, here in Ottawa, they where working on major nuclear projects—

Mr. Lapierre: For Ontario!

Mr. Leblanc (Longueuil): The Canadian government spent billions of dollars on the CANDU which isn't selling at all right now because it is much too expensive. It means all the money spent by the federal development on developing nuclear energy is mainly benefitting the other provinces.

Mr. Lapierre: Especially Ontario.

Mr. Leblanc (Longueuil): Mostly Ontario. At the present time, Ontario has cheap electrical power, thanks to the federal government which supported these projects. Today, together with Newfoundland, we could develop hydro-electric power again, at far lower cost, a project that would be worthwhile for Canada as well and would require far less investment. That is why today, speaking on behalf of Quebecers and Canadians, I have the impression we are wasting money we don't even have. If we keep investing money right and left in this country, in four or five years we will probably have to send more than 75 per cent of our paycheques to the federal government, and our standard of living might be as low as Mexico's today.

This is a very serious warning. It is appalling to see the three major parties trying to make political gains and defend one another because they have votes to win or lose, God knows where. But if you look at this project coldly you realize that it is not a profitable undertaking.

Because we know for sure we will not win and because we are a minority in this House, we members of the Bloc Québécois say that if we are about to lose a lot of money in an unprofitable venture the least we can do is give Quebecers and Quebec companies an opportunity to bid freely.

Mr. Lapierre: Even Canadian companies!

Mr. Leblanc (Longueuil): Even Canadian companies! The Minister of Energy, Mines and Resources himself said that most of the profits flowing from this company or from this major project would go to the United States. The minister himself said that, as reported in this morning's newspapers.

• (1855)

So Quebec is saying that if most of the profits end up in the United States we would at least like to see Canadians getting their fair share of investment capital during the construction of this major project. That would be the least we could ask for. We did not go so far as to say that Quebec should have its fair share. We are quite conciliatory, quite reasonable. We are saying: Canadians

must at least have their fair share. We know that Quebec companies can submit competitive tenders.

It is also regrettable—I deplore the fact that the Canadian government will subsidize junior companies in Newfoundland in fields where Quebec has the know-how, where Quebec has already spent huge sums of money to gain wide expertise. But now the federal government is about to support Newfoundland companies which, having acquired the necessary experience, will probably fold up.

So, I believe there is a cetain amount of waste there, which is nonsense. If there are investments to be made, we should at least assist existing operations in Canada, in Quebec or elsewhere. First, they should all be encouraged to bid for the job because it would be unfair to subsidize Newfoundland operations, especially in this instance when other Canadian companies already have some expertise in this area. We must be carefull, because our country is already on the edge of bankrupcy and we are in dept to our ears. We must be very careful not to unduly subsidize projects especially when we know in advance that they are not economical.

Mr. Speaker, I support the amendment moved by my friend, the member for Richelieu, and I thank you very much for your attention. I hope that the people of Quebec have well understood my message and I also hope they will remember that as a group now we can speak freely without having to toe the line of the other parties.

Mr. Lapierre: Without having a gag on our mouths!

Mr. Leblanc (Longueuil): That is why Canada is courting disaster because we are concerned with politics instead of strictly working on specific projects. And when politics ignore the interests of the country disaster always looms.

Thank you, Mr. Speaker.

[*English*]

The Acting Speaker (Mr. Dorin): It being seven o'clock, pursuant to Standing Order 24(1) this House stands adjourned until tomorrow at eleven o'clock.

The House adjourned at 6.58 p.m.

HOUSE OF COMMONS

Thursday, September 27, 1990

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

COMMUNICATIONS AND CULTURE

THIRD REPORT OF STANDING COMMITTEE

Mr. Jim Edwards (Parliamentary Secretary to Minister of Communications): Mr. Speaker, pursuant to Standing Order 109, I have the honour to table, in both official languages, the government's response to the third report of the Standing Committee on Communications and Culture concerning Funding of the Canadian Native Arts Foundation.

* * *

CANADIAN BROADCASTING CORPORATION

1989-90 ANNUAL REPORT

As well, Mr. Speaker, pursuant to section 47 of Part III of the Broadcasting Act and to Standing Order 32(5), I have the honour to table the annual report of the Canadian Broadcasting Corporation for the year 1989-90.

[*Editor's Note: For above reports, see today's Votes and Proceedings.*]

* * *

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to nine petitions.

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

[*English*]

POINT OF ORDER

REQUEST FOR STATEMENT

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I rise on a point of order. Considering the recent developments at Oka, particularly in the last few hours, I was anticipating that the Minister of Indian Affairs would be making a statement, indicating what the government plans to do in response to the blockade being taken down.

Perhaps I could ask the government House leader, through you, Mr. Speaker, if the minister will be making a statement later in the day. If he is, we are quite prepared to provide that opportunity for him in terms of changing the Standing Orders.

Mr. Speaker: I must point out that the hon. member is asking a question under the guise of a point of order. The hon. House leader may wish to respond but I think, strictly speaking, there is no obligation to do so at this point.

* * *

[*Translation*]

INTERPARLIAMENTARY DELEGATIONS

PRESENTATION OF REPORTS ON ACTIVITIES OF CANADIAN SECTION OF AIPLF

Hon. Andrée Champagne (Saint-Hyacinthe—Bagot): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present in the House, in both official languages, the eighth and ninth reports on the activities of the International Association of French-speaking Parliamentarians.

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

* * *

TRUST AND LOAN COMPANIES ACT

MEASURE TO AMEND

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)) moved for leave to introduce Bill C-83, an Act to revise and amend the law

governing federal trust and loan companies and to provide for related and consequential matters.

Mr. Speaker: Does the minister have leave to introduce the bill?

Mr. Loiselle: The purpose of this bill is to improve the structure and operations of Canadian institutions. It updates the regulations governing trust and loan companies—

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

Mr. Loiselle: The Canadian consumer will benefit from increased competition and a wider range of services.

• (1110)

[*English*]

This bill would strengthen the ability of Canadian financial institutions to compete at home and abroad by giving them new opportunities for growth.

[*Translation*]

Mr. Speaker: I agree with what was said by the hon. member for Kingston and the Islands. He is right.

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

[*English*]

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

Mr. Speaker: I must say to the hon. member for Kingston and the Islands that I said to him out of courtesy and I thought for a moment in absolute certainty of my procedure that his intervention was well taken. It was up to a point. The minister does have the option. Perhaps we could discuss it.

* * *

COMMEMORATION OF THE BIRTHPLACE OF CONFEDERATION ACT

MEASURE TO ENACT

Mr. George Proud (Hillsborough) moved for leave to introduce Bill C-330, an act to commemorate the birthplace of Confederation.

He said: Mr. Speaker, I am honoured to introduce this bill asking the Parliament of Canada to designate Charlottetown, Prince Edward Island as the birthplace of Confederation. This has been the goal of many Prince Edward Islanders for a long period of time and I ask you, the representatives of all the people of Canada, to give your support to the first reading of this bill.

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

MIDDLE EAST

REQUEST FOR AUTHORITY TO TRAVEL

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I rise today under Routine Proceedings to seek the unanimous consent of the House of Commons to put the following motion:

> That, in the opinion of this House, a committee of members travel to the Middle East region to consult with members of the Canadian Armed Forces, to observe all aspects of their operations and report its findings back to the House at the earliest possible opportunity.

Mr. Speaker: Is there unanimous consent of the House?

Some hon. members: No.

Motion negatived.

* * *

PETITIONS

PUBLIC SERVICE

Mr. George Proud (Hillsborough): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present a number of petitions from the Canada Employment and Immigration union employees asking that they be granted pay and benefits the same as full-time employees.

GOODS AND SERVICES TAX

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I rise, pursuant to Standing Order 36, to present petitions from hundreds of individuals from my riding and around Nova Scotia. It is particularly appropriate on this day to present them.

The petitioners urge the government finally to see the error of its way and withdraw the regressive, unfair tax grab called the goods and services tax. They feel that this tax is not only unfair but is unprecedented and they are begging the government at this late date to do the right thing and withdraw this regressive tax.

[*Translation*]

OPPOSITION TO GST

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I welcome this opportunity to present a petition signed by a number of residents of the city of Ottawa, all of whom are opposed to the GST bill and call on this House and the other place to reject this bill.

[*English*]

THE ENVIRONMENT

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, pursuant to Standing Order 36, I would like to place before the House some petitions from Broadview—Greenwood.

My constituents are repeatedly asking the government to release the money it committed in the fall of 1988 to begin the clean-up of the hot spot, specifically the Don River.

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my honour to present a petition, pursuant to Standing Order 36, on behalf of the fine citizens of Kamloops, British Columbia, who point out that they are aware that as few as a single Liberal Senator can filibuster indefinitely in the Senate and, therefore, stop the GST. They are calling upon at least one Liberal Senator to do just that, stop the GST, if a single Liberal Senator can be found who will do that.

RIGHT TO LIFE

Mr. John Nunziata (York South—Weston): Mr. Speaker, I would like to present to the House a number of petitions containing the names of several hundred people. They call on the Parliament of Canada to formulate and legislate a law to protect life from conception, a law which seeks to save the lives of both mother and child from the moment of conception.

GOODS AND SERVICES TAX

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, this is a petition from numerous Canadians regarding the GST.

The petitioners point out that there has never been a tax on magazines, books, and newspapers and now they will be included in the GST. They feel that the uninhibited dissemination of the printed word is a corner-stone of democracy, culture, education, and a literate and productive society. If we are asking for literacy, why are we applying the GST to magazines and so on?

The petitioners ask that this part of the GST be axed, that is, to retain a zero rate in the GST legislation and regulations on magazines, newspapers, and books.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 302, 308, and 322. I ask that the remaining questions be allowed to stand.

[*Text*]

FREEDOM OF EXPRESSION

Question No. 302—**Mrs. Finestone:**

In light of the Supreme Court's decisions on freedom of expression, is it the intention of the government to seek, under the Constitution Act, 1867, the disallowance of Quebec's Bill 178 imposing language restrictions and, if not, for what reasons?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): The Government of Canada made it clear at the time that it regretted the resort to the notwithstanding clause by the legislature of Quebec to restrict language rights, just as the Government regretted the legislation enacted earlier that year by the legislative assemblies of Saskatchewan and Alberta to reduce the language rights of the linguistic minorities in those provinces. However, the Government did not believe that the exercise of the disallowance power would have been an appropriate response to the use of the notwithstanding clause of the Charter, anymore than the Government of Canada believed it appropriate to disallow Bill 101, with its more restrictive signage provisions, in 1977. The Government has always encouraged the provinces to adopt generous positions respecting language rights in Canada.

MRS. MILA MULRONEY

Question No. 308—**Mr. Vanclief:**

Does Mrs. Mila Mulroney occupy an office in the Parliament Buildings and, if so (a) what official business of the government or Parliament does she conduct in it (b) what is the operating budget of that office (c) how many people are on that office's staff (d) what office equipment and furniture has been supplied to the inventory of that

office (d) what is the source of the funds used for this operating budget?

Leonard Gustafson (Parliamentary Secretary to Prime Minister): No.

a) N/A

b) N/A

c) N/A

d) N/A

e) N/A

MULTICULTURAL OR HUMAN RIGHTS FUNDING

Question No. 322—**Mr. Robinson:**

1. In fiscal years (a) 1988–89 (b) 1989–90, did any multicultural or minority rights organizations apply for funding from the Department of Justice and, if so (i) what number (ii) did any actually receive funding and, if so, what number (iii) were any applications received from Quebec and, if so, what number (iv) were any granted and, if so, what number?

2. In fiscal years (a) 1988–89 (b) 1989–90, were any projects dealing with human rights or legal aid funded (i) in Canada (ii) in Quebec and, if so, what number?

3. Were any applications for funding of such projects received and, if so, what number?

4. Has Justice Canada taken specific steps to comply with subsection 3(2) of the Multiculturalism Act and, if so, what steps?

5. Has the Minister of Justice entered into any agreement or arrangement with any province respecting the implementation of the multiculturalism policy in Canada, as per subsection 6(2) of the Multiculturalism Act and, if so, has there been any agreement or arrangement respecting multicultural legal aid services?

6. According to the Operation of the Canadian Multiculturalism Act Annual Report 1988–89, the Department of Justice "has committed funds for four major conferences in 1989–90, each of which will include exploration of issues relating to multiculturalism"; were these conferences planned or held and, if so (a) what were they (b) in what locations were they held?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): 1. The question refers to "multicultural or minority rights organizations". This term is unclear and has been defined broadly to include all organizations applying for funding in the area of multiculturalism or human rights in order to provide a more complete answer.

No statistics are kept regarding the type of information requested in this question and so all numbers have been manually determined and are approximate.

a) In 1988/89, 49 aplications from such groups or for such projects were received, including 9 from Quebec. Twenty-one projects were funded, including 4 from Quebec.

b) In 1989/90, 33 applications were received, including 7 from Quebec. Twenty eight projects were funded, including 7 from Quebec. In many instances applications were received in one fiscal year and approved for funding in the following fiscal year.

2. In answering this question and the next question, human rights has been broadly defined in order to provide a clearer answer.

a) In 1988/89, 33 projects dealing with human rights or legal aid were funded by the Department. Of the 33, 9 were located in Quebec.

b) In 1989/90, 37 human rights or legal aid projects were funded in Canada, including 10 from Quebec.

3. In 1988/89, the Department received 68 proposals dealing with legal aid or human rights. In 1989/90, 42 proposals dealing with legal aid or human rights were received by the Department.

4. Yes. The Department has taken action during the past years to meet the objectives of the Act. Specifically, programs and activities were undertaken in the following areas:

(a) Human Resources Management

—By developing a three year employment equity plan to improve the participation of visible minorities in the department's work force.

(b) Communications

—By increasing Employee Awareness of the Act and Canada's Multicultural, Multiracial Diversity through internal communications.

—By portraying in communications materials Canada's multicultural and multiracial diversity.

—By the use of languages other than French and English, in accordance with the *Government Communications Policy.*

(c) Funding Initiatives

—By funding research and education centers, workshops, conferences and courses with a multicultural and minority rights groups component.

—By continued funding of the Canadian Judicial Centre, the Public Legal Education and information (PLEI) agencies and legal aid under the Criminal Legal Aid Agreements with provinces and territories.

—By holding a seminar to sensitize all funding officers to the *Multiculturalism Act* and multiculturalism aspects of funding.

(d) Research

—By conducting research to enhance access to justice for multicultural groups.

(e) Service to the public

—By continued adherence to *Guidelines for the Representative Depiction of Ethnic and Visible Minorities and Aboriginal Peoples in Government Communications.*

—By the use of languages other than French and English, in accordance with section 13.2.4 of *Government Communications Policy.*

—By distribution of materials through the mail and/or through attendance at multicultural and multiracial groups' conferences.

5. No. The federal-provincial cost-sharing agreements for adult criminal and young offenders legal aid services provide for uniform, *mandatory* coverage to ensure equal treatment in cases covered by the agreement, namely, all serious offenses and those in which loss of liberty or livelihood is likely; the provincial agency will determine the financial circumstances under which an applicant for legal aid may be approved as a recipient.

All applicants charged with an offence covered by the agreement and who meet the financial eligibility test must be approved as an applicant regardless of their ethnic background or cultural association, and the cost of services provided is shareable under the agreement.

The presence of well established legal aid clinics throughout Canada, including areas where various ethnic groups are predominant, assures that legal aid services are accessible to all Canadians.

6. In 1989/90, the Department of Justice provided funding for the following conferences:

The conference entitled "Realities and Needs for the 90's" was sponsored by the National Council of Jamaicans and Supportive Organizations in Canada, Inc. It was held in Toronto on May 19–20, 1989, and included the participation of human rights organizations, youth groups, social development agencies, NGOs, etc.

The conference included workshops on the following topics: literacy; economic development; institutional participation; the Canadian justice system and minority rights; youth; housing; and the aging visible minority population.

The Conference entitled "Human Rights in Cross-Cultural Perspectives"—University of Saskatchewan, College of Law, was held in Saskatoon, Saskatchewan from October 12 to 14, 1989.

The National Conference on Racial Equality in the Workplace—Faculty of Business, McMaster University in conjunction with the Hamilton and District Chapter of the Industrial Relations Research Association, was held in Hamilton, Ontario from March 2nd to 4th, 1990.

The conference entitled "The Contemporary Women's Movement in Canada and the United States: A Retrospective and Prospects for the Future", Centre for American Sudies and Centre for Women's Studies and Feminist Research at the University of Western Ontario was held in London, Ontario from May 3rd to 5th, 1989. This conference included a major session on "Racism and the Women's Movement".

[*English*]

Mr. Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

• (1120)

MOTION TO ADJOURN UNDER S. O. 52

INDIAN AFFAIRS

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I rise under Standing Order 52 to request leave to adjourn the House to debate an urgent matter of pressing public importance.

As you will know, Mr. Speaker, although the headlines portrayed the disturbing incidents at Kanesatake last night as a surrender, in fact it was a final act of defiance.

Aboriginal people are now concerned for the immediate safety and personal security of those being held at Farnham military prison and by the Sûreté du Québec. Many Canadians are concerned that the disturbing events of last night could precipitate further civil disobedience or possibly even acts of violence. Canadians are also insistent that the people apprehended at Oka are treated with full respect to criminal and human rights laws in this country.

I trust you will recognize the immediacy and the urgency of this matter, Mr. Speaker, and will rule accordingly.

SPEAKER'S RULING

Mr. Speaker: I take nothing away from the seriousness of the matter that the hon. member has raised, a matter of concern to all members here and to Canadians across the country. I also point out that there was a long debate two nights ago and I think that it would be appropriate to wait and see how events unfold later on today.

The hon. member has raised a matter which is, as I said, of great importance, but at least at the moment it would not be appropriate to order an emergency debate. I thank the hon. member for raising the matter.

GOVERNMENT ORDERS

[*English*]

IRAQ

INVASION OF KUWAIT

The House resumed from Monday, September 24, consideration of the motion of Mr. Clark (Yellowhead):

> That this House condemn the invasion of Kuwait by Iraq and, encouraged by the unprecedented international consensus demanding the immediate and unconditional withdrawal of Iraqi forces from Kuwait and the full restoration of the legitimate government of Kuwait, affirm unequivocally its support for Canada's actions in the United Nations Security Council and its support for all relevant United Nations Security Council resolutions adopted since August 2 and for the despatch of members of the Canadian Forces to take part in the multinational military effort in and around the Arabian Peninsula; and
>
> That, upon adoption of this motion, the said motion shall be deemed referred to the Standing Committee on External Affairs and International Trade.

and the amendment of Mr. Axworthy (Winnipeg South Centre):

> That the motion be amended after the words "Canadian Forces" and read:
>
> enforce these United Nations resolutions;
>
> That this House censure the government for not recalling Parliament at the earliest opportunity to fulfil its legitimate function of consultation and debate as to what role Canada should play in the resolution of the present crisis; and
>
> That upon adoption of this motion, the said motion shall be deemed referred to the Standing Committee on External Affairs and International Trade.

and the sub-amendment of Ms. McLaughlin:

> That the motion be amended by adding the following after the word "resolutions"
>
> "And further, that Canada work at the Security Council to seek assurances that no country will undertake offensive military operations against Iraq unless they are under UN command and explicitly authorized by the Security Council."

The Acting Speaker (Mr. Paproski): Is the House ready for the question? The hon. member for Northumberland.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, today I rise to continue debate on the motion relating to the invasion of Kuwait by Iraq. I must say to begin with that it is with dismay and great trepidation that I rise as the member of Parliament for Northumberland to debate this issue.

I have been devoted for most of my life to non-violence, have advocated non-violent resolution to problems, and now represent a constituency in Canada, a country which at this present time is close to open warfare in the Middle East. This puts into jeopardy the lives of many Canadian men and women, each one whose lives are sacred to me, each one of those people who right now with our Armed Forces are very important to me, each one who are as a sister, a husband or a wife to me. It is with great trepidation that I rise in the House to present my views on the government's action and inaction, and to express my concerns about the motion on the floor of the House today.

First, I cannot accept that our government sent Armed Forces into this crisis in the Middle East without recalling Parliament so that we could have full debate on the issue and an understanding of what the circumstances are in the Middle East. I also condemn the fact that the Government of Canada sent our forces into the crisis in the Middle East two weeks in advance of any UN resolutions which would have required their presence there. Rather, we sent forces into the Middle East crisis in response to an American request.

In terms of the motion that is before the House today, I cannot deny for a moment that I support fully the first comments in the motion which are:

> That this House condemn the invasion of Kuwait by Iraq and, encouraged by the unprecedented international consensus demanding the immediate and unconditional withdrawal of Iraqi forces from Kuwait and the full restoration of the legitimate government of Kuwait, affirm unequivocally its support for Canada's actions in the United Nations Security Council and its support of all relevant United Nations Security Council resolutions adopted since August 2—

That, I support fully.

I have to say at the outset that I have the highest regard and respect for Canadian Armed Forces now serving in the Middle East or who have served in the past in other areas of the world, and the greatest respect for those many people in Canada who have lost their lives in serving the cause of justice and freedom on behalf of all Canadians. But I am quite alarmed that the purpose of our Canadian Armed Forces seems to be changing radically from that which Canada has represented in the past decades.

It is ironic that yesterday here on the Hill we had the unveiling of a statue of a very highly respected Prime Minister, the Right Honourable Lester B. Pearson, a man who won the Nobel Peace Prize, who was present when the United Nations came into being, who was so outspoken in support of this country being involved in dialogue to resolve crises world-wide, and who made this nation so respected in our peacekeeping role. Suddenly, it seems to me that we are diverting from this traditional role in Canada and that we are willing to set that aside, become regressive and take on an offensive role.

Our government has not done sufficient to carry on a process of negotiation to try to bring the crisis in the Middle East to a peaceful resolution. Lives of Canadians are being put in jeopardy.

To describe in some detail what I am referring to, I think it is important that Canadians understand that in the Middle East presently there are two operations in place. The Americans have two different strategies for resolving the crisis which are being hotly debated in the United States. Again, as I say, Canada has two possible positions, one to maintain our traditional role in peacekeeping and being strong advocates as negotiators, or the role of going in, forgetting about strong diplomacy and negotiating positions, and being prepared for offensive action.

In terms of the operations in the Middle East, I totally support our Canadian Armed Forces, with all of the skills they have, and their presence in the Middle East to support United Nations resolutions. From that perspective I can support the role of our Armed Forces, the three ships and equipment, and the CF-18s that are in the area, so long as they are employed only to support UN resolutions.

The second operation that is taking place in time in the Middle East is as a result of Saudi Arabia and Kuwait calling upon governments around the world, Under Article 51 of the United Nations Charter, asking for nations' support in resisting further invasions by Iraq, particularly into Saudi Arabia. The U.S. and over 26 other countries around the world, now and over the past weeks, have been building up troops and military equipment deterring aggression but also putting us in a very vulnerable position in terms of an unplanned offensive act on the part of any of the participants. The activities and build up of those troops and equipment on the Saudi Arabian border are not as a consequence of any UN resolutions but they put us in a very volatile situation, one which puts at risk Canadian lives if there is one mistake. I believe that we, as Canadians and as Parliamentarians, should have had the opportunity to debate more fully exactly what the strategy of Canada is in this crisis and to have urged, as is our traditional role, much more dialogue and negotiation as a process to bring about peace to the Middle East situation.

• (1130)

Personally, I cannot support any action on the part of our government which directly numbers and counts the loss of Canadian lives in the strategy. I believe that the strategy of peacekeeping is no less difficult and requires no less strength than that of offensive military action. I believe that the difference between the clenched fist and the open hand exists in the mind of the person who holds

that hand. But I believe that the same strength of conviction, determination and skill is required from both postures and I believe that traditionally Canada, with the skills of our armed forces which cannot be surpassed, I do not believe, by any force anywhere in the world, that our position has been to offer the open hand of negotiation and peace and not the clenched fist. That is what I will personally support.

In the motion of the government, I believe that the government does not give through that motion the necessary respect to our forces supporting only UN resolutions, but leaves a door open for our troops to become engaged in conflict beyond anything envisioned through the UN resolutions at this point in time.

I understand from the speeches that have been given on the other side of the floor that the Canadian forces are present in the Middle East under Canadian command. I believe, given the risk and the insecurity that exists in the situation in the Middle East at this time, that there should be a UN command for the forces in the area. If that is difficult to achieve, we should at least have a joint command in that area so that there is a co-ordinated effort in the area come whatever may come. I certainly pray to God that we can resolve the situation in the Middle East peacefully.

I also believe that if you look at the past history and the recent past history of what has happened in the Middle East, we as Canadians bear responsibility for some of what is happening today. It has been known to us that during the eight year war between Iraq and Iran that Saddam Hussein of Iraq used chemical warfare against troops in that war. In fact, we know that he used chemical weapons against his own Kurdish population within the country of Iraq.

I do not believe that we did everything possible to stand up and condemn those transgressions of all international law. As well, we have been aware of many other human rights abuses in Iraq and in and about the Middle East area. And yet, we have continued to benefit, as a nation, from arms sales to that area.

At the present time in our world's history, we are seeing many precedents being set. We have the end of a cold war, which we all welcomed, and we see in the Middle East crisis new alliances which we would never have imagined possible. We must be doing everything possible to support the United Nations in a process of condemnation of Iraq for its activities and in trying to improve what has been accomplished today by the United Nations through the resolutions that have been supported in relation to the Middle East crisis. We are all encouraged by what has been achieved so far in that forum and we must do everything possible to protect that process and enhance it.

I believe by expressing support for actions outside of UN resolutions, we set the foot for destruction of what has been achieved to this point in time by the United Nations. Alliances could change very, very quickly in the Middle East if conflict were to open up. I think that we set ourselves up for a holocaust of proportions that we do not want to imagine and that I personally cannot countenance. As a Canadian member of Parliament, I believe that every life is important, particularly Canadian lives, but the lives that have been lost already as a result of this man who runs the regime of Iraq are also important to me.

The lives of everybody involved in a conflict in the Middle East are important to me and we must focus constantly on the faces of those people who are in the region, who are there to protect our peace and our democracies and systems of government that represent the peoples of the world everywhere. We must be aware and conscious of the importance of those people's lives, their dedication to maintaining peace on our behalf. We cannot become involved in a conflict whereby we can start counting how many lives we are willing to lose in order to achieve other objectives. I believe that it is possible, but it is not easy with our forces there who are prepared to maintain a peacekeeping role. It is important to achieve the same objectives through dialogue and negotiation and peacekeeping that is possible. I believe it is more possible to achieve those objectives than it would be through open conflict and warfare.

Mr. Speaker, I therefore have to say that I support totally the amendment proposed by the Liberals on this side of the House that says yes, we do support Canada's role in enforcing United Nations resolutions, but we censure the government for not recalling Parliament at the earliest opportunity to fulfil its legitimate function of consultation and debate as to what role Canada should play in the resolution of the present crisis and that upon adoption of this motion the said motion shall be deemed

referred to the Standing Committee on External Affairs and International Trade.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I congratulate the hon. member for Northumberland on a very thoughtful intervention. I share many of the concerns that she raised in the course of her remarks.

I want to ask her a question with respect to one of the longer term issues that obviously has to be addressed in the course of resolving the tensions in the Middle East. It goes without saying that the immediate priority is to seek the enforcement of United Nations resolutions calling for the unconditional withdrawal of Iraq from Kuwait and an assurance that security will be maintained in that region.

Obviously though, one of the long-term questions that has to be addressed is the very difficult and tragic plight of the Palestinians. Of course, this has been exacerbated by the events in Kuwait resulting in some 40 per cent of the resources which would normally be sent to support the people of the West Bank and Gaza being cut off. So, it is a desperate situation.

We know as well that unfortunately Israel has stepped up its campaign of harassment and violence in that region. We have seen the bulldozing of homes and shops in the Gaza. We have seen the refusal to reopen universities on the West Bank and Gaza.

I would like to ask the hon. member what her views are with respect to the importance in the longer term of responding to this crisis as well as part of a regional solution to reduce conflict in the area, and very specifically, whether she agrees that there must be an international conference in the region, which would include representatives of the Palestinians or the Palestine Liberation Organization, which has been recognized as their representatives, an international conference which would deal with the claim of the Palestinians for self-determination which may include a state and which would finally resolve this historic and tragic grievance of the Palestinians in that region. Does she support this as part of an over-all comprehensive approach to the situation in the Middle East?

• (1140)

Mrs. Stewart: Mr. Speaker, as I was saying in my comments, I believe that right now there is an unusual alliance of interest in the conflict represented among the Arab nations themselves. Also, on the international scene, we are seeing alliances that we would never have dreamed of even a year ago.

As I was saying, I believe as well that if we were to get into open conflict, we would put those alliances that exist right now in support of peace in the world in jeopardy, because there are so many unresolved issues in the Middle East. One that my colleague raises is the situation of the Palestinians in the Middle East.

Yes, I believe that we must do everything possible as a nation, and we must be more aggressive in trying to promote peaceful negotiations and dialogue to address the issues of the Palestinians and the state of Israel, and all of the many other very difficult historic problems in the Middle East region.

Before the Middle East crisis erupted on August 2, it was the intention of the Standing Committee on External Affairs and International Trade to look carefully into the situation as it exists and to analyse the situation in the Middle East before this crisis.

I think it is important that our committee continue to look at and try to investigate so that Canadians can understand just what the problems and positions are of the different parties to all of the conflicts in the Middle East.

I think there has been trepidation on the part of Parliament to discuss these issues in the past. Without discussion, without witnesses coming before us to explain the various positions that exist, we will never be able to take an effective role in trying to resolve the issues of the Middle East.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have a question.

I want to follow up on what the member for Burnaby—Kingsway said. He is asking a question to the member who spoke. She is the associate critic in this area for the Liberal Party. I would ask her if she would answer the question and take a position for the Liberal Party.

With respect, I think that is fudging it a little bit. The question was very specific. The question was: Does the hon. member favour an international—

Mr. Walker: What does this have to do with Kuwait?

Mr. Speaker: I believe the hon. member for Port Moody—Coquitlam has the floor. I would hope that we could get him to ask his question and try to anticipate an answer.

Mr. Waddell: The question is: Does the member favour an international conference to deal with the broader questions in the Middle East which includes the question of the Palestinians, which tragically seems to becoming lost in the immediate Iraq-Kuwait problem?

That is the question specifically. What is the position of the Liberal Party on that? Does it favour an international conference to deal with the broader aspects, to be specific with the Palestinian question.

Mrs. Stewart: In response to that question, I believe that many issues involved with the Middle East crisis have been lost because of the existing current crisis. Many issues must be looked at, not just the issue of the Palestinian cause.

I would say in response to the question that I, personally, would not be adverse to that. But, I would rather first have our standing committee here in the House of Commons, the Standing Committee on External Affairs and International Trade, look into all of these issues.

I believe, as I said, that there is a profound ignorance in this House and in this country as to just what all those problems are and that we must try to understand them better before we can stand up and say we endorse an international conference. This would be an international conference to do what?

First, we have to decide as a government, together collectively, what is justice in our view for the Middle East crisis.

Mr. Speaker: I believe the member for York South—Weston had a question or a comment.

Mr. John Nunziata (York South—Weston): I am concerned about the partisan nature of the previous question to my friend and colleague.

Some hon. members: Oh, oh.

Mr. Nunziata: It is so unbecoming of the member from B.C.

Mr. Speaker: The hon. member for Brant on a question or comment.

Mr. Derek Blackburn (Brant): Mr. Speaker, I was wondering if the hon. member for Northumberland would specifically answer the question.

The question was not what her personal view was on whether or not there should be an international conference on those issues dealing with the Middle East, particularly the Palestinian issue, but what is the Liberal Party's position on an international conference to solve the problem of the Palestinian issue in the West Bank, Gaza, and east Jerusalem along with other issues in the Middle East. What is the Liberal Party's position on it? That is the question.

Mrs. Stewart: Mr. Speaker, I get the impression from listening to my colleagues in the NDP that they have all the answers. Obviously that is not the case. They are asking for an international conference with no definition of what should be discussed or what the agenda would be of such an international conference.

I say, and this party and I agree—that there are many problems in the Middle East which must be addressed and which we as a government and as a Parliament must come to some conclusions about, before specifically going out and broadcasting that an international conference is what we want. We have to understand the underlying issues before we were to call such a conference.

Mr. Patrick Boyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, after listening to that exchange in this debate, it sounds like the position of the Liberal Party may very well be in keeping with the honourable traditions established by former Prime Minister Mackenzie King, which would be stated a conference as necessary but not necessarily a conference.

That is not the point I wish to pick up from what the hon. member for Northumberland has said. I listened to her speech and I found it a very heartfelt speech. There are a lot of points I would like to pick up, especially when she talks about an historical perspective and this whole role of peacekeeping. In the next few moments I want to concentrate on peacekeeping, Canada's role as a peacekeeper in the international community and the United Nations.

Perhaps, even following the hon. member's example, we could go back and look at some history. I will go back even further than the recent history to which she referred. I was reading very early yesterday morning a

passage which pertained to a Canadian by the name of Stephen Leacock who in 1913 was expressing his fury. He was furious when the Liberal dominated Senate killed the Conservative naval bill which would have provided the money to build three dreadnoughts as an emergency contribution to the British navy.

It almost begins to seem that there are just a very few pieces on the Canadian political chessboard. Whether it is 1913 or 1990, we are still involved with whether the Liberal dominated Senate is going to kill a Conservative bill. In this case another element has to do with three Canadian ships being deployed on an emergency basis, or in that case money provided for their purchase as part of an international peacekeeping effort. Indeed there are many parallels.

That case in 1913, just as the debate we are having now, followed two years after a hard fought election on the issue of free trade with the United States or, as they called it in those days, reciprocity. Here we are many years on and we might well ask: Is there progress?

To come to the present and think of just yesterday afternoon when the statue to former Prime Minister Lester Pearson was unveiled here on Parliament Hill, we can reflect that through his person we see epitomized in fact some of these steps of progress, because he was very much identified with the formation of the United Nations and particularly, for which he was recognized with a Nobel Peace Prize, the role in the Middle East in dealing with the Suez and at that time a new role for the United Nations as a peacekeeper. That brings us again to this theme that I want to explore more: Canada's role as a peacekeeper whether it is in the Middle East or elsewhere, but in keeping with the debate today, most assuredly in the current crisis in the Gulf.

• (1150)

At the end of the First World War, the nations of the world created the League of Nations. At the end of the Second World War, the countries of the world created the United Nations. Now, at the end of the cold war, what are we creating? This is in fact our moment of history. What I think we are creating or have the potential to create is a new world order that coincides and completes the dream, the spirit, and the words of the United Nations Charter, words and the spirit that were confounded during the long twilight years of the cold war.

When I was a student of international law at the University of Toronto, and after that when I was studying international law at the Academy of the International Court in The Hague, what really came to impress itself on me was the realization that we cannot genuinely have international law until we have international law enforcement.

For a moment let us consider this proposition in its domestic context to drive the point home. I think all of us feel that Canadians are peaceable people and that we are generally law-abiding. I can remember living in Montreal at the time of a police strike in that city. I think it could have been any other city in Canada as well; let me make that very clear. As there were no police forces, the principal streets in Montreal were turned into drag strips, the traffic lights meant nothing, store windows were smashed, there was looting and so on in Canada's premier city.

That was convincing evidence once again that although 99 per cent or more of Canadians are routinely law-abiding, there are always some who are willing to push beyond the limit and to take advantage of the fact there is no one around to enforce the laws, laws formed by consensus that are necessary for the maintenance of domestic peace, order, and good government.

I do believe profoundly that the same applies on the international level. Until we have international peacekeeping forces of a permanent and standing nature, an international police force, international law will lack the essential element of any law and that is the ability to see that it is obeyed. We are not starting on this from scratch.

I referred earlier to the work of Prime Minister Pearson. His contribution was to introduce a new notion about peacekeeping in the Suez context and, in keeping with the UN charter, to see the deployment of military forces from various member countries of the UN, under the blue flag of the UN, into the situation to assert the military force behind international law and order.

We have seen that example. We have seen the most acute example of military action being taken in the case of Korea. However, generally something that all Canadians are proud of is the fact that there has not been a single United Nations peacekeeping operation in which Canadian Armed Forces personnel have not participated

or, put positively, we have been there every time there has been a role for a United Nations peacekeeping force.

As I said earlier, it is after the cold war, we see a consensus among nations and, this is our moment of history. In the debate on Monday the hon. member for Waterloo pointed out the following:

> For many years in the time of the East-West confrontation we have looked at a standing UN peace force. There have been designs and models and because of the East-West confrontation we have not been able to move.

He urged that we try to establish the machinery for a UN standing peace force with battalions held in reserve by national governments so that in an emergency, such as the current one we are debating or any other regional conflict, the United Nations and Canada as member of the United Nations would not be beholden to any one major power, formerly called superpowers, to act and take a leadership role.

I believe that this is truly the opportunity for us to look at new possibilities and seek a Canadian role to advance this concept of a standing United Nations peace force, just as we have within the respective countries of all member states domestic peace forces.

Certainly the unprecedented situation in the gulf crisis shows that we do have a truly united nations effort going on there. There are 158 countries that have come in, in support of the actions being taken by the United Nations.

Just briefly but for the record, I think it is important to note what those resolutions are. They seem to increase as each day goes by. We are now at the stage where eight resolutions have been passed by the Security Council of the United Nations concerning the invasion of Kuwait by Iraq.

On August 2, 1990 Security Council resolution No. 660 condemned the invasion of Kuwait. On August 6, resolution 661 instituted sanctions against Iraq and occupied Kuwait. August 9, resolution 662 condemned the annexation of Kuwait by Iraq. On August 18, resolution 664 called on Iraq to allow other nationals to leave Iraq and occupied Kuwait. On August 25, resolution 665 authorized the use of reasonable force to inspect shipping and ensure that the sanctions outlined in resolution 664 were in fact being respected.

On September 13, resolution 666 set out the conditions under which humanitarian shipments of food and medicine could be made to Iraq and occupied Kuwait. On September 16, resolution 667 condemned Iraq's incursion into diplomatic premises in occupied Kuwait—I would note that that included premises of the Canadian mission there—and the detention of diplomatic personnel. On September 25, resolution 670 was adopted limiting air transport into Iraq in furtherance of the sanctions.

Never in peacetime has any country, which has violated international law the way Iraq has, faced such a solid wall of sanctions. Many of us have looked at previous examples of the use of sanctions and felt that it was a flawed instrument, an effort that was often circumvented and of very little effect. Certainly in this case the United Nations support—and I mean the 158 or so countries of the United Nations that are behind these eight Security Council resolutions—indicates that this very serious situation is being well handled and the aggression that was anticipated has to date been contained to the invasion of Kuwait.

Any suggestion that Canada's actions in the gulf crisis have been contrary to our tradition as peacekeepers reflects an opinion that has been overtaken by the facts. This is both peacekeeping and peace making. That is theme I want again to emphasize as we now look at the new possibilities in the post-cold war era of finding co-operation to make the United Nations all that it was dreamt it could be in 1945.

• (1200)

Peacekeepers have traditionally been deployed under the United Nations flag between the parties to a conflict following a truce. Certainly in the case of the current conflict, Canada would support the placing of peacekeepers between Iraq and Kuwait once Baghdad withdraws from the country it has invaded.

This also raises other questions that I do not have time to go into now, but one must contemplate the nature of a liberated Kuwait. Speaking for myself, I would hope that we would be supportive of democratic forces in Kuwait so that in the future the people of that country would have the opportunity to really have a representative and democratic country.

The sending of Canadian sailors and ships, of Canadian aircrew and aircraft to deter this aggression and to enforce the UN sanctions that I have referred to is also peacekeeping. It is as much peacekeeping as having Canadian soldiers wearing the blue beret of the United Nations in Cyprus or anywhere else around the globe. Our naval and air forces and the forces of a number of other countries are there under explicit UN auspices.

I listened to the member for Northumberland talking about when forces were deployed and when resolutions were passed and I understand the narrow points that are being made. She also asked whether Parliament was or was not recalled soon enough. I do not want to debate that, I am simply saying that when taking a broad view of Canada's role as a peacekeeping country and as a peacemaker, we must go beyond the small details and look at the broad outlines of what is happening. I think it is a very significant moment in world history as we pursue global peace to see this concerted action by so many countries, not only Canadians, but the people of Bangladesh putting their armed forces in harms way.

This drawing of a line is indicating to the Saddam Husseins of the world that international boundaries are to be respected and that the united nations of this world will not tolerate armed invasion and occupation of independent countries.

Our commitment to peacekeeping is and must remain unshakeable. In these difficult days, as we consider our future as Canadians and what the new constitutional arrangements will be for our country, the essential thing is to focus on the values that really make us all Canadians and that do unite us as Canadians. One of those, most assuredly, is the value of peace and the honourable and sometimes very costly tradition of maintaining peace even when that requires the deployment of Canadians who proudly wear the uniform of our country.

Our contribution to international order, not only through United Nations peacekeeping forces, but our overseas assistance, our diplomatic initiatives and so many other roles that are part of this proud tradition is now coming into a new phase, a new era. It is not one where anyone can state, with certainty, what will be, but certainly we can outline what the goals ought to be and work towards those.

It is certainly something that other countries recognize in us as Canadians. Whether it is this current situation in the gulf, whether it is Central American governments designing a peace plan and getting support and assistance from Canada, whether it is our involvement with Japan who is developing its own new interest in this area, whether it is our efforts with Namibia turning it into a new country and a member of the United Nations from having been the last colony in Africa and making it become fully a democratic country, or whether it is the parties to the Cambodian conflict finding where we have provided valuable suggestions for monitoring and upholding international peace there. This is the point. Canadians are committed to peacekeeping and peace making. International order, respect for sovereign countries and the rule of law depend on it.

I hope that we can find here in Canada, just as Lester Pearson found in the fifties in the Suez crisis, a new dimension, an additional forward step in defining and in defending the role of peacekeeping. We must work toward a United Nations standing peacekeeping force to continue through the long and difficult months that will lie ahead. The resolve must be there, not only in goods times of peace but in times of bleak and difficult challenge like this, when Canadians have to be sent into areas to support the principles and the spirit of the United Nations to see that we truly have the rule of international law.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I would like to have a discussion with the parliamentary secretary, and I thank him for outlining the government's position. Perhaps he and I, unlike the NDP, can stay on topic. He probably notices that every time the NDP do not know what to say, they find another topic because there are some areas such as foreign policy to which they cannot contribute. I certainly hope in the next few years they will be able to understand the world a little bit better than they have shown in the past.

An hon. member: We are trying to get straight answers.

Mr. Walker: Straight answers? If you had a question about the subject, you would get a straight answer. I am sure the new critic from British Columbia will be spending a lot of time in the library in the next period getting caught up on world affairs.

The parliamentary secretary suggested that the issues raised in the speech of the member for Northumberland were nuances in the debate and not central to the point. I think they are central to the point. I think Parliament has a very important role to play in Canadian foreign policy. We have a long tradition of having good discussions on foreign policy and there is a goodwill among Canadians that we do the right thing. Whether it is in areas of human rights, peacekeeping or dealing with nuclear disarmament, this House has spoken at times with one voice to ensure that Canada proceeds in the proper way.

The absence of Parliament sitting during the summer was not just a minor nuance to us but in fact is central to our criticism of what the government is doing and central to our criticism of the motion.

Perhaps the parliamentary secretary could elaborate on why the government has not been more insistent that the command of this military operation—because it is a military operation—is not more directly in the hands of the United Nations. We have, as a middle power, consistently taken the position that it is organizations like the UN which have to be the vehicle for keeping peace. Although we appreciate the speed with which people have to respond to the crisis with the dangers that are there—and nobody kids themselves about that and the goodwill with which we have supported the United States—the point still is that other countries turn to Canada to make sure that organizations like the United Nations are front and central in these missions.

It seems to me that the government could have done more to ensure that the United Nations was in control of this particular operation. I would like the parliamentary secretary to explain exactly why this was not done and what efforts will be made in the future.

• (1210)

Mr. Boyer: I did not refer to any nuances in the speech of the hon. member for Northumberland. I said I was concentrating on the broad lines of what is happening in historical patterns and that I did not seek to enter into a debate as to the chronology of certain events or the timing of the debate within Parliament. However, I welcome the question of the member from Winnipeg. He and I studied questions of international relations when we were both students at Carleton University, it seems just the other day. In fact, it was in the mid–60s.

I want to pick up on this point about the current initiative of Canada in relation to the United Nations. First, the Prime Minister, in his discussions with the President of the United States as this matter developed during August, played an important role in driving home the point to the American government that any action they took in the region ought not to be a unilateral American initiative but rather ought to be a United Nations enterprise. I think this is something that has not been known generally, but it is a fact that this was a very important effort and those of us who recognize how the United States responds in international crises would detect over the long view of history a tendency to go in alone and deal with the situation according to American interests.

The Prime Minister, and I say this very proudly, displayed a good use of his good relations with the American president in urging that this become a United Nations initiative.

I would also draw to the attention of the member from Winnipeg, in case he was not here to hear the Secretary of State for External Affairs speaking on September 24 in the House, a quote from page 13246 of *Hansard*:

> We have encouraged our close allies, we have encouraged others, and we have used our influence and our position on the Security Council to ensure that the action that proceeds is action that is within the mandate of the United Nations and, indeed, that the mandate given by the United Nations expands to take account of the circumstances as they develop in the region. We are working very hard to have United Nations' auspices respected.

That was a statement in the House on Monday by the Secretary of State for External Affairs. Further in reply to the member, our Minister of National Defence also said in the House of Commons on Monday that both the Departments of National Defence and External Affairs, and I quote from page 13261 of *Hansard*:

> —are working toward and imploring the United Nations to put a blue flag over the whole of the multinational effort.

Certainly Canada wants this to be and be seen as a United Nations effort. That is the whole thrust of Canadian foreign policy. It is consistent with the policy of previous governments and I am sure will be the policy of future governments of our country. We were there at the creation of the United Nations. We are there now at this time of testing for the United Nations. We want to see

this continue under the blue flag and with the blue beret of the United Nations in this area.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I want to pick up on the last point with which the parliamentary secretary dealt with respect to the assurance that Canada is playing an active role at the Security Council in an attempt to bring this operation in the Middle East under effective United Nations command.

I know that the Secretary of State for External Affairs indicated that he was urging the United States not to take unilateral military action in the region but rather to ensure that any additional moves that are taken are within the context of United Nations.

Given the fact that the subamendment which my colleague, the leader of the New Democratic Party, moved urges this House to agree "that Canada work at the Security Council to seek assurances that no country will undertake offensive military operations against Iraq unless they are under UN command and explicitly authorized by the Security Council".

I would hope, given the assurance of the parliamentary secretary, that in fact he would be prepared to indicate that he and his colleagues are prepared to support this subamendment since this is precisely what has been indicated as the government position at the United Nations.

I would like to ask the parliamentary secretary whether, indeed, he does support the thrust of the sub-amendment because, as I say, it indicates that Canada would work toward this as an objective.

Second, I would like to ask the parliamentary secretary the same question I asked the member for Northumberland. I know he will not give us a Mackenzie King answer because he has just condemned that. What is the position of the Government of Canada with respect to a longer term regional resolution of the very serious questions concerning the situation of the Palestinians in the Middle East? Does his government support the convening of an international conference with the participation of all affected parties in the region, including the Palestine Liberation Organization? If so, is he prepared to make a commitment that Canada will work toward achieving this objective?

Mr. Boyer: Mr. Speaker, I would like to congratulate the hon. member for Burnaby—Kingsway on his recent appointment to the position as External Affairs critic for his party and answer both his questions, dealing with the last one about a conference first.

Yes, we would support the holding of a conference in the region to bring the outstanding issues to some resolution. We think it is important that the representation of those attending such a conference be equitable. We think that the agenda for the conference ought to be clearly defined in advance of the meeting taking place so that there can be a fairly specific indication of the issues to be dealt with and the approach to them.

As to the timing of it, this would obviously be determined by the judgment of a number of players in the region, a number of countries and the United Nations, as to what would be the appropriate time to get this under way. Speaking for the Government of Canada, it is our view that the earliest possible opportunity should be seized for this.

The situation with which we are preoccupied involves primarily a military confrontation, but Canada has never pursued its role as a peacekeeper simply in one dimension. We have sought, apart from any military role, the two other avenues of diplomatic initiatives and overseas financial assistance and development programs and so on. On the diplomatic side Canada is quite open and would be supportive as to how this could be done. I think that is a clear statement of the government's policy.

With respect to the resolution that is before the House and the New Democratic Party's subamendment to it, I agree with the NDP critic that the general spirit of what is there is consistent with what I have been saying. I recognize the sometimes devious nature of the hon. member in trying to deal with parliamentary points. Everyone understands that when resolutions are drafted and amendments proposed to them, there is some effort to catch members in an awkward position where they may have to vote against their own views or the policy of their party. This is something that is understood as parliamentary games. Consistent with what I said to the hon. member for Northumberland, I do not want to deal with it on that level. I am trying to look at Canada as a peacekeeping country and where we can go in the broad

terms of the foreign policy of our country in dealing with this.

To complete, in answer to his question—and it is really further as well to the hon. member from Winnipeg—what kind of role and what kind of say Canada has in a situation like this directly depends on how prepared we are to be there, contributing. Unless we have Canadian forces in the situation, we cannot expect to have a voice in the situation.

Canada is respected internationally because in the past we have been present and accounted for. In the past when Canadians have had to make sacrifices to be part of some effort internationally, to respect peace and international law, those sacrifices and the blood that has been spilled by Canadians are the price for us having a voice and respect internationally today.

• (1220)

It is not easy, but it is in fact the reality with which we are dealing. I think that is an important element in this.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I am pleased to rise to participate in the debate on this very important question, and specifically on the government's motion.

[*Translation*]

First of all, Mr. Speaker, I wish to stress that the New Democratic Party fully supports the condemnation of the invasion of Kuwait by Iraq, as well as the rest of the resolution which states, for example, that "encouraged by the unprecedented international consensus demanding the immediate and unconditional withdrawal of Iraqi forces from Kuwait and the full restoration of the legitimate government of Kuwait," the House affirms "unequivocally its support for Canada's actions in the Unites Nations Security Council".

Of course we support these principles set out in the motion, as well as "all relevant United Nations Security Council resolutions adopted since August 2".

Mr. Speaker, the problem we have is with the part following that. The part about supporting without restriction "the dispatch of members of the Canadian Forces to take part in the multinational military effort in and around the Arabian Peninsula". That specific part is the one we have a big problem with. The government of Canada always took the position that collective action under the United Nations, as integral part of our foreign policy, is the best way to ensure lasting international peace and security.

However, Mr. Speaker, recent decisions made by the Conservative government in response to the Gulf Crisis take us far away from this basic Canadian foreign policy principle that a great many Canadians agree with.

[*English*]

As I said, I want to make it very clear that we join in the unreserved condemnation of the invasion of Kuwait by Iraq. We fully support the United Nations resolutions which have been adopted to respond to this aggression on the part of Saddam Hussein.

As well, I want to note that Canada's response has not been in the traditions of this country. Indeed, that started with the failure of the government to recall Parliament to allow parliamentarians to debate this very important decision to send troops into the Middle East to the gulf at the earliest possible opportunity.

During Question Period on Monday, I reminded the House of the fact that in August 1988, when the government sent peacekeeping troops to the Iran-Iraq border following the cessation of hostilities on that border, that the then Minister of National Defence indicated: "When such a major new undertaking is given, I have a moral responsibility to report to the people's representatives to ask for their support."

That moral responsibility has been completely abdicated by the government. We can certainly contrast this, as other members have pointed out, with a decision to recall Parliament in August of 1987 to deal with 174 refugees arriving on the shores of Nova Scotia. There was no hesitation to recall Parliament then.

Indeed, many other jurisdictions and Parliaments were recalled by their governments, including the British Parliament, to deal with this crisis in the Middle East. We condemn the failure of the government to recall Parliament at the earliest possible occasion to ensure that we would have an opportunity to speak and that our voices might be heard before the decision was finally made to send our troops into the Middle East. We recognize very clearly that this is simply a continuation of

the old manipulative style of politics that we have seen too frequently from the government.

This was the first opportunity, following the end of the Cold War, for Parliament to debate on an early occasion what our response might be in this very serious issue of the crisis in the Middle East. I suggest that the government failed this first test of foreign policy.

I would note as well that our military responsible was not made pursuant to any United Nations request or, indeed, under United Nations command. We recall that the day after of the invasion the Secretary of State for External Affairs said that Canada would not be involved militarily in the gulf crisis. A couple of days later, the Prime Minister met with President George Bush. Four days later, before any United Nations resolution had been adopted, he announced, that Canada would be sending three ships to the Middle East.

It was not until two weeks later that United Nations Resolution 665 was adopted which authorized enforcement action. It had the very limited purposes of enforcing the sanctions agreed upon by the United Nations.

There is no question that current United Nations resolutions do not in any way authorize the massive military build-up which has occurred in that region. There is no UN command structure. There is no over all UN co-ordination of military activities in the region.

There was an alternative. Canada could have played a role in leading the world, along with like-minded nations, in ensuring that this operation did come under effective United Nations command and co-ordination. There are mechanisms in the United Nations Charter, under Article 42 and other articles, to ensure that the United Nations would be in charge.

As well, there is the military staff committee of the United Nations. This a body which admittedly has not been active over the years, but this could have been an opportunity for the military staff committee to play an important and effective role in ensuring military co-ordination of this operation.

We must also note—and many Canadians have expressed concern about this—the hypocrisy which has too often characterized the American response to these questions. For example, the Americans are now wrapping themselves in the United Nations flag. We welcome the United Nations role that has been played, but it was just a very short time ago that the deputy representative of the Americans at the United Nations was saying that he looked forward to the United Nations leaving New York. He said he would bid a fond farewell as it sailed off into the sunset. As well, we know the Americans are behind in their contributions to the United Nations by some $750 million. It is interesting to note this new-found support for the United Nations, and it is one that we welcome, but it is certainly not coincidental that it comes at a time that it is in the American interest as well.

I would have hoped that the Americans would have called for the enforcement of other United Nations resolutions affecting that region as well, including Resolution 242. We have heard nothing from the Americans calling for effective enforcement of United Nations Resolution 242 which calls for Israeli withdrawal from the occupied territories in that region as well. A double standard has been in force for some time.

Where was the effective international action when Iraq invaded Iran in 1980? Where were the sanctions? Where was the world condemnation at that point? Where were the sanctions and the effective international action by Britain the United States against South Africa which occupied Namibia for over 40 years? Where was the effective international action following the Iraqi gassing of Kurds resulting in thousands of deaths in March 1988? Where was the condemnation of American aggression in areas such as Grenada, Libya and Panama? Mr. Speaker, there has been a double standard and I think that we must point that out in the response of the world to this crisis.

• (1230)

As well, it is important to note that the nature of our involvement in the peacekeeping operation has changed substantially since the initial debate took place on this question. When troops were first deployed to the region on August 10, Commodore Ken Summers, who was one of the military commanders, stated that Canadian ships and the helicopters they carry would be operating beyond the range of Iraqi missiles and aircraft in the Gulf of Oman. At some point that mission was changed Now we have our ships and their personnel and troops going right into the heart of the Persian Gulf. Of course, they

need air cover. That is why a squadron of CF-18s has been sent.

We must ask ourselves, why have they been sent, not just to the Gulf of Oman, but right into the heart of the Persian Gulf? Who made that decision? Why was it made and who is, effectively, commanding our troops in the region at this time? What happens if the Americans decide to launch unilateral military action against Iraq or, indeed, if another jurisdiction such as Israel decided to launch a pre-emptive strike, the kind that has been suggested, for example, by Henry Kissinger or, a surgical strike as he called it, on Iraq. The potential consequences for our troops in that region could be absolutely devastating. Yet there is no effective United Nations command.

As well, I would note that unfortunately the peace dividend, which so many of us have been looking forward to, resulting from the end of cold war hostilities, may be squandered as a result of this new action. Unfortunately, we know that the arms merchants are always looking for new areas to sell their wares. Indeed, the arms merchants were active in supplying Iraq for many years. Of course, George Bush has already indicated that Operation Desert Shield is going to be used as an excuse to increase substantially his military budget and seek support for funding for Star Wars and other military build-up.

Canada's longstanding reputation for peacekeeping is exemplified by our involvement in UNIIMOG, the United Nations peacekeeping activity on the Iran-Iraq border in 1980, which is continued, risks being diminished by our military response to this crisis in response to American requests and not under UN supervision. I suggest that there was a different way that Canada could have at the outset offered to be available for a peacekeeping role when needed. We could have offered substantially increased resources to assist in the repatriation of refugees in that area.

We know the devastating plight of tens of thousands of refugees who are streaming out of Kuwait, people from Sri Lanka, Pakistan, the Philippines and other countries. We know the impact that this is having on those people and on their families as well that they were supporting through the money that they sent home. We know that this is having a very serious impact on the Palestinians in the West Bank and Gaza who were supported, as some 40 per cent of their income came from remittances from Palestinians working in Kuwait.

Canada has offered resources. I welcome the commitment of the government of $75 million in resources to assist those states that are particularly hard hit, but much more could and should be done.

As well, we must assess the impact of this crisis on prairie grain farmers. They may very well need additional compensation. That is something that we are going to have to look at carefully. I know that my colleague, the hon. member for Humboldt—Lake Centre, has addressed and will continue to address this issue on behalf of prairie farmers. In the year leading up to June 30, 1990, Iraq was in fact Canada's largest customer for wheat, at 721,000 tonnes.

As my leader indicated, we want to pay tribute to the troops who are in the region under very, very difficult conditions, to the embassy staff who have worked so hard, again under unprecedented difficulty. We want to express particularly our concern for the Canadians who are still in the region and for their families at home who are obviously suffering a great deal from this situation. Where do we go at this point? What are our recommendations to the government at this point? First of all, as our subamendment indicates, we believe very strongly that Canada should be playing a leadership role within the context of the Security Council to ensure that this operation comes under United Nations command and United Nations co-ordination to ensure that in fact there is not unilateral military action taken by any state, whether it be the United States or elsewhere.

We must note as well that of course there are other agendas in this debate. We have seen oil companies in too many instances making windfall profits. I would suggest that the government look at the possibility of a windfall profit tax. Why should the oil companies be able to profit from this crisis? Why not ensure that those excess profits are taxed and perhaps put them into a fund to assist the refugees in the region. We know that the Americans do have strategic interests in the region. They want to ensure a continued supply of cheap oil. They have wanted for some time to establish a military base in Saudi Arabia.

I think we have to ask, among many questions that must be asked, what concrete evidence was there to suggest that in fact the massive American build-up in Saudi Arabia was necessary to in fact deter a possible attack on Saudi Arabia. We are looking at concrete

evidence. What was the concrete evidence suggesting that such an attack on Saudi Arabia may have been imminent?

We should give sanctions an opportunity to work effectively. They are going to have a serious impact on the Hussein regime. Iraq stands to lose over $19 billion per year. They rely on imports for 80 per cent of their basic materials. They are dependent on the sale of oil for over 95 per cent of their export earnings. We suggest that our ships should go no further, should have gone no further because I believe they have passed the Straits of Hormuz now or they are in the process of doing that. They should have gone no further than the Gulf of Oman. We should have invited United Nations observers on to our ships. We should have, again, played a key leadership role in ensuring that all foreign armed forces in the area come under effective United Nations command.

We should be doing far more to assist those countries that are particularly hard it. We heard from the President of Zimbabwe yesterday. Sixty per cent of their oil comes from Kuwait. There are other countries as well that have co-operated in sanctions that are hurt particularly hard. I am thinking of Egypt, Jordan, Turkey and others such as Romania which have played an effective and important role in enforcing these sanctions. I hope that Canada together with other countries can in fact assist in reducing the hardship.

Mr. Speaker, I know that I just have a couple of minutes left and I want to close by talking about the longer term approach that Canada might take in resolving this crisis. First of all, as I say, we did have an option. We had an option to operate within the framework of the United Nations, to recall Parliament early and that was not done. Instead, we are seen, I fear, by too many countries as having responded, whether it be to George Bush, Secretary of State Baker or to NATO, instead of within a comprehensive and clear United Nations framework.

I hope that the subamendment which we propose with respect to an assurance that no country will undertake offensive military operations against Iraq unless they are under United Nations command and explicitly authorized by a resolution of the Security Council that will be adopted that will bring about enhanced support for the repatriation of refugees in the area as well as those countries and areas that have suffered, including the occupied West Bank and Gaza and, finally, that there will be effective leadership in reaching a long-term solution that includes ending the possibility of chemical or nuclear warfare in that region. That has got to be done.

We are are talking about all states in the region, Iraq quite clearly, Libya, Israel, other states. There must be effective international assurances controlling the flow of conventional arms. We have been dumping arms into that region for years. We must move toward a just distribution of wealth, respect for human rights and democracy. Many of the nations in this region have been condemned for serious breaches of human rights. We must reduce western dependence on fossil fuels and promote conservation and alternative energy sources. Of course, we must convene an international conference which would include all parties affected, including the Palestine Liberation Organization, to facilitate the right of Palestinians to long overdue justice and self-determination.

• (1240)

I would hope we can still, even at this late date, change our policy as a nation, show effective leadership within the context of the United Nations and make all Canadians proud of our re-establishment of that traditionally respected role of leadership and not be seen, regrettably, to once again be following American leadership as opposed to international leadership in world affairs.

Mr. Patrick Boyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I have a comment or two.

[*Translation*]

Mr. Speaker, the hon. member for Burnaby-Kingsway, who is the NDP critic, has singled out a number of points in his exhaustive remarks, and in response I should like to raise just one or two points. My first point has to do with the chronology of events.

[*English*]

The member was condemning Canada and urging a change of our policy because of, as he put it, following the United States. Canada was not following the United States. Canada was consistent with our traditional policy which I would argue is consistent. Just for the record, when the New Democratic critic said that our action was

taken before these resolutions of the United Nations, I had already read into the record this morning, and I will repeat, that it was the August 2 UN resolution which condemned the invasion of Kuwait. It was the August 6 UN resolution which instituted sanctions against Iraq and occupied Kuwait. It was August 9 which condemned the annexation of Kuwait by Iraq. It was August 10 when Prime Minister Mulroney announced the intention of the Government of Canada to respond to this crisis by deploying the three ships, the *Athabaskan*, *Terra Nova* and *Protecteur* to the region, and announcing at that time that with the understanding that it would take time to prepare the ships to sail and time additionally to arrive there that there would be opportunity for the debate which we have been having here since Monday on this issue.

I think that it is important that the condemnation that is being made of our government should at least try to be factually based. The government does not apologize for the swiftness of the response to this crisis. The fact is that efforts at the United Nations, and generally through the international community, were moving in tandem. I hope, although he only confined himself to discussing future possibilities in the last several moments of his speech, he could in his response pick up, for example, the point I was outlining about having a United Nations standing peacekeeping force, some of these ideas. Let us, on something as important to this country and this world as this current crisis in the gulf, try to stop scoring parliamentary points and look at the broad outlines of what is possible for future Canadian policy.

I would welcome the response of the critic for the New Democratic Party on some of these future actions because I know in bringing to this subject his concerns, he will want, as all of us will, to look ahead to the future and try and see beyond an attitude about the Americans or the Soviets or anyone else in the region, that we look here at what we are doing as an independent country, a charter member of the United Nations, seeking, in a difficult circumstance that to date is being well managed, to find a positive role to ensure that the peace that is tenuous but is still holding can in fact be held.

Mr. Robinson: Mr. Speaker, I am pleased to respond to the hon. member's question. I am sure that it was inadvertent but, of course, in his chronology he overlooked a very fundamental point. While the resolutions to which he referred which were adopted by the Security Council prior to August 10 in fact did impose sanctions, it was not until August 25 that the Security Council adopted a resolution which in fact authorized the use of minimal force to enforce those sanctions.

It was the meeting of the Prime Minister with the President of the United States, George Bush, on August 6, followed by a meeting of the NATO countries on August 10 in Brussels, which led to the decision to send troops. That decision was not just pursuant to the United Nations—and indeed it was not pursuant at that point to any United Nations resolution, because it was not until two weeks later that the United Nations authorized that; fortunately most other countries that have troops in the region now did in fact wait for the United Nations—but rather it was for the second mandate.

It is often overlooked that there are two different mandates that this government is operating under. One is purportedly under the United Nations, and indeed at this point under the United Nations, but the second is this vague mandate of deterring aggression which is completely separate from the United Nations mandate. I would hope that the parliamentary secretary would recognize that and recognize that as of August 10 there was no United Nations resolution authorizing the use of force or troops to enforce sanctions.

The hon. member suggests that we look to the future and to what role the United Nations might play effectively. I agree completely with him. I certainly welcome the suggestion of a United Nations peacekeeping force. I think that is a very positive suggestion and one that I hope Canada is actively pursuing in the Security Council.

However, I remind the hon. member—and I would welcome his comments on the point—that there exists now a body under the framework of the United Nations, and I am speaking of the military staff committee, which is in a position to move and to co-ordinate, particularly under articles 42 and 43 of the charter, military action by the United Nations. Is Canada actively pursuing this

option within the framework of the United Nations as well at this time?

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I listened very attentively to the hon. member's speech. I congratulate him at the outset on being made external affairs critic for his party. I understand he has been relieved of his responsibilities as justice critic and is now taking on the onerous responsibilities as external affairs critic. I may say that his speech sounded rather like that given by a Secretary of State for External Affairs, because it was very difficult to tell what the position of the party was having listened to the speech.

Secretaries of State for External Affairs are known for their obfuscation and coverup of clear positions, because they do not want to make it appear that anything they are doing is too dramatic. I can recall even some Liberal Secretaries of State for External Affairs who were known for that. The Hon. Paul Martin when he was a member of the House—and I am not referring to the present member for LaSalle—Émard; I am talking about the former member for Essex East—was well known for the statements he made.

I recall a comment made by some persons who were sitting in the gallery of this House. They were from the United States and unfamiliar with the workings of the Canadian Parliament. They thought they had been in a church when they left having listened to a speech given by the former member for Essex East. The hon. member for Port Moody—Coquitlam. Do I have the constituency correct? He reminded me of the same when he was giving his speech a moment ago.

An hon. member: Burnaby—Kingsway.

Mr. Milliken: Burnaby—Kingsway, I am sorry. I did not mean to accuse the other hon. member of the same party of making such a pious speech.

I was surprised at the suggestions in his speech that somehow Canada was going to be involved in offensive military operations against Iraq. It is not the expectation here that the forces there are going to used for offensive military purposes. It is designed to bring to an end to the invasion of Kuwait by Iraq which has so outraged world public opinion. What I could not understand from the hon. member is—perhaps I am simplifying things—that I think he said he supports the presence of the troops there nowthat they are under some kind of United Nations mandate. He did not before because they weren't, which I think is clear, and we agree with him in that respect. He seems to be saying that he does not want the troops to be involved in offensive operations, which we would agree with. We do not particularly want offensive operations there either.

• (1250)

What are they supposed to do? Is he saying that they should withdraw if offensive operations get under way? Is he saying that if there are offensive operations they are to be managed by the United Nations, which I think he was saying? Is he saying that somehow the United States which has the bulk of the troops there should manage any offensive operation under United Nations auspices? Is he saying that the United Nations should appoint somebody else and operate offensively, or is he saying the United Nations should appoint somebody to operate the entire force there in a defensive way?

I do not know what he is saying. I found it very difficult to follow that part of his speech. I wonder if he could clarify what role it is he expects the Canadians forces there to fulfil, or does he want the Canadian forces to withdraw?

The Acting Speaker (Mr. Paproski): The hon. member's time for questions and comments has expired, but do I have unanimous consent to allow the hon. member to reply to the question?

Some hon. members: Agreed.

Ms. Clancy: Absolutely.

Mr. Robinson: Mr. Speaker, if the hon. member has accused me of being somewhat obfuscatory in my speech, I must say that was the most bizarre, meandering, obfuscatory question I have ever been posed.

Our position in respect of the use of offensive military action is very clear, and certainly I will be pleased to reiterate what that position is. Our troops that have been dispatched should clearly only be operating under the auspices of United Nations resolution 665 for the purpose of enforcing sanctions.

They should go no farther than the Gulf of Oman. I made that clear. Perhaps the hon. member was involved in researching some arcane procedural point at that particular part of my speech, but our troops should go no farther than the Gulf of Oman. They should be there, as

I say, for the purpose of enforcing that United Nations resolution.

We have said as well, quite clearly, that there should be no offensive military action taken by any state in the region without United Nations sanction, explicit sanction by the Security Council, and that that should be under effective United Nations command.

That is the subamendment which we have tabled. Perhaps the hon. member has not discovered the Order Paper yet, but if he would read the Order Paper he would find our position very clearly set out in the subamendment.

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, I appreciate the opportunity to say a few words, I suspect very brief words, with respect to the motion before the House which is condemning the action and the invasion of Kuwait by Iraq, supporting Canada's actions at the United Nations and the resolutions by the Security Council, and supporting the dispatch of Canadian forces to the Arabian peninsula.

This is a very severe crisis not only for our country but for the entire world. It is a very frightening one with all of the implications it brings with it not only as a result of this unprovoked invasion by Iraq and the threat of Iraq's forces going farther than into Kuwait but carrying on into Saudi Arabia and perhaps even beyond that, but it brings with it as well all the potential horrors of possible chemical warfare. Certainly it would appear to be a long, drawn-out conflict, a long, drawn-out blockade with the efforts to impose sanctions, whether by sea, by air or over land.

Obviously it is going to have very severe economic effects on countries around the world, particularly on some of the countries in eastern Europe which are now struggling to get on their feet after the forces that have been enveloping them recently have loosened their bonds. Communism seems to be disappearing and democracy and a free market system seems to be taking place. Obviously all of this is going to impact on those countries very severely, particularly countries like Poland, Hungary, and Czechoslovakia.

However, with all this great crisis, it seems to me there are some very encouraging bright spots in the whole situation. There are at least three as far as I am concerned. The first of those is the fact that nations around the world have united and come together in an effort to deal with this unprecedented and unprovoked aggression by Iraq. We now have something like 26 nations involved in this process. I think that is extremely encouraging. It is not just a process involving one or two. It is not a process involving North American nations or NATO nations alone. A vast number of nations around the world are now joining together to resist this aggression.

Second, another very bright light is that for the first time that I can certainly remember—and I suspect the first time that most of us can remember—the United States and the U.S.S.R are both on the same side. They are both taking the same position. They are both co-operating and both doing it in a spirit aimed at trying to promote some sort of world peace and order in opposition to unprovoked aggression.

Third, as far as I am concerned the brightest light of all is the fact that this is taking place under the United Nations. Albeit, notwithstanding the comments of my hon. friend and other members in this House, this is an action which does involve the United Nations. It is sanctioned by the United Nations and is proceeding as a United Nations operation.

In my view it is part of a developing process that I hope will go to the ultimate extent of providing some sort of world order and policing body, which will be able to intervene very quickly, more quickly than we have been able to do so in this situation where we are confronted with unprovoked aggression and similar situations such as we have here now.

With respect to the United Nations, I think it is important for all of us to realize that the United Nations has been a very—I hesitate to use the word useless—ineffective body in the last few years and for a long time. When it was born during and at the end of the Second World War, it was born with a feeling that here was the great hope for the world, that suddenly we would have some form of world government developing in which we could maintain some sort of world order and rule of law. That did not materialize.

It is like all institutions and, if we look at our own British parliamentary system, that has been an evolutionary process that has taken place over hundreds and hundreds of years. I suspect that the evolution is still taking place. Each step along the way is another step which reinforces and makes it more difficult to go back to the things we have had before. I see this, in that light, as an extremely positive step leading toward something

that will be of benefit not only to Canadians but to all the citizens of the world.

I believe this is something that is consistent with positions that Canada has taken in the past. It is true that some of them were positions of peacekeeping roles to maintain order along a green line in Cyprus or some sort of line of cease fire, truce, or whatever. However, there was also the precedent of the Korean War situation in which Canada participated under the United Nations flag in a very positive way.

All these things are developmental stages toward a very effective United Nations. I think that is an extremely bright spot and one that I welcome.

I have heard a great many comments, concerns, and criticisms about the way this situation has been developing. I hope I have a minute or two to comment on some of those.

The first is that in some way this is a double standard because the United Nations and other nations around the world did not react to other events, other unprovoked aggression, in a similar fashion in the past. That may be very true, but we have to start somewhere. Surely we do not say that this is horrible because we are starting now to react to a situation. We also did not have the United Nations and the U.S.S.R. acting together in the past either. Now we do have. Again, this is part of an evolutionary process.

The Acting Speaker (Mr. Paproski): After Question Period the hon. minister will have 13 minutes left in his debate, plus the 10-minute question and comment period. For the benefit of the listening public who would like to hear him, it will be after three o'clock.

It being one o'clock, I do not leave the chair until two o'clock this day.

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

S. O. 31

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE GREAT MEDICINE WHEEL

Mr. Stan Keyes (Hamilton West): Mr. Speaker, there is an Indian myth about a tribe, starving, unable to track the mighty buffalo herds. Two children brought the hunters robes made of coyote skins, begging that they wear them. Some hunters laughed, some were angry with the children's interference.

However, two elderly, wise members of the tribe agreed to put on the robes and in doing so, found they had the vision of the coyote and were able to direct their people to the buffalo.

Mr. Speaker, many stories of The Great Medicine Wheel teach an important lesson—that to live in harmony and well-being we must see with the eyes of others, hear with the ears of others and speak with the tongue of others.

The challenge now is for all hon. members of this place to see and hear and thereby better understand the commitment of Canada's first people.

* * *

AGRICULTURE

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, prairie grain producers face historically low prices owing to reduced world demand and highly subsidized grain exports by the European Economic Community and the United States.

The result is that Canadian elevators and terminals are plugged and producers, through no fault of their own, cannot sell any grain. Their only source of cash is the advances which they obtain at the elevator on the strength of their farm stored grain. While producers have no opportunity to market their grain, they have, at the same time, borrowed to the hilt for chemicals, fuel and other inputs.

In the circumstances, I call on the Minister of Agriculture to waive, for this 1990-91 crop year, the interest requirement on at least the first $30,000 to $50,000 of cash advances per individual producer. This will provide some immediate cash flow for farmers who cannot afford to pay any more interest at this time.

S. O. 31

MULTICULTURALISM

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, one lesson that the Oka imbroglio has taught us is that all Canadians must be treated with respect. That is what the First Nations demanded and that is what all of our ethnic communities want.

In respect of this point, I call upon the federal cabinet to listen to the voices of Afro-Canadians and review the CRTC decision of August 8, awarding the last available FM licence in Toronto to country music interests rather than to Milestone Communications Limited, a black-owned and operated firm which seeks to air black music and reflect black interests.

There are 400,000 Afro-Canadians in Toronto who desire, along with thousands of other Torontonians, to hear the entire range of African musical genius, including jazz, gospel, blues, soul, reggae, rap, and classical on Canadian rather than American airwaves. However, as Commissioner Keith Spicer pointed out, the CRTC decision broadcast a message that is out of tune with the multicultural reality of our country. The cabinet must send a different signal. Afro-Canadians and other Canadians are listening.

* * *

THE SENATE

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, with the appointed Liberal majority in the Senate intent on killing Bill C-62 many Canadians have already begun to ask, where do we go from here?

Killing the GST will not solve Canada's economic and structural problems, yet our Liberal colleagues offer no alternatives. Seemingly we can no longer expect them to do so. After all, to whom are these Liberal senators accountable? Certainly not the people of Canada. If they were, would they be taking this action, which amounts to no more than simply a partisan statement. If they were, would they not be worried about the costs and fiscal responsibility? Bill C-28, UI changes and the government restraint act are all very important bills passed by the elected House of Commons. They have been obstructed by the Liberal senators and failure of their passage would add $8.3 billion to the federal deficit.

This political opportunism must be stopped by responsible senators in the other place.

* * *

CANADA POST

Mr. Joe McGuire (Egmont): Mr. Speaker, Canada Post continues its dictatorial ways as the corporation strips rural Canada of its postal services.

After October 15, 1990 rural P.E.I. will no longer enjoy Saturday mail delivery. This reverses Canada Post's 1982 position which acknowledged that the island was in a unique situation.

After October 30, many rural post offices will suffer severe reductions in business hours. The Richmond post office, for example, will be closed from 11.30 to 1.30, the busiest time of the day.

The elimination of Saturday rural mail delivery will cost Canada Post Corporation almost $200,000 per year in net revenues which is contrary to their government mandate, force newspapers to set up their own rural distribution routes, thus dramatically increasing subscription costs and generally limit mail service to rural residents of P.E.I.

The reduction of operating hours of rural post offices will reduce their revenue generating capacity, thereby ensuring that they will not be able to operate economically. This will give Canada Post an excuse to close these post offices.

Mr. Speaker, I call upon the government to summon Canada Post before the Standing Committee on Consumer and Corporate Affairs and Government Operations to account for their actions.

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[*Translation*]

THE SENATE

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, on January 18, 1965, a certain Jean Chrétien said the Senate should be either abolished or radically reformed. Mr. Speaker, history has shown that for more than 20 years, this great Liberal democrat did not bother to abolish or reform anything whatsoever. They were far too dependent on the system, Mr. Speaker.

On June 23 this year, Jean Chrétien, by killing Meech Lake, killed the first real attempt at Senate reform.

Today, Mr. Chrétien tells us he wants to reform the Senate by abusing its powers and trying to kill the GST. This is a good example of what Liberals mean by democracy, Mr. Speaker.

On April 2 this year, Mr. Chrétien kept saying that to kill the GST, people should be told where the government was going to raise the $25 billion. The people are still waiting, Mr. Speaker.

The question that arises today, when we look at the unwarranted action being taken by the Senate, is this: Do we or don't we have a democracy? And it is high time we answered that question.

* * *

[*English*]

VIOLENCE AGAINST WOMEN

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, once again we have seen women become victims of the Canadian justice system as well as victims of violence. The judge and prosecution in a sexual assault trial allowed two years of delays so that a police officer who had drugged and sexually assaulted a 19-year old police cadet would get his pension. The officer pleaded guilty after 15 court appearances and can now collect $130,000.

Two Ontario crown attorneys have said judges are biased against women in sexual assault cases after a judge handed a suspended sentence to a man who had sexually assaulted a 13-year old girl.

If the government believes as I do, that this is completely unacceptable, it must negotiate with the provinces to ensure that judges receive mandatory education on the issues of violence against women and on women's equality.

It must ensure that all Canadian judges receive this training as they are appointed to the bench and judges who are already there must also receive this training.

* * *

INDIAN AFFAIRS

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, like most other Canadians I have watched with strong feelings the face-to-face confrontation between the army and the Mohawk warriors at Oka.

Considering the incredible tensions and passions, the presence of so many weapons on both sides, the incredible pressures on all involved, and the army of media throughout the situation, I am amazed and relieved that those involved were able to show tremendous restraint and avoided using those arms which could only have resulted in death and injury. In my view the army handled this unprecedented situation in the best possible manner under strained circumstances.

I want to thank Chief Lawrence Paul of the Millbrook First Nations for helping me understand the concerns of the natives throughout the situation. I look forward to working with the chief as we address the outstanding issues in the future.

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INDIAN AFFAIRS

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, I was appalled by last night's chaotic end to the Oka stand-off. Was it really necessary for the army to fix their bayonets? Was it really necessary to shove women and children to the ground? Those scenes were disgraceful.

This crisis has focused national and international attention on aboriginal issues. The government must now deal with those issues quickly, honestly, and fairly. The Minister of Indian Affairs has said that once the guns were down, the disputed land would be turned over to the Mohawk people of Kanesatake. We expect this to happen without delay.

We also expect real action on the Prime Minister's new aboriginal agenda. The agenda is long on promises, and short on specifics.

Fundamental changes to current policies are needed. To show its goodwill the government should immediately announce that it will no longer require aboriginal people to extinguish their rights in claims negotiations.

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BILL C-21

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, today I received a fax from the Deputy Premier and Minister responsible for Intergovernmental Affairs of the Province of New Brunswick, Aldea Landry. Mrs. Landry is very concerned about the difficulty workers in

New Brunswick are facing because of the failure of the Liberal dominated Senate to pass Bill C–21, the UI bill.

• (1410)

Mrs. Landry has targeted the real problem, the Liberal majority in the Senate.

I urge the Prime Minister to resolve this impasse, and to appoint the eight senators needed to do the job. Mr. Speaker, the Liberal Party no longer respects democracy.

* * *

CHILDREN'S RIGHTS

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, this weekend the Prime Minister will go to New York to co–chair the World Summit for Children.

While there, it is expected that he will reaffirm Canada's commitment to ratify the United Nations Convention on the Rights of the Child, obliging Canada to comply with the terms of the Convention. Unfortunately, the sad truth is that the government's record on children's rights is a far cry from the standards set out by the articles in the convention.

Article 18(2) requires a government to render appropriate child care services and facilities for the children of working parents. What has been the Tory response to this problem? After six years of promises, this government has failed to establish a long–awaited and much–needed national child care program.

Article 27 requires a government to "recognize the right of every child to a standard of living adequate for a child's physical, mental, spiritual, moral and social development".

As we see the rapidly increasing numbers of food bank users in this country, an estimated 40 per cent of them are children. Tens of thousands of Canadian children are dependent on food banks due to the Tory attack on universality, the clawback on family allowances, and the capping of the Canada Assistance Plan.

These are only two of many areas in which this Conservative government has failed Canada's children. Before the Prime Minister trots off to the world arena to lecture to world leaders on giving priority to children, he should make sure his own house is in order.

INDIAN AFFAIRS

Mr. Réginald Bélair (Cochrane—Superior): Mr. Speaker, the crisis that has taken place in Oka has had a ripple effect in my riding of Cochrane—Superior. As a result, three blockades were erected on CN and CP rail lines thereby halting all transportation of passengers and goods.

I am pleased to say that although the blockades were dismantled peacefully, on the other hand, I am concerned about the negative impact it had on the economy, the industry, the rail workers and the travellers.

Given the fact that only 42 out of 550 land claims have been settled in the past 18 years, it will be well into the next century before these claims are settled.

Furthermore, there have been three constitutional conferences which have failed to officially recognize the aboriginal people of Canada as a founding nation of this country. During the Meech Lake debate, the Prime Minister had promised to discuss aboriginal issues, which he failed to do. History will show how serious he was when he made his declaration on September 25, 1990.

* * *

FORESTRY

Mr. Peter L. McCreath (South Shore): Mr. Speaker, it is autumn, young people are back in school, MPs are back in Parliament and Nova Scotia's Christmas tree growers are about to begin this year's harvest in earnest.

This weekend, the Lunenburg Christmas Tree Producers Association celebrate their 24th annual meeting and conference. We wish them well.

The Christmas tree industry yields some $70 million to Canadians and Lunenburg County, Canada's unquestioned Christmas tree capital, exports in excess of one million trees a year. These exports mean jobs for Canadians.

Soon the signs of Christmas will appear. I urge all Canadians and indeed all members to support Canada's Christmas tree industry this year by having a real Christmas tree.

Real Christmas trees are beautiful, environmentally friendly and one of Canada's great renewable resources.

* * *

LABOUR DISPUTES

Hon. William Rompkey (Labrador): Mr. Speaker, I bring to the attention of the House the disruption of the ferry service between St. Barbe in the riding of my colleague from Humber—St. Barbe—Baie Verte and Blanc Sablon in the riding of Manicouagan as a result of a strike that has gone on all summer.

This ferry is the only link between the island of Newfoundland and southern Labrador. The disruption of the service at the height of the tourist season and in the midst of a fishery already in crisis has been devastating for both businesses and individuals.

This labour dispute must be resolved now and similar disruptions prevented in future in what I believe is an essential service. My colleague from Humber—St. Barbe—Baie Verte joins me in calling on the government to immediately bring labour and management to the table for a solution to the problem.

As well, the government should make special assistance available to those in tourism and the fishery who were crippled by the disruption of the service.

Finally, steps must be taken to deal with labour disputes in a manner that will not disrupt what, in effect, is a vital and essential service.

ORAL QUESTIONS

[*English*]

GOODS AND SERVICES TAX

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, my question is directed to the Deputy Prime Minister in the absence of the Prime Minister.

Today, for the first time in our history, the Queen has created eight additional Senate seats, acting on the advice of the Prime Minister and his Cabinet.

Why did the Prime Minister give that advice to the Queen, rather than advising the Minister of Finance to withdraw the GST, the most unpopular tax in Canadian history, presented by the most unpopular government in Canadian history?

Some hon. members: Hear, hear.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the hon. Leader of the Opposition has been in this place for a long time and has been a very ardent student of parliamentary democracy. He knows very well that it is the obligation and, in fact, the duty of the duly elected Government of Canada to proceed with its legislative program and, indeed, to pass its legislative measures and particularly budgetary measures.

I think the hon. member recognizes that if the Senate were allowed to kill budgetary measures or block budgetary measures as it has and as it proposes to do so in the future, it would literally strangle the parliamentary process that we have and that we all respect and attempt to uphold. It is for that reason that these extraordinary actions had to be taken.

I simply remind the hon. member that the Senate has delayed three pieces of legislation currently before it, all of which have major financial implications: Bill C-21, the Unemployment Insurance bill which has been delayed for 10 months; Bill C-28, the large corporations tax which has been delayed for 9 months; and, Bill C-62 has been delayed for five months. We now have a motion before the Senate which states that the bill will not be proceeded with.

Some hon. members: Hear, hear.

Mr. Mazankowski: The hon. leader's leader outside the House is on record as saying that he is going to kill the GST and there is no major financial bill that has ever been killed in the Senate before. That is why this unprecedented action is required.

Some hon. members: Hear, hear.

THE SENATE

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the words of the Deputy Prime Minister sound rather hollow when he claims to be using undemocratic means to appoint unelected people to defend democracy. The words are hollow.

When our Constitution was repatriated in 1982, Canadians thought that they had a Constitution based in this country which would not be interpreted outside of Canada on the advice of the Prime Minister.

Right now a court in British Columbia is seized of the matter of the use of the clause in question of our Constitution. Why will the government not wait to appoint the eight additional senators until the British Columbia court has ruled on this matter? If this government is so concerned about the rule of law, why will it not refer the question itself to the Supreme Court of Canada today?

Some hon. members: Hear, hear.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, perhaps the hon. Leader of the Opposition will want to re-read Article 26 of the Constitution of Canada which says:

> If at any Time on the Recommendation of the Governor General the Queen thinks fit to direct that Four or Eight Members be added to the Senate, the Governor General may by Summons to Four or Eight qualified Persons (as the Case may be), representing equally the Four Divisions of Canada, add to the Senate accordingly.

• (1420)

That is pretty clear. It has been upheld in terms of our own legal advisors, plus a number of outside legal advisors who have shared that same view.

If we are going to uphold the fundamental principles of parliamentary democracy, we cannot allow an unelected body to run roughshod over the will of the people of Canada, namely as represented in the House of Commons.

Some hon. members: Hear, hear.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Deputy Prime Minister talks about democracy. They are strange words when he tries to use this method of the Constitution to ram through a measure opposed by 85 per cent of the Canadian people—

Some hon. members: Hear, hear.

Mr. Gray (Windsor West): —and when the government trying to thwart the will of 85 per cent of the Canadian people has the support of the lowest number since polling began in the country 50 years ago.

[*Translation*]

Some hon. members: Hear! Hear!

Mr. Gray (Windsor West): Mr. Speaker, the Deputy Prime Minister referred to a constitutional provision under which the Governor General may appoint eight additional senators. But, Mr. Speaker, Canadian courts never did rule on that provision!

I would ask the Deputy Prime Minister why is he not seeking to go before the courts and let them settle the matter instead of relying on private and secret legal advisers?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the Leader of the Opposition should take some time to spend with his leader and his leader in the other house to talk some sense into them and to lay out the facts as to what really is the relevance of the meaning of Parliamentary democracy and the fact that they are taking unprecedented action by blocking a financial bill which is fundamental to the future of this country—a number of financial bills. If he prevailed upon both of those leaders, we would not have to take this unprecedented action. I challenge him to do it, even at this late date.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, a consititutional expert of the eminence of Eugene Forsey, today stated that, in fact, there was not a deadlock in the Senate, because there has not been a vote and there is no basis to invoke Article 26, which the Deputy Prime Minister has called upon.

Furthermore, before invoking such an article, the Governor General has the constitutional responsibility to consult widely, including consultation with the Leader of the Opposition and the Leader of the Opposition in the House.

I would like to ask the Deputy Prime Minister how his Governor General could call—

Some hon. members: Oh, oh.

Mr. Speaker: I understand that the hon. member has some strong views and is putting a forceful question, but it is not appropriate to call into question the integrity or the position of the Queen's representative in Canada.

Ms. Copps: How could the Governor General advise the Queen specifically on a measure which has never been used in the history of Canada without having consulted widely in a way that his constitutional obligations require him to do?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, Mr. Forsey has been clearly on record indicating that the deadlock has really occurred with respect to C–21, which is the unemployment insurance bill. We would not even have to consider Bill C–62 as well as C–28. People such as Mr. Dawson and other legal opinions and law officers of the Crown have clearly indicated that the interpretation that we have placed upon Section 26 is correct. I suspect that the Governor General would have sought outside legal advice as well.

Some hon. members: Hear, hear.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my supplementary question directed to the Deputy Prime Minister is this: Can he explain how there has been a deadlock in the Senate when there has not been a vote?

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the intentions have been pretty clear. It has been enunciated—

Some hon. members: Oh, oh.

Mr. Mazankowski: Mr. Speaker, I am very surprised. Why does the hon. member not read the motion that is currently before the Senate which says that Bill C–62 should not be proceeded with further in the Senate?

Mr. Chrétien has said it should be defeated. Mr. MacEachen says it will be defeated. They have indicated that there is a blockage. We have to use every vehicle at our disposal to ensure that we have the legitimate right to pursue our legislative program and that is precisely what we are doing, even though it is not the most desirable course.

The hon. member could do her part by taking Mr. Chrétien aside and taking Mr. MacEachen aside and talking some sense in the interest of preserving our parliamentary democracy.

* * *

INDIAN AFFAIRS

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Deputy Prime Minister. Like all Canadians, I am relieved that there have been no more deaths as a result of the Oka crisis and that we are now hopefully able to move on to another phase in dealing with aboriginal issues in the country. I, too, as I am sure everyone in the House and all Canadians, am very concerned about the loss of the young police officer's life as well.

There are many unanswered questions about what occurred at Kanesatake and Kahnawake this summer, questions about the role of the federal government, the provincial governments, the *Sûreté du Québec*, the army and the Mohawks. On Monday I asked the Prime Minister if he would consider holding a full public inquiry into all of the events that have occurred. He responded to me and I quote from page 13208 of *Hansard*:

> —the government will be more than pleased to take the kind of action suggested by my hon. friend.

My question to the Deputy Prime Minister is this: Will he, on behalf of the government, today commit to a full and public inquiry on the events that occurred this summer at Kahnawake and Kanesatake?

Some hon. members: Hear, hear.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, all Canadians are certainly relieved that the warriors who were holding out in the treatment centre have laid down their arms, have been taken into custody and that now we can get on with dealing with the healing of the wounds and the legitimate aspirations and the obligations we owe to our aboriginal peoples.

In the context of the future, I would remind the hon. Leader of the New Democratic Party there is a motion on the Order Paper, motion No. 17, which would refer all of these questions to the Standing Committee on

Justice and the Solicitor General. Therefore, if we vote on that motion we have the remedy she seeks.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is directed to the Minister of Indian Affairs. Clearly what is needed is a full public inquiry so that all aspects can be heard. I would take it from the minister's comments that he is saying no to that.

[*Translation*]

Mr. Speaker, in his speech last Tuesday the Prime Minister committed himself to speeding up the native people land claim negotiation process. I am delighted, but good intentions and promises are no longer enough: native people have had too much of that as it is.

Here is my question to the minister: what specific long-term plan does he have in mind to speed up this land claim process throughout the country?

[*English*]

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, in response to the preface to the hon. member's question, I would say there is no more public place than the Parliament of Canada and its committees in which to discuss and review these questions.

In regard to the acceleration of the means of disposing of comprehensive claims, we certainly do intend to make alterations to certain limitations, such as the six-claims limit, and to develop regionalized processes or province-wide processes to deal with the unique circumstances of a province, such as British Columbia. There has not been a settlement of claims in British Columbia, with the exception of two treaties, since the time it entered Confederation. The details will be forthcoming in the days ahead.

• (1430)

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary for the Deputy Prime Minister. It is interesting to hear the Minister of Indian Affairs say that there is no more public place than Parliament. I agree. That is why we wanted Parliament recalled during the summer to discuss this.

The Prime Minister also said that he would promote self-government within the context of the Canadian Constitution for aboriginal people. My question to the Deputy Prime Minister is: what kind of constitutional process is proposed to be undertaken? Will his government support the entrenchment of self-government in the Canadian Constitution? What will be the plans to involve aboriginal people in that process?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): I believe, Mr. Speaker, that the Prime Minister indicated that the evolution of self-government within the native communities of Canada will be enabled within the constitutional limitations that exist today and if, by some means, at a future day we can modify or amend those constitutional limits, we will have to wait until that time arrives. Meanwhile, we will work to fully accommodate the aspirations of aboriginal people to realize self-government within the present constitutional framework.

* * *

THE SENATE

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is to the Deputy Prime Minister who did not answer the question asked by my colleague, how can there be a deadlock if there has been no vote.

The Queen is obliged to take the advice of the Prime Minister. The Queen is not obliged nor, unfortunately, does the Queen investigate the basis for that advice. The fact is there has been no vote on Bill C-21. There has been no vote on Bill C-28 and, most important, there has been no vote because of a Tory filibuster on the GST.

I ask the Deputy Prime Minister, why has the Prime Minister of Canada deliberately misled the Queen of Canada about paralysis in the Senate?

Mr. Speaker: I am not at all sure that that is an allegation that can go uncommented upon. I know the hon. member would not want to make the allegation that the Prime Minister or anybody else in this chamber had deliberately misled Her Majesty the Queen of Canada. I would ask the hon. member to delete that part of his preamble and question.

Mr. Tobin: Mr. Speaker, taking your advice into consideration as I always do, why has the Prime Minister misled the Queen of Canada?

Some hon. members: Oh, oh.

Mr. Beatty: The rats are back.

An hon. member: Next question.

Mr. Speaker: I am sure the hon. member would want members to understand exactly what he means. I take it that what the hon. member is trying to say is that the information given to Her Majesty the Queen is, in the eyes of the hon. member, not all the information that ought to be there. If the hon. member would rise and confirm that that is his intention.

Mr. Tobin: Mr. Speaker, I wish to confirm that there is no doubt in my mind, and that is what I meant, that the information given to the Queen was obviously incomplete.

Mr. Speaker: I am quick to point out to the hon. member, as I am sure Her Majesty the Queen would well know, being familiar with parliamentary matters, that of course is a question of debate.

Perhaps the government would like to answer.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I will respond to the hon. member's question although the premise of his question is fundamentally flawed because, as he knows—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member has put a question; there has been the necessity of an intervention; the hon. member has co-operated; the minister is now rising to answer. If it is an important question, as I am sure it is, hon. members will, of course, want to hear the hon. minister.

Mr. Mazankowski: Mr. Speaker, as I said before I was interrupted, the premise of the hon. member's question is fundamentally flawed. He should know, if he does not know, that C-21, an act to amend the Unemployment Insurance Act has been sent back to the Senate on three different occasions and so we can only assume that there were votes taken.

Mr. Harvard: Call a conference.

Mr. Mazankowski: It has been before the Senate for some 10 months. Bill C-28, which is a tax bill, has been before the Senate for nine months—

Mr. Young (Acadie—Bathurst): Misleading.

Mr. Mazankowski: Then, maybe perhaps Mr. Forsey is misleading Canadians too when he said on a program called CBC *Newsworld* on September 17, 1990, "Unquestionably, the provision", that is Section 26, "was put"—

Mr. Nunziata: Be honest.

Mr. Waddell: Why don't you quote him on Meech Lake.

Mr. Mazankowski: Let's get this on the record. "—the provision", which was Section 26 of the Constitution Act, "was put in there to look after deadlocks between two Houses—"

Ms. Copps: Deadlock.

Mr. Mazankowski: Well, just a minute, let me complete this. He goes on to say: "Well, there is a deadlock between the two Houses now".

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, the Deputy Prime Minister should be current. He ought to know that Mr. Forsey said this morning he does not regard the situation that currently exists as a deadlock between both Houses of Parliament. Now, Mr. Speaker, C-21 has been stayed at the request of the government. The GST has not been voted on because of a government filibuster. Let me put this to the Deputy Prime Minister: don't name your senators, we will have votes on all those bills today.

Mr. Speaker: It may or may not have been a question. In any event, it was not put through the Chair. The government may wish to respond.

[*Translation*]

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, my question is also directed to the Deputy Prime Minister. I would like to get back to the question put earlier by the leader of the Opposition, a question I feel is absolutly vital. I wish the Deputy Prime Minister would explain why, considering that the question about certain circumstances that might, I repeat, might, allow the appointment of additional senators under Section 26 of the Constitution is being challenged before the British Columbia Court of Appeal. According to custom in this country, the government must await the court's decision. I want to ask the Deputy Prime Minister why his government is not prepared to wait until the court has

ruled on this matter, before asking the Governor General to appoint eight additional senators.

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, very simply, because our legal advisers have indicated that the situation that we presently face warrants the invocation of Section 26. Professor William Dawson of the University of Western Ontario and former Senator Eugene Forsey have been quoted to this effect. Our own law officers of the Crown have indicated that and the hon. member should know, in reading Section 26 of the Constitution of Canada Act, it is pretty clear it does not suggest that you have to seek a legal opinion before you invoke it.

[*Translation*]

Mr. Ouellet: Mr. Speaker, whatever the Deputy Prime Minister may say, it is quite obvious that legal and constitutional opinions in this respect are very much divided on this issue.

Why are the Deputy Prime Minister and his government trying to draw the position of the Governor General into the political arena? Why does he absolutely want to politicize the Governor General's role at this time?

• (1440)

[*English*]

Mr. Mazankowski: Mr. Speaker, the hon. members and members of the Liberal Party are simply trying to divert the real issue. The real issue here is the supremacy of the elected House of Commons.

The hon. member, who is a distinguished House of Commons member, should be one of the first ones to stand up in defence of the House of Commons. I am very much surprised to see him promoting the idea that the Senate should undermine the integrity of the elected will of the people of Canada and the House of Commons.

Mr. Ouellet: Answer my question.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I would remind the Deputy Prime Minister that government lawyers have been wrong before.

The Prime Minister has decided to roll the dice one more time—

Mr. Crosbie: Take the word "democratic" out of your party name.

An hon. member: You are turning purple, John.

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. Blaikie: Mr. Speaker, we all thought the Prime Minister was trying to roll an eight, but I hear that he has rolled a nine and in just a few minutes we are going to have nine Senators sworn in.

I would like to ask the Deputy Prime Minister, given that this is before the courts, does he not think it unwise on the part of the government to add insult to injury by making what is already an unjust tax a possibly illegal tax? Would that not simply add to the chaos that he says he now fears?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): The answer to that question is no, Mr. Speaker. Yesterday the Prime Minister quoted an NDP expert on constitutional issues when he said that, "as much as he dislikes the tax, I think we now have a prescription for parliamentary and political chaos which is mind-boggling". That was a quotation by Stephen Lewis.

Today on *Canada AM* we had the spokesman for the NDP saying and I quote, "It is creating a terrible, terrible precedent that one day the rest of us will rue for these Liberal Senators who say they have the right to stop the functioning of an elected government". I agree with that.

Mr. Blaikie: Mr. Speaker, with all due respect to my friends in the NDP, I did not know that either of them were constitutional experts or that they speak for the NDP for that matter.

Some hon. members: Oh, oh.

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. Blaikie: I want to ask the Deputy Prime Minister this question, the Deputy Prime Minister not seeing what is at stake here with respect to what the Senate is doing and the entire crisis. There is the whole question

of political legitimacy brought on by the unprecedented political illegitimacy of this government and his is the only government in the history of Canada that can make the Senate look good.

So I ask the Deputy Prime Minister, will he not do the only thing that can restore political legitimacy to this country and call an election?

Mr. Mazankowski: Mr. Speaker, that suggestion reminds me of his former leader who in August 1987 was promoting the same line. His picture was on the front page of *Maclean's* magazine getting ready to take over Sussex. When the election was called and after the results were known he was the first one to knock on the Prime Minister's door seeking a patronage job.

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

Mr. Speaker: Perhaps the hon. minister could answer the question.

An hon. member: Withdraw.

Mr. Mazankowski: Mr. Speaker, someone says I should withdraw. I say to them: if the shoe fits, wear it.

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, we now know why they are at 15 per cent in the polls.

My question is for the Deputy Prime Minister. The Deputy Prime Minister is rather selective in quoting his parliamentary precedent with regard to what is taking place. The Deputy Prime Minister should be aware that in paragraph 338 of Beauchesne's and also by quotes made by the right hon. former Prime Minister of Canada, the hon. member for Yellowhead, stated, and I quote: "That when a matter is raised in two public institutions, one being a Supreme Court, the other being Parliament of Canada, it is incumbent upon the Prime Minister of Canada to respect the roles and customs of the House of Commons and withdraw the matter from further consideration".

Will the Deputy Prime Minister do the honourable thing and withdraw the GST from further consideration in the upper House?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I understand the hon. member is a lawyer. He should consult with the Table. He will find out that essentially civil actions do not bring this institution to a halt, do not bring the Government of Canada to a halt. He was quoting circumstances involving the Criminal Code and criminal actions, not civil actions.

He should be aware that the government has every right to proceed with its legislative program, and people who believe in democracy would be discouraging the Senate from doing what it is trying to do now.

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, for the edification of the hon. House leader, I refer him to quotes made by the right hon. former Prime Minister, the hon. member for Yellowhead, on March 26, 1981 which clarifies that.

Today the leader of my party, the opposition House leader, as well as the Leader of the Opposition in the Senate, wrote a letter to the Governor General. It states, and I quote part of that letter: "There is eminent authority that constitutional convention requires the Governor General to accept advice from the Prime Minister or to appoint such senators only when certain extraordinary circumstances exist". Such circumstances do not exist today.

Why is the Deputy Prime Minister and that government opposite using the Governor General as an accomplice in a political scandal?

Some hon. members: Hear, hear.

Some hon. members: Out, out.

Mr. Speaker: I do not think that is acceptable in this place. It is not necessary. In that question he went too far. I would ask the hon. member to withdraw that part of the question.

Mr. Dingwall: Mr. Speaker, in reference to your instructions, I hope the hon. Speaker has not interpreted my remarks as a reflection on the quality of the Governor General.

Mr. Speaker: I am asking the hon. member to withdraw it.

Mr. Dingwall: I withdraw it, Mr. Speaker.

• (1450)

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, in answer to the hon. member's question, the extraordinary circumstances do exist.

The hon. member and his leader can certainly do justice to the system and the traditions of our parliamentary democracy by prevailing upon their colleagues in the Senate to cease and desist the kind of action in which they are engaged. That is what is the fundamental issue: the preservation of our system of parliamentary democracy.

Mr. Speaker: I was remiss in not thanking the hon. member for withdrawing, and I do thank the hon. member.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is directed to the Deputy Prime Minister.

The Deputy Prime Minister knows that the British Columbia Court of Appeal will be hearing the question on the constitutionality of the appointment of the eight senators. It is obvious the government is not confident that the decision is going to be in its favour.

Why does the government not wait until the B.C. Court of Appeal gives its decision before it forces this unpopular bill on the Canadian people?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, if the hon. member does not like the action that the government is forced to take, I ask him and invite him to prevail upon his friends in the Senate, the Liberal senators, to cease and desist their action and allow the normal process of legislative passage to go through.

We have three major tax bills currently before the Senate: Bills C-21, C-28, and C-69, plus the GST, which is Bill C-62. Many of these bills have been held up for almost a year.

Why does he not prevail upon them and continue to support and allow the traditions of our system of parliamentary democracy to prevail as they have over successive years?

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, the government is fond of telling the native people, and indeed all Canadians, that they are not above the courts in this country.

Why this double standard? Why does the government not heed its own words? Why does the government not wait for the court decision before it takes action in this matter?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, perhaps the Senate may want to consider the same thing, because what it is doing is unprecedented in the history of this country.

What the hon. members of the House of Commons should discontinue is taking their cues and their leadership from the hon. senator who leads them in the Senate. That is what is fundamentally wrong. He is corrupting and distorting.

Some hon. members: Oh, oh!

Mr. Tobin: Withdraw.

Mr. Speaker: I do not know whether the corrupting and the other words used were directed at a conspiracy between the hon. member and somebody in the other place, but I am sure the hon. minister would want to assure us that that was not the intention.

Mr. Mazankowski: Certainly the comment was not casting any reflection upon any member of the House, I can assure you, Mr. Speaker.

Mr. Tobin: What about the Senate?

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question for the Deputy Prime Minister. He was just talking about things being unprecedented. I want to ask him about the action that is about to follow.

There are now two precedents in history where governments tried to swamp the Upper House. One was in Canada by Alexander Mackenzie back in the 1800s. The second was in Britain by Lloyd George when trying to get a tax bill through the House of Lords. He asked the King to appoint additional Lords. The King responded that there was no crisis; if there was a deadlock, call an election and let the people decide, and "if the people re-elect you then I will appoint additional Lords".

Since members of the Conservative Party are interested in precedent in this country, I want to know from the Deputy Prime Minister of Canada: Why don't they follow the precedent in these two examples and let the people of Canada decide? That is the precedent.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Very simply, Mr. Speaker, because the situation is fundamentally different.

What I do find so extraordinary is the NDP supporting the actions of the Senate, and in following that course of action they really are in effect supporting the subversion of the House of Commons. That is a precedent which I find absolutely and totally incredible.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, the chairman of the finance committee is saying: "Abolish the Senate." Why didn't you abolish the Senate a long time ago? You would be supported by this party if you would do that now. Why didn't you do that?

I want to ask the Deputy Prime Minister about the possibility of an illegal tax. Section 26 of the Constitution has never been used before in the history of this country. It is now being challenged before the court in British Columbia. It could be appealed to the Supreme Court of Canada.

What is the contingency plan of the federal government? If indeed these eight senators are deemed to be illegal senators, does that make the tax illegal? Are people going to be given refunds? What is the plan of the government if that indeed happens?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, that is certainly a hypothetical question, but I think the hon. member is going to have to make up his mind in so far as his relationship with the Senate and the NDP is concerned.

They are going to have to make up their mind as to whether they want to abolish it or use it, because quite frankly we are a bit mystified by their inconsistent action.

HOUSING

Mr. Garth Turner (Halton—Peel): Mr. Speaker, my question is for the Minister of State for Housing.

Despite some recent reductions the price of a home in metropolitan Toronto is over $250,000. The average family cannot afford $250,000. It requires a down payment of $60,000 and an annual income of $90,000 a year.

I would like to know if this government has any creative solutions planned to ease that problem. Perhaps the minister of housing could squeeze the Minister of Finance's arm into allowing RRSPs to be used as down payments.

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, as the hon. member and other members of the House are well aware, the government is developing surplus federal government lands in the metropolitan Toronto area in order to try to ease the affordable housing problems, including lands at Vaughan, Downsview, and the CMHC branch lands.

In addition, we have introduced an initiative, the ACT program, Affordability and Choice Today. We have set up a federal—provincial—municipal committee dealing with affordability. We are about to hold a housing financing conference, the very first in this country, to examine creative ideas to bring about more affordable housing in the Toronto area and all over the country.

* * *

THE SENATE

Mr. John Nunziata (York South—Weston): Mr. Speaker, the Deputy Prime Minister knows that the courts in British Columbia have been called upon by the British Columbia government to decide whether or not the use of section 26 is constitutional.

He knows as well that the governments of the provinces of Ontario and Alberta are also considering a court challenge. I would like to ask the Deputy Prime Minister whether he has considered the chaotic consequences that will occur if the courts render this government's use of section 26 unconstitutional and illegal.

Mr. Speaker: It is a completely hypothetical question. The minister does not have to answer it.

Point of Order

Mr. John Nunziata (York South—Weston): Mr. Speaker, it is obvious that the government has not given that consideration.

The Government of Canada has consulted with the Governor General and the Governor General has consulted with the Queen. The government indicates that it has legal opinions upon which it bases its decision.

Is the government prepared to table those legal opinions and to table the advice that it gave to the Governor General?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I can only advise the hon. member that the process that is customary and needs to be followed in circumstances of this nature was followed. I can assure the hon. member that everything is in order.

* * *

• (1500)

[*Translation*]

ENERGY

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources. In the agreement signed on September 14 with Newfoundland, the Government of Canada and the consortium were firmly committed to economic spin-offs for the province of Newfoundland, but as far as Quebec and the other provinces were concerned, the agreement on the Hibernia project merely states that, "—the consortium also promises to do what it can—"

In other words, some are more equal than others. After making Clyde Wells a present of $2.7 billion, of which $675 million was paid by Quebec taxpayers, how can the minister justify this double standard?

[*English*]

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I am very pleased that the hon. member has asked me that question because it gives me the opportunity to tell him again, as I did in the debate yesterday, that there are 2.1 million hours of work guaranteed for Newfoundland and two million hours of work for the rest of Canada.

In fact, the hon. member should have heard about the first two contracts that have been released. The first, for $1.3 billion, 59.33 per cent goes to companies in Quebec. If he will look at the management of the top sides and the project management, that contract is for $360 million, 85 per cent of which is for S and C M Anenko in Quebec. What is interesting is that these contracts, of roughly $1 billion, have gone into the province of Quebec while others are going into Newfoundland. What I am pleased about is that my colleagues from the province of Quebec have stayed here to fight for Quebec effectively, I wish he had too.

* * *

PRESENCE IN THE GALLERY

Mr. Speaker: I draw the attention of hon. members to the presence in the gallery of the Hon. Akira Ohno, Minister of Transport for Japan.

Some hon. members: Hear, hear.

Mr. Speaker: I also draw the attention of hon. members to the presence in the gallery of Mr. Vadin V. Bakatin, Minister of the Interior of the U.S.S.R.

Some hon. members: Hear, hear.

Mr. Speaker: I also draw the attention of hon. members to the presence in the gallery of the Hon. Chuck Furey, Minister of Development in the Province of Newfoundland and Labrador.

Some hon. members: Hear, hear.

* * *

POINT OF ORDER

REMARKS DURING QUESTION PERIOD

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, I bring to your attention Standing Order 18 relating to disrespectful or offensive language. The Standing Order reads:

> No Member shall speak disrespectfully of the Sovereign, nor of any of the Royal Family, nor of the Governor General or the person administering the Government of Canada; nor use offensive words against either House, or against any Member thereof.

At your request, Mr. Speaker, I withdrew remarks which you believed were intended to be disrespectful of the Governor General. However, on numerous occasions, including today, we have heard the Deputy Prime Minister make reference to members in the other House

as being very "corruptive", to paraphrase the words of the Deputy Prime Minister.

If the Deputy Prime Minister did not intend to make that kind of reflection with regard to the Upper House, I would hope that he could stand and withdraw that remark. However, if the Deputy Prime Minister is saying that members in the Upper House are corruptive, I think he ought to be very specific in terms of whether that be Finlay MacDonald, Senator Buchanan or Senator Cogger. We would like to know, Mr. Speaker.

Some hon. members: Hear, hear.

Mr. Speaker: I would hope that the hon. member would allow me to assist the House. I am not quite sure exactly what the hon. member has in mind with that question. The question, of course, carries its own message, which is a matter for political discussion, but I find that the point of order falls somewhat short of an exact allegation or even a request that the hon. minister withdraw any particular comment. The hon. minister may want to respond but that is up to him.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I appreciate your comments and so there is absolutely no question in the mind of the hon. member, other members, and hon. senators, the interpretation of the hon. member that I was making reference to the fact that members of the other place were corrupt was certainly not my intention.

What I was saying was that the process was corrupting, and maybe that is even an inappropriate word. I would ask the indulgence of the House to substitute the words "subverting the process" instead of corrupting the process.

Some hon. members: Hear, hear.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, during a Question Period exchange the Deputy Prime Minister—I know the kind of man he is—I think inadvertently gave the impression that the former member for Oshawa had somehow been asking the Prime Minister for an appointment.

I want to ask the Deputy Prime Minister if he would not just explain that—

Ms. Copps: Cut your losses.

Mr. Riis: —that it was not the case, confirm that it was not the case, and if he would just clarify that particular point.

Mr. Speaker: I, of course, heard the reference to the hon. minister but I do not think the hon. minister is compelled to respond to that. However, if he wishes to do that it is completely his business. I think the matter should be discussed elsewhere.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, it being Thursday I would like—

Some hon. members: Oh, oh.

Mr. Speaker: I think I must save the member for Ottawa—Vanier. I had indicated that the hon. House leader had been seeking the floor.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I just would like, by way of a point of order, to indicate my concern about what happened here in Question Period.

We had a situation where the member for Humber—St. Barbe—Baie Verte made the statement that the government was deliberately misleading the Queen. You got to your feet and asked that he withdraw the statement. He then withdrew the word "deliberately" but said we were misleading the Queen. You then asked him to further withdraw. He then did that.

The net result of that particular question was to leave on the record those accusations. That language is prohibited by virtue of our practices as set out in Beauchesne's. Those kinds of accusations cannot be made.

Having therefore, in a political sense, for the edification of the camera, succeeded, the member for Cape Breton—East Richmond then went on to make remarks about the Governor General being involved in perhaps illicit activities, or what have you, with the government.

Some hon. members: Oh, oh.

Mr. Andre: Your Honour then, quite properly, asked him to withdraw his remarks. He did withdraw, and Your Honour thanked him for it.

My point of order is this. It is on the record, it is done, it is out there. The net result is to make that sort of thing an acceptable procedure because it accomplishes what

was intended to be accomplished, totally contrary to why we have these rules in place.

Now, Sir, I do not know what the immediate answer is to the problem. One of the consequences of what happened was an increase in the disorder in the House, which has to be acknowledged—a lot of barracking, a lot of shouting—I am sure we sent a great example to those who might have been watching as to the nature of the conduct in this House.

Perhaps, Sir, I could suggest that maybe this whole question might be referred to the appropriate committee of the House so that we could ask them to study how Question Period might be conducted, might be led by yourself, in a way that does not bring such discredit on the House.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I take strong exception to those words.

Some hon. members: Hear, hear. I do not think we have any lessons to take from that gentleman. Further, Mr. Speaker, I do not think you have any orders to take from that gentleman either.

• (1510)

I would like to make two or three points about the editorializing during Question Period. We are fed up with having that minister getting to his feet and preaching to the people of this House when he cannot even practice what he preaches.

Some hon. members: Hear, hear.

Mr. Gauthier: Mr. Speaker, if you are going to allow that kind of statement from now on, we want a chance to editorialize on Question Period after Question Period, on the quality of the answers we get from that lousy government. We do not think it is proper for the House leader to get up after Question Period and start editorializing, pontificating about how good he is and how to maintain order. It is the Speaker's job and duty to maintain order and I do not think that that gentleman would stand a chance of getting elected in this House as Speaker of the House of Commons.

Some hon. members: Hear, hear.

Mr. Riis: Mr. Speaker, I listened with interest when the government House leader was indicating his concern that some members of the House had misstated the truth and then had left that on the record.

I find it rather amusing, when the Deputy Prime Minister who sits near him, stated an obvious mistruth today and refused to correct the record and, in a smug way, just walked out. This is a very serious allegation and for him to say that someone ought not to have done what the Deputy Prime Minister did today, that is cast a slur on the previous member from Oshawa, which I personally find disgusting and despicable, it seems that he waters down his arguments somewhat.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, like all my colleagues, I heard what was said during Question Period. I am not setting myself up as a defender of the Queen but I am sure that we heard a number of instances of *lèse-majesté*. Throughout Question Period, there were insinuations that the Queen had erred in accepting the Prime Minister's recommendation. The monarchy and the Queen's competence have been called into question, and coming from the party of the hon. member for York-South—Weston, one of the great defenders of the oath of allegiance to the Queen, I found this very surprising. I think we should check whether some members broke their oath of allegiance to the Queen today, Mr. Speaker.

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, I may remind the hon. member for Shefford that he should listen more carefully to Question Period. What we on this side of the House were criticizing today was the government's misuse of the Governor General's office for political and partisan ends. At no time did we ever question the role of the Queen or her prerogative to respond to a request from her Privy Council. What we did criticize was the Prime Minister's and the Conservative government's misuse of the Governor General's office.

[*English*]

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I rise on a point of order concerning an exchange with the Deputy Prime Minister earlier today in Question Period, in which he said, quite clearly, that Bill C-21 is being held up in the other place because of the opposition.

I think it is improper to misrepresent the progress of legislation through both our Houses. On May 10—

Mr. Speaker: I am sorry. Many things are said on both sides of this House that are contradicted, corrected, adjusted or sometimes amended in the course of debate. We could go on all afternoon if we took those points

literally. The hon. member, clearly, has picked up something which he thinks is inaccurate and there are other ways to make that point.

I want to return for a moment, if we can finish up this matter which was raised by the hon. House leader. There are, of course, appropriate ways to take the rules which we have in front of the appropriate committee. If at any time hon. members wish to come into my office and discuss this, I would be only too pleased.

In the interest of the public that is watching us, let me point out the dilemma in which a Speaker finds himself or herself in a television age. Something may be said which is inappropriate but it is said. It is then on the electronic media. The Speaker of course, acting under centuries of tradition and according to the rules, asks an hon. member to withdraw or to put the matter in a more appropriate way. Several examples of that were found today and I have to say on both sides of the House there were withdrawals.

What is almost impossible for a Speaker to do, though, is to stop the comment before it is made. Sometimes, because I have an incredible ability to define what is coming, I am able to cut off a speaker before the speaker has spoken. But it does not happen very often and usually it leads to a member visiting my office saying: "What was it you thought I was going to say?" If I tell him or her I may be insulting them, and other times I may have given them a marvellous thought. In any event, you see the difficulty.

On a more serious note—fortunately, we did not have this today—some time ago I had to remark that comments made in preambles, while clearly out of line, after they are said can do great damage to people across the country. To a remarkable degree, and I thank all hon. members for this, there has been a lot of co-operation in keeping that in mind.

Today some things were said which I felt ought not to have been said and they have been withdrawn. I have to point out to all hon. members that ultimately this place depends on the self-discipline of everybody because the Speaker can correct, the Speaker can force a withdrawal, the Speaker can even dismiss a member. It does not stop the fact that things are said. Things are on the electronic media and of course once there, they are no longer the property of this place.

I would ask all hon. members, especially when we are in matters of great importance, to keep those things in mind. I know all hon. members will try to co-operate.

I think we need the usual business question.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, it's Thursday, and the Opposition has a duty to ask the government what will be on the legislative menu for the coming week.

I also would like to know whether the Prime Minister intends to make the necessary arrangements very shortly so that Canadians in the ridings of Beauséjour and York North will have a democratically-elected representative in this House. Can we expect the government to call by-elections in these ridings within the next few days?

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I do not know whether it is the duty or responsibility of the Opposition House Leader to ask for the minutes but he has been doing it. Certainly I want to co-operate with him and provide as much forewarning as possible.

Today, we will continue with the Iraq motion. I hope the discussions can carry on across the floor and other ways so that we could find a way to reach a conclusion on that debate at some time. If there is a desire to extend hours to allow more people to speak, we would be co-operative with that. We want to give everybody in the House who wants to participate an opportunity to participate in the debate, but at some point in time we would like to bring it to a conclusion as well and have it voted on.

Tomorrow, I would hope to continue with the report stage of Bill C-44; perhaps also to complete second reading of Bill C-73, a technical and administrative bill dealing with the Crown Corporation Dissolution Act. There is a time question involved and it would be helpful to the smooth administration of the dissolution of these

obsolete Crown corporations if we could have that passed. I hope I could receive the co-operation of the opposition in that regard.

On Monday, the agenda to some extent will depend on the progress we make today and tomorrow. In all likelihood I will be calling Bill C-44, the Hibernia energy legislation, hopefully for completion. In the meantime, we will carry on our usual discussions respecting further business.

• (1520)

In terms of whether or not there is going to be a by-election in Beauséjour, one thing I can say with great certainty is that the Prime Minister would relish the opportunity of getting the new *"la petite garde du Nouveau Brunswick"* in the House and will not present an obstacle.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I want to raise a question with the House Leader.

As he knows, at the beginning of the week I submitted a motion for an emergency debate on the question of the World Summit for Children. I also raised the question directly with the Prime Minister who responded in the House—I believe it was on Tuesday—in a positive way, saying he thought it would be an important opportunity for members of Parliament to express the concerns of their constituents.

There was an indication that there might be a day called before the Prime Minister left for New York. I gather from what the House Leader just said that it is not possible.

In that circumstance, I wonder if the House Leader would be prepared to designate a day next week after the return of the Prime Minister when we have at least seen what the statements were. Members of Parliament would have the opportunity to present what is a very strong and compelling concern of many of our constituents about children's rights and how that is being approached in the international area. It would be certainly in accordance with the Prime Minister's wishes, because he so expressed himself in the House on Tuesday.

Mr. Andre: Mr. Speaker, indeed, he did and we did make some efforts to see if that could be accomplished. Having the situation with the Iraq motion, which I am sure the hon. member agreed we needed to proceed with in the House, we had tried to get extended hours on Monday but failed to get consent of the opposition in that regard. Of course, we needed to proceed with the Oka motion, as well as having other legislative business.

We did talk some about perhaps using an allotted opposition day for that purpose but, quite rightfully, the hon. member's House leader said the opposition will decide the subject of opposition days and I will not try to interfere.

On the general question, we would like to be accommodating in achieving a debate on that very important subject. The only caveat I put to that is that we do have some very important legislation and other items on which I need to receive progress. If we can have our usual discussions and achieve agreement on that, we will certainly be ready and more than willing to co-operate.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I listened with care to the response of the House Leader and I recognize the difficulties sometimes in arranging House business. I would make the case that I do not think that there is anything more important right now than the concern about children.

While we have a very full agenda, as he well knows, we are just back in the first week. We have a nice long time ahead of us through to December and these issues will continue to be debated. I hope that in the next week the government will designate its own day and resolution.

The Prime Minister has taken a role as the co-chair of the summit and it has been a matter of very intense discussion across the country. It would be a very important opportunity for Canadians, not only to hear from the Prime Minister on his return from the United Nations, but for us to reciprocate with our views on behalf of so many Canadians.

I really would urge the House Leader and I am sure he will find full co-operation from this side.

Mr. Andre: Mr. Speaker, let there be no mistake in terms of the priority. The mere fact that the Prime Minister of Canada is chairing this international confer-

ence on children is an indication of the importance that the government places on it.

What I do have to ask, perhaps a bit with tongue in cheek, whether debates in the House are very healthy for children, especially their mental health, given what happened earlier here today.

Mr. Axworthy: Mr. Speaker, perhaps if we had a designated day for debate on the rights of children, we might show them that this Parliament, maybe once in a while, will live up to their expectation. We expect the House Leader to show some leadership in that regard.

* * *

POINT OF ORDER

REMARKS DURING QUESTION PERIOD

Mr. John Manley (Ottawa South): Mr. Speaker, I regret that I have to raise a matter that arose in Question Period yesterday. I have drawn the attention of the Minister of Finance to the fact that I was to raise this matter.

In *Hansard* at page 13447, he made reference to me and, based on a newspaper article which I understand appeared in *The Ottawa Citizen* on September 19, he alleged that I stated things that I simply did not state. He implied a position that I held which is not mine, nor is it even reasonable to draw that conclusion from the words in the newspaper article.

Knowing him to be an honourable man, I am sure that he has had time now to see that he misspoke himself in saying that I advanced this position and I would hope that, in the circumstances, he would be prepared to withdraw and apologize.

Some hon. members: Hear, hear!

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think my friend opposite is getting just a little tender.

The quote that he was referring to, if I can read it back to him, is this: "Our credibility"—this is the Liberal Party's credibility—"will be in shreds if we don't come up with a thoughtful alternative to tax reform that stands up to scrutiny."

The point that I was making yesterday is that here we have the Liberal Party in the other place, the unelected senators, saying: "We are going to kill this bill." We saw in the House today where it is fully supported by the other members of the Liberal Party here and, at the same time, by implication, the member from Ottawa is saying: "We have no alternative to this bill."

The point that I was making to the member for Acadie—Bathurst is that it is quite incredible to me that the Liberal Party would be killing a bill which the business community has said will throw the business sector into chaos over a period of time if not dealt with. At the same time, the member is saying clearly, by implication, that there is no alternative, that they have not come up with any alternative. Since 1987 we have had a white paper on sales tax reform and an election campaign when the party said that it was not going to go ahead with sales tax reform and it really astounds me that this party has not come up with an alternative.

I say to my hon. friends that if they do have an alternative they should say so. But if they do not have an alternative, they should recognize that their credibility is in shreds, recognize that they have no legitimacy in raising these questions in the House, recognize that the Senate has no legitimacy in—

Mr. Speaker: Perhaps the hon. member for Ottawa South would want to respond.

Mr. Manley: Mr. Speaker, I regret that my presumption concerning the minister appears to have been wrong. He correctly read from the article. I said and am quoted as saying: "Our credibility will be in shreds if we don't come up with a thoughtful alternative to tax reform that stands up to scrutiny." He said that I said: "—the credibility of the Liberal Party would be in shreds if the Liberal Party of Canada, through its non-elected Senate"—its non-elected Senate—"votes down the GST when it does not have an alternative to put in place." I think any reasonable reading of those two would show that the point being made by the minister is quite different.

What I have said, and what I continue to say and what our Leader has said, is that prior to the next election we will need to come forward with a thoughtful alternative to tax reform. I stand by that. If the minister would like to put his GST to the people today, I will do what I can to come up with the alternative right away for him. But in the meantime, the phoney case that he has been trying to make is that his GST is the answer to some bizarre, chaotic, situation crisis in Canada that is calling out for an answer. In fact, his tax is what is going to create chaos and the alternative to it is to put it in the shredding

machines in his office and forget it, before he drives the country crazy.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, my word was not "chaos". That was the word of the business community which is saying that if this legislation does not go ahead, there will be chaos, there will be major disruption, there will be large losses of money on the part of the business community who are planning for the GST to provide.

The hon. member says to put it to the people. We did put it to the people. In 1988 we had an election which a year and three months after sales tax reform was put forward in broad detail in a white paper. I do not see how much more we can put to the people. It was there at the election in 1987.

• (1530)

I have listened carefully to what the hon. member said. I read what I said yesterday and possibly I was a little—I hesitate to use this word—liberal in my interpretation of what he had to say. But the essence of the point is clear. There is no legitimacy whatsoever by the the Liberal Party here in this House or on the other side in the Senate to stop this legislation and throw the business community into chaos when they have no alternative. They have not stated what their alternative is. In fact, they very proudly say—

Ms. Copps: Point of order, Mr. Speaker.

Mr. Speaker: Let me deal with this point first. I have listened very carefully to the hon. member for Ottawa South. I have listened to the exchanges and I will look at *Hansard* and see whether there is any necessity to come back to the House. It, of course, illustrates how careful we have to be when we appear to be quoting another person. Perhaps we all need sometimes to be reminded of that.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the Minister of Finance has been parading his moral mandate before the House of Commons for a number of days. He claims to have a moral mandate because of the last federal election. I always believed the Minister of Finance to be a man of integrity. But I explicitly remember when on the issue of the GST in the last federal election he misled the Canadian people.

Mr. Andre: Point of order. Debate.

Mr. Speaker: The hon. member has very carefully not said intentionally. We are getting into debate here. I am sure all hon. members know that. The hon. member for Port Moody—Coquitlam on a point of order.

Mr. Ian Waddell (Port Moody—Coquitlam): Yes, on a point of order. Hopefully we can be of some help to the House and to Parliament.

A few years ago Eric Nielsen, Yvon Pinard, Marc Lalonde, Ian Deans, myself and the present government House leader were able to get together and deal with the bell ringing problem we had in the House of Commons and come up with a solution. Given that the bell ringing problem started in the House with a motion by the now government House leader, I wonder if the government House leader would like to join with me now that the other fellows are not around and perhaps we could get together and deal with the problem in the Senate over the bell ringing?

Mr. Speaker: I hesitate to answer on behalf of the hon. House Leader.

GOVERNMENT ORDERS

[*English*]

IRAQ

INVASION OF KUWAIT

The House resumed consideration of the motion of Mr. Clark (Yellowhead) (p.13232); and the amendment of Mr. Axworthy (Winnipeg South Centre) (p.13240); and the subamendment of Ms. McLaughlin (p. 13232).

Mr. Speaker: When the House recessed, the hon. Minister of State for Housing had the floor. He has 13 minutes plus 10 minutes questions and comments.

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, as you indicated, prior to Question Period I had expressed my concern and my support for the motion before the House with respect to the fact that the House condemn the unprovoked invasion of Kuwait by Iraq and also the support for Canada's actions at the United Nations, as well as for the support for the dispatch of Canadian forces to the Arabian Peninsula.

I had indicated that with all the black clouds and the frightening aspects of this entire situation, there are some bright spots. The brightest spot, as I indicated, in my view at least, is the role that the United Nations is playing in the development process that is going on in the United Nations, an evolutionary process which I compared to the evolution of the British parliamentary system, which has taken many many hundreds of years and is still going on.

Hopefully, we are now in the process of evolving that institution of the United Nations into something that will be much more effective as a governing body in the world, much more effective in policing against unprovoked aggression and much more effective in dealing with the kinds of problems we have had and will continue to have in the world, much more effective than it has been heretofore, when it certainly has been a most ineffective body as far as Canadians in general are concerned, and people around the world.

I had started to examine some of the concerns that have been expressed by Canadians and by members of this House with respect to the various actions that have been taken by the government and the motion itself.

One of those concerns relates to the question of United Nations authorization for the action of Canadian forces and other forces in the Persian Gulf and the Arabian Peninsula area. That is an understandable concern in my view.

In light of my comments previously that at the same time this evolving role of the United Nations is understandable, we certainly have not come to the point where the institution of the United Nations can react as quickly as we would like it to. Perhaps in the past it has not been able to react at all except in very limited cases, and well after the fact.

I think what we see here is a circumstance of unprovoked aggression on the part of Iraq. The threat that Iraqi forces would roll on into Saudi Arabia and roll on into other parts of the Middle East provides a need for an immediate response on the part of other United Nations countries in order to counteract that just as quickly as they possibly could. To seek authorization after the fact is exactly what has happened in this case.

We trust that in this ongoing process in dealing with this situation, we will be able to obtain United Nations approval and mandate before any other actions are taken. Obviously, there are circumstances in which Canadian or other forces might have to react before there is such a mandate. There might have to be an effort to try to obtain that mandate after the fact.

I think the significant part here is that we should not be allowing one nation, or a group of nations, to proceed without attempting to get that United Nations mandate.

In fact, as you are aware—unfortunately, I do not believe too many Canadians are aware—Canada has played a leading role at the United Nations in trying to get authority and a mandate for all the actions that have taken place. Although I have not seen too many reports in the Canadian press about this, there are reports in *The New York Times*.

I would just like to briefly refer to an article in *The New York Times* of August 14 of this year which indicated that Canada had, and I quote:

> —indicated today that a new resolution authorizing the use of force under Article 42 of the Charter would be required before countries could legally use warships to enforce the sanctions.

In fact, Canada has been playing a leading role at the United Nations and in all other discussions on a bilateral and multilateral basis in order to ensure that there is a United Nations mandate and that one nation, whether it be the United States or any other nation, is not acting on its own, but there is a concerted effort as we have seen and it does have United Nations sanction.

Again, I hope that we can develop a process whereby this will be more automatic. This will work faster and certainly more easily in the days ahead in other crises of this sort, hopefully less severe than this sort.

Another concern that has been expressed to me by some of my constituents—not all but certainly some of them and certainly by members of this House who have pointed out their concern—that we would be sending Canadian forces to the Arabian Peninsula, to the Persian Gulf before Parliament had actually had an opportunity to sit, debate and discuss the matter.

As you know, Mr. Speaker, the provisions of the National Defence Act, the provisions of Canadian convention and tradition in this case have been followed.

They have been followed exactly in accordance with those traditions.

It is understandable, however, that Canadians should feel that this was an important matter, that Parliament should be called and have the opportunity to debate the matter even though the National Defence Act provides that there is no obligation for Parliament ever to vote on this issue in any way whatsoever, but only to be called to sit in a situation of this sort.

• (1540)

What disturbed me more than anything else was, when some Canadians were expressing this concern and members of Parliament were expressing this concern, when the matter was placed before the House on Monday, the very first day, there was an opportunity for the debate to be continued, perhaps for the entire evening and into the night and, perhaps it could have gone on for several days. Unfortunately, the opposition members of this House refused to give their consent to carry on that debate, notwithstanding the fact that they and other Canadians were expressing concern that this was such an important issue and that it should be brought before the House and debate fully as quickly as possible. I, for one, am dismayed that we were not able to carry on in that fashion with the continuing debate.

Another concern that has been expressed—

Mr. Speaker: The hon. member for Burnaby—Kingsway on a point of order.

Mr. Robinson: Mr. Speaker, I do hesitate to interrupt the hon. member but I know that he would want the record to be set straight. When he suggested that opposition members on Monday were not prepared to continue the debate, I know he would want the record to show that, in fact, the Official Opposition and the New Democratic Party were both fully prepared to continue that debate, however, it was an Independent member of the House who apparently was not prepared at that time to do so.

Mr. Redway: Mr. Speaker, I certainly appreciate the hon. member's intervention. Whoever it was that was not prepared to continue the debate, it was someone in the opposition benches of the House.

Another aspect that Canadians and members of the House have expressed concern about has to do with the fact that there is no United Nations flag flying over the forces in the Persian Gulf. The forces are not wearing blue berets and there is no specifically designated United Nations commander. I, for one, hope that all of those things will happen and happen as quickly as possible.

Mr. Speaker, you recall and I recall and I am sure other members of this House are too young to recall the Korean war. We recall that those things did not happen immediately in the Korean war either. They took a little bit of time to get into place and, hopefully, we can get them back into place more quickly than occurred in the Korean war. Hopefully, we will be able to put in place a mechanism so that those things happen more automatically in the days ahead but this is an evolving process and I think all of us should bear that in mind.

Another concern that has been expressed, particularly by some of my constituents who are Canadians of the Muslim faith, is a concern about the whole situation as it relates to the Middle Eastern situation and their roles. Some of these constituents of mine have their origin in the Middle East from a variety of Arab states and there is, just as there is in the Middle East itself, some differences of opinion within those Arab states. Those same differences of opinion are expressed here in Canada as well. I think it is important for all of us to recognize that these are Canadians who originate from countries in that part of the world, Canadians who have legitimate concerns about their families and friends, their origins and their roots which are not always the same perspective that many other Canadians may have. It is important to bear those in mind because we are talking about the concerns of Canadians.

I have suggested to the Secretary of State for External Affairs that what we need is a consultative group, perhaps something like we had in relation to the difficulties a short time ago in China. In that case we had a consultative group of Canadians of Chinese origin who were able to express the concerns of Canadians to the government and to the Secretary of State. They were able to hear the reasoning, the rationale and the position of the government and were able to act as a two-way line of communication between Canadians of Chinese origin, in that case, and the government and Canadians generally.

I think it is important thing that we should be establishing here too with respect to Canadians of Arab origin, Canadians of Muslim origin and the government in a situation like this when there are substantial differences of opinion, concerns, concepts, ideas, and information which have to be communicated back and forth so that everybody fully understands what is going on and why it is going on.

The Secretary of State for External Affairs has indicated to me that he is favourably inclined toward that sort of thing. I would like to take this occasion to urge him to proceed as quickly as possible with the creation of such an organization. I can tell him that among Canadians of the Muslim faith now a nation-wide organization has been created and is still in the evolving state which would fit in perfectly with that idea. I truly believe that it would be extremely valuable in this situation to have such a consultative body.

Mr. Speaker, you have indicated that my time is up. I would just like to close by indicating once again that I believe we are in an evolving state as far as the United Nations is concerned. In my view this is a tremendous step toward being able to deal with aggression in a collective form, in a form of collective security with an international mandate. It is even more important and is setting a significant precedent. Every time we do something like this, it is very difficult the next time to do something different. Having taken a collective international approach to this under the United Nations, it is going to be harder the next time we are faced with a crisis like this not to do the same.

I commend that to the Secretary of State for External Affairs and to you, Mr. Speaker. This is something that will be helpful to all Canadians and to everyone around the world.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, I agree with my colleague and I thank him and the NDP for putting on the record that it certainly was not any member of the Official Opposition in this House who objected to extended hours on this debate on Monday evening.

However, I find it surprising that my colleague across the floor appears to be defending his government which in my opinion acted against both precedent and principle in the way it has handled the Middle East crisis; precedent in terms of not recalling Parliament when this nation was faced with one of the greatest crisis of the last decade, and the principle of this country in always trying to follow UN precedent when becoming involved in any international action.

Is my colleague across the floor suggesting that it was acceptable that this House was not reconvened and that the government sent Canadian Armed Forces into the arena two weeks before a UN resolution to support such action was brought forth and gained approval?

Mr. Redway: Mr. Speaker, unfortunately I gather that the hon. member was not listening to my remarks because I addressed both of the issues that she has referred to. I certainly welcome the opportunity to reiterate the positions that I put.

As I indicated quite clearly, as far as the recall of Parliament is concerned, the provisions of the National Defence Act and the provisions of Canadian convention and practice with respect to the recalling of Parliament in a situation of this sort have been followed and in fact at the earliest possible opportunity when the House met on Monday. As the hon. member is aware, there was the opportunity right off the bat to discuss and debate all aspects of this issue.

The Canadian Forces are still not fully in place in accordance with the expectations of where they will be. Hon. members of the opposition have the opportunity to express a feeling that perhaps they should be recalled and brought back to Canada, if that is what the hon. member is saying. Perhaps I have missed it, but I have not heard any member of the House, to the best of my knowledge, indicate that he or she feels that we should be recalling our forces.

• (1550)

I suspect the great concern here is about the opportunity for the House to be called and to have a debate. Of course that is what we are having now and it will continue, I take it, as long as Your Honour feels it is appropriate. The debate can go on and on and on. The hon. member and other members of the opposition, as will other members of the government, will have the opportunity to express themselves.

If the hon. member truly feels that the Canadian forces should be recalled and should not be there, I think it is important that she and other members of the House

who have similar feelings should stand up and tell us so that that will be clear.

On the other issue that the hon. member raised, again I thought that I had addressed that fully in my comments. I believe I did, but I do not mind trying again to explain it, perhaps in a different way, or adding a few more facts or whatever.

In that case the hon. member asked a question relating to the United Nations authorization and acting before there was full and complete authorization by the United Nations.

Again I repeat the fact that all these circumstances took place in the context of very rapid, unexpected, unprovoked aggression by Iraq into Kuwait, and with the prospect of rolling on into Saudi Arabia and perhaps rolling on into other middle eastern countries as well. In light of that it was necessary, in my view, for other United Nations governments to take some action there in order to head that off at the pass.

It would have been very nice if we had had a process in place at the United Nations where all we had to do was call one meeting, and snap: everything would role into place. We would have a United Nations peacekeeping force that was already organized and could be called upon at the drop of a hat to move into place to deal with those sorts of things.

Unfortunately the United Nations, which was founded at the end of the Second World War as the hon. member is aware, has been a world institution for which we have all had great hopes. We have all had great faith in it, but it has not frankly been very effective in dealing with issues of this sort. One of the reasons why is that there has been a great power struggle between East and West in this world, which only now seems to be coming to some sort of an end.

Now we have had for the first time both the United States and the USSR acting together in a common front in dealing with a problem of this sort. It is an evolving process. It is one that I think we should all applaud. Hopefully we will be able to bring it to a stage where the United Nations can react very quickly, but in the meantime surely we should be acting and then getting the approval as quickly as we can after the fact.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I would like to ask the hon. member a question with respect to the point he made concerning the current siting of the three Canadian vessels. Originally it was the intention of the Canadian Armed Forces to locate these vessels in the Gulf of Oman, as the hon minister is no doubt aware. At some point that decision was changed and it was decided to send the three vessels into the heart of the possible conflict zone, through the Straits of Hormuz and into the Persian Gulf.

I want to ask the minister whether he agrees with the suggestion that I have made and that I understand is supported by the Official Opposition as well, that in fact the ships we have sent should not be brought back to Canada as the member indicated but should pull back to the Gulf of Oman where they would be in a position to enforce resolution 665, the resolution that results in the enforcement of sanctions which were imposed under 661. At the same time they would not be at risk in the event of a possible offensive military strike by the United States.

At this point there is no United Nations command. There is always a risk that that kind of first strike might in fact take place by the United States and that the men and women from CF–18 squadron and the ships could have their lives put at risk.

Is the minister prepared to recommend to his colleagues in cabinet that our ships pull back to the Gulf of Oman? They perform an important role in terms of enforcement of the United Nations resolution, but the lives of Canadian men and women must not be put at risk by the possibility of a unilateral American strike not under the auspices of the United Nations?

The Acting Speaker (Mr. Paproski): The hon. minister has a couple of minutes to answer that question.

Mr. Redway: Mr. Speaker, the hon. member has expressed concern about the command structure of the United Nations forces in the gulf area. That in itself should lead the hon. member to conclude that there has to be some co–operation, some discussion, and some interaction among all of the forces there, Canadian and other forces. Obviously that is what has been going on and why there may be changes. There may be further changes in the way in which our forces are located or stationed in that area.

If the hon. member is suggesting that we station our forces in one particular place—I am not sure whether or not that is in his motion—that will be most interesting. I

do not claim to be a military expert or one who knows anything about the formalities of strategy or tactics, but common sense leads me to believe that when one is in an area in which there could be some sort of conflict or some sort of action, there has to be a good deal of flexibility. That has to be left to the military commanders to be able to make judgments and make decisions not restricted surely by politicians. I think they tried in ancient Rome to have politicians run armies, but I do not think they were too successful.

Mrs. Stewart: Mr. Speaker, I rise on a point of order. I wanted to make it clear that this member has misinterpreted words and put words into my mouth. I have not in this House or anywhere for one instance suggested that our Canadian Armed Forces should be withdrawn from the region. I just wanted to make that clear for the record.

[*Translation*]

The Acting Speaker (Mr. Paproski): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Glengarry—Prescott—Russell—Government advertising; and the hon. member for Saanich—Gulf Islands—The environment.

[*English*]

Ms. Mary Clancy (Halifax): Mr. Speaker, barely a month ago more than 900 young men and women sailed out of Halifax harbour on three ships. This is not an event that is unusual in the history of Halifax.

The city of Halifax is over 241 years old. It was founded as a garrison town. It has been a naval base for all those 240 years. It is known, at least in literary circles, as the warden of the north. It is the closest port to Europe. Its citizens are well aware of the responsibilities and the meaning of the word war.

In World War II ships were sunk off the mouth of Halifax Harbour. Indeed, one Christmas early in the war the corvette *Clayoquoit* went down within sight of shore and within sight of many Haligonians. During that war as well the population of Halifax doubled with the numbers of servicemen and their families moving into the city which was known in many parts of North America as the only city on the continent that really was at war.

Haligonians became very familiar with the sight of merchant men and navy ships limping back into harbour suffering the ravages of war in the North Atlantic. They became very familiar with waving good-bye to young men who went down to the sea in ships and never returned. They understand what it means and they understand what the defence of freedom is all about. Halagonians, as well as all Canadians, have always been prepared to make the sacrifices necessary to defend freedom and to stop aggression at home or abroad. In Halifax we are proud of our services. We are proud of our navy, in particular. Our navy is small but for over 75 years it has sailed with pride, eliciting admiration from allies and grudging admiration from enemies.

• (1600)

Mr. Speaker, we are also proud of our shipyard workers who were called on at the beginning of the gulf crisis and who readied the three ships in less than two weeks. Again, when Halagonians are called on they answer and they come forward.

The last war—and I used that term in quotation marks—Canadians were exposed to on a personal basis was that which was known as the police action in Korea. But since the early 1950s Canada's Armed Forces have been the premier peacekeepers of our global village. Canadians accept that role with pride and, indeed, it is the role that they have come to expect from their armed forces. Make no mistake, Canadians, Halagonians in particular, were appalled by the actions of Saddam Hussein and were prepared to play their role in maintaining peace and security, both in the Middle East and world-wide. Again I reiterate, never have Canadians been called and found wanting in situations of this nature.

That last very sunny Friday in August, I stood on a Halifax pier with some of my colleagues from this House with feelings of pride and trepidation. These feelings, I know, were shared by the vast majority of my constituents. I am sure that they were shared to a degree by the vast majority of Canadians. But I think I have to use perhaps a little special pleading in this case, that because of the things I have said, because of our unique geography, because Halifax is the largest naval base in the country, there is perhaps in the citizens of Halifax and Dartmouth a bit more awareness, a bit more experience in areas of this nature. This is not to denigrate other

Canadians who feel very strongly. It is just a fact of life and it is very much a fact of life in Halifax–Dartmouth.

I watched *Protecteur*, *Terra Nova* and *Athabaskan* as they sailed out of Halifax harbour. I wished for three things. First and foremost, that these young men and women would return safely to our port, unharmed and unscarred by any battle. Second, I wished that this operation was securely under United Nations auspices. Third, I wished that the duly elected representatives of the people of this country from all parties had been given the chance to make their views known before the ships were sent.

Mr. Speaker, I was out of the country shortly after the crisis arose in the Middle East. I noticed, watching both CNN, the American news network, and I believe it is called Skyline, the European news network. I noticed

An hon. member: Skyway.

Ms. Clancy: —Skyway, whatever; at any rate, the European English news network. I noticed that every single night representatives of our allies were on television talking to their citizenry about what was happening. George Bush, whether it was from the golf course or fishing boat, was speaking to the American people every night. Margaret Thatcher, from various locations was speaking to her people every night.

Mr. Speaker, Great Britain's Parliament was recalled. *l'Assemblée nationale de France* was recalled. President Bush consulted widely with members of Congress and with members of the Senate of both political parties in the United States. Again, the people in these countries were constantly made aware by their leaders of what was going on, of what was developing. At least the sight of their leaders on their nation's television networks gave some form of reassurance.

Sadly, no such developments took place in Canada. Our government acted without the broad consultation that Canadians expected. Our Prime Minister did not come before the Canadian people to inform and reassure them. Indeed, on that sunny day when the ships sailed out of our historic port, he did not even come to Halifax to show his support for our forces going east. It was noticed and his absence will be long remembered.

The families of our forces in Halifax are uneasy. It is not that they are unwilling to sacrifice. It is not that they do not know what it means when their sons and daughters, husbands and wives, mothers and fathers enlist in our armed forces. They know what it means, but they are uneasy.

The question of who is in charge has never been fully resolved. It has never been fully answered to the satisfaction of my constituents in the city of Halifax.

The citizens of Halifax are always prepared to defend freedom and preserve the peace. But they and all Canadians deserve to be informed. They deserve to be informed of policy and they deserve to be represented in the decision–making process.

It really is not fair. The stress of having a family member in a war zone is enough. It should not have been exacerbated by a government that hid from its people.

In war and peace Canadians have always shouldered the burden of duty and performed gloriously. But since the days of Lester B. Pearson, the man whom we all delighted to honour here yesterday, our emphasis has been UN related and peace oriented. Indeed, our peacekeepers shared in the Nobel Prize just a few short years ago. I might add that Nobel Prize was in the grand tradition of the Right Hon. Lester B. Pearson.

Earlier today the hon. parliamentary secretary referred to Canadian blood spilled in the past. I know full well that he agrees with me that we all wish to avoid bloody conflict, but that Canadians have never shirked when their duty was clear.

The tragedy here is that we are veering from our long–established process. The government by veering from our long–established process has created a form of uncertainty and unease among the populous. Part of that uncertainty and unease arises from the fact that Canadians, who have always done their duty, are almost afraid to come out and say that unease is there. They are almost afraid because they do not want to be thought to be unsupportive of our people who are going to the Persian Gulf. I do not think there is anyone in this House who does not support our personnel in the Persian Gulf, but equally I think that the majority of Canadians need to be reassured that we are under UN auspices. We need to have the UN in charge of this operation and we need to see that Canadians are acting in the interests of peace and stability.

My party condemns outright the doings of Iraq and Saddam Hussein in his invasion of Kuwait. We condemn Hussein's use of Canadians and other foreign nationals as human shields. We condemn him and all his works and pomps, but we remind this government, as it so desperately needs to be reminded, that Canada is an independent country with long-standing ties to the United Nations and its processes. Canada is not a colonial choreboy for the United States. We are not here to save the American oil patch.

• (1610)

The recall of Parliament in the summer of 1987 is something even those of us who were not so fortunate as to be in the Chamber at the time remember well. Again, it is something the Haligonians and Nova Scotians remember very well. I believe it was 157 cold, tired, and wet Tamils who were literally thrown off a freighter in Clark's Harbour, Shelburne County, Nova Scotia. They straggled ashore, to be met—

Mr. Weiner: Sikhs in Nova Scotia, Tamils in Newfoundland.

Ms. Clancy: Sorry. Neither the number nor the nationality is important. I think my friends in the government and my friends in the NDP both get the point. The point is that these poor refugees straggled ashore in Clark's Harbour and the denizens of Shelburne County went down and fed them peanut butter sandwiches on the beach—they did not know where these people came from as, clearly, the member from Halifax was not too sure either—so that they did not infringe on any of their dietary laws. That is why they brought them peanut butter sandwiches.

But because of these harmless people on our shores in Nova Scotia, we had to recall Parliament. However, we did not recall Parliament when we sent nearly 1,000 young people to a war zone. It goes beyond belief. If the people of Clark's Harbour, Shelburne County, Nova Scotia, were not afraid of the refugees, I find it unusual that Parliament had to act, especially in light of the fact, and I understand and I am sure that my learned colleagues will correct me, that it took well over a year to get the bill for which Parliament was recalled passed. There seems to be an emphasis in the wrong direction somewhere.

It is sad that we did not use our considerable influence in the United Nations to ensure that this was an UN-directed operation before our people went. Instead, with its usual desire to follow the United States, the government bypassed our traditions and, most important, the government bypassed our premier, democratic institution, the House of Commons. There has been a lot of talk about democracy in the last few days. The word has been bandied about in a manner that a lot of us find disagreeable.

To send young Canadians into a war zone without the debate and the approval of Parliament I think is an attack on democracy of the first order. Our forces will do the job they are asked to do and they will do it well. And never for one instance should their families and their friends be allowed to think that they do not have our full support and our proud admiration, that is a given. But it is sad, no it goes beyond sad, it is tragic that in hurrying off to defend freedom, in hurrying off to ensure that Canada was following the dictates of the United States, in haring off not, I suspect most sadly, because of the threats but more because of the request of our neighbour to the south, we have seen our own democratic traditions and our own duly-elected democratic representatives in Parliament bypassed and denigrated by the Canadian government.

I started out by talking about the city of Halifax because, of course, for the people of Halifax and Dartmouth this is more than just a national issue, it is a very personal story. On that Friday afternoon when I and some of my colleagues from this House and other people stood on the wharf, we watched the ships go and we watched three old ships. We know that those old ships with their young personnel will do the job. But we never ever stop worrying. We never ever stop praying that the Government of Canada will see the light, return to our traditions, and use its considerable influence before the United Nations now, even after the fact, to ensure that this operation is United Nations driven and United Nations sponsored.

This is what Canadians deserve and expect. It is what those young men and women in the gulf deserve and expect. It is the very least that parliamentarians such as ourselves should demand.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I would like to get back to the role of the United Nations. First, however, I would like to say that I was listening carefully to the hon. member's speech and I had expected her to

comment on the absence of the Prime Minister. I fully expected her to do that.

She mentioned earlier that the Prime Minister did not speak to the nation. I think he made it quite clear at various press conferences what the reasons were and what principles were at stake. He was always ready to explain. But since you mentioned that the Prime Minister was not around, I would like to ask where her leader was. Her leader was in Italy on vacation and he did not come rushing back. Why didn't you mention that both ministers of National Defence were there? No, you wanted to show the Prime Minister was not around. Do you know where he was?

I also wanted to talk about the United Nations.

Mr. Duhamel: We want to know where he was.

Mr. Hudon: Just call 992-4211 and you will find out. Find out, instead of accusing people! And I suggest you ask where Chrétien was. He was away on holiday in Italy.

As for the United Nations, Mr. Speaker, I would like to repeat here in the House a fact that mentioned several times in the media, especially in the American press. Of course, when a Canadian does something right, he doesn't get much coverage in the Canadian press. However, Ambassador Fortier in New York has been absolutely extraordinary. He did his job. He fulfilled his mission. Canada is a member of the Security Council and, Mr. Speaker, I think the hon. member would do well to stress the leadership role we played in this area by achieving a consensus in what must have been record time at the United Nations, when we realize that customarily, it takes a long time to reach a consensus at that level. Our action was successful. And if you read the *Washington Post* or the *New York Times*, you will realize how much the work done by Ambassador Fortier, Canada's ambassador to the United Nations, was appreciated.

[*English*]

Ms. Clancy: Mr. Speaker, I am delighted to have the opportunity to answer my hon. colleague from Beauharnois—Salaberry.

Perhaps he is suggesting that I should make phone calls to find out the answers to questions, some phone calls it is not necessary for me to make. I know for a fact that Mr. Chrétien was not invited to the farewell on the wharf, and I know for an equal fact that the Right Hon. Prime Minister was invited.

As to where my leader was at the time, my leader was well represented by the hon. member for Halifax and the hon. member for Dartmouth.

I certainly stated that there were other colleagues in the House. If the hon. member wishes me to put it on the record, the Minister of National Defence was there and the Associate Minister of National Defence was there. But the Prime Minister was not there. The Prime Minister called one press conference. It was very short and he answered very few questions.

I referred to President Bush and Mrs. Thatcher. Neither political leader, I might add, do I often refer to in an admiring manner, either in the House or anywhere else. But, as leaders of their countries, my hon. friend should know, they came on television every night during the early days of this crisis and informed their people. Where was our Prime Minister, the leader of this country? Where was he? If you know, fine. I did not know and I doubt that many Canadians knew. I also doubt that a phone call would have told us, because there were many of families in Halifax-Dartmouth who gladly would have expended the quarter to find out where the Prime Minister was.

• (1620)

Mr. Robinson: Mr. Speaker, I would like to congratulate the hon. member for Halifax on an excellent speech. I certainly share the concerns that she raised during her speech regarding her many constituents from Halifax. Her colleague from Dartmouth also spoke very eloquently during the debate on Monday from that perspective as well, as a representative of a riding with many men and women who are families of those who have gone into this very, very difficult mission. We pay tribute to those who have undertaken this measure.

Does the hon. member for Halifax agree with the suggestion that I have made and that others have made that the original tasking of these ships should be maintained? That is, the original destination which was the Gulf of Oman, outside the possible range of Iraqi missiles, would have been a more appropriate place for these ships to perform their functions because they would, as well, be under the auspices of Resolution 665 of the United Nations, instead of going through the Straits of Hormuz into the zone of conflict or directly into the Persian Gulf. Does she agree that they should be sited in the Gulf of Oman at least until such time as the forces in that region come under a unified United

Nations command? We are speaking here of all forces, including the American forces, under a United Nations command and the hon. member has spoken very eloquently of the need for that. To avoid the risk to the men and women on those ships and in that CF-18 squadron, does she agree that it would be far more appropriate to site them in the Gulf of Oman?

Ms. Clancy: Mr. Speaker, I thank my hon. colleague from Burnaby—Kingsway. Perhaps, if I may be allowed to instruct *un peu*, they are still under Resolution 665 even though they have gone into the Straits of Hormuz. They are in a more dangerous position but they are still covered at this point by Resolution 665. That is not strictly the answer to the question, I realize, but I have no qualms as long as they are under the UN resolution. I have no qualms in the procedural sense, if you will, other than the qualms I clearly stated before.

Second, clearly, as the member for Halifax and as the representative for those families, those children and those parents, I do not want any of my constituents or their families in the range of Iraqi missiles. But I guess you have to do what you sign up to do.

Mr. Robinson: Mr. Speaker, I have a very brief supplementary question.

The member will know that in fact our troops in the region have two tasks. One is under United Nations Resolution 665, but the other is as part of the American-led mandate to deter possible aggression. Of course, it is that second element of the mandate which places our troops at risk. The possibility of a unilateral offensive, a possible American-led offensive, would place our troops at far greater risk if they are in the heart of the Persian Gulf under that part of the mandate than if they were in the Gulf of Oman. I trust that the hon. member recognizes that even though they would be under Resolution 665 wherever they are enforcing the sanctions, it is that second element of their mandate which poses the risk.

Ms. Clancy: Mr. Speaker, I think that the hon. member for Burnaby—Kingsway and I are in agreement on what is actually taking place, in the sense of what comes behind the theories, sadly, of both our government and the American government. However, while they are under 665, both the opposition parties have called for UN auspices. Resolution 665 is the UN auspices. The second part of the mandate, if you will, is unfortunately still something we can only surmise. Our surmise may be indeed extremely logical, accurate, and true but it is still something we can only surmise. While 665 holds, I do not have a problem with 665.

The Acting Speaker (Mr. Paproski): The hon. member for Bonavista—Trinity—Conception. You have one minute.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, in the one minute I would like to make a couple of things clear.

First, as the public watches this debate, the question of 665 or 661 is an issue, but the real issue is where the ships are stationed. As much as I would like to get into the stationing of ships, as a politician, I am afraid my present capacity does not allow me. I have not got the military picture in the Middle East. I do not know what is going on. My reaction as a planner, as a retired military man and as a retired admiral, was: "My God, what a thing to do!" But I must say, in reflection, and having been given a secret briefing, the stationing of military forces is really the prerogative of the military commander on the scene at the time.

I think it is very dangerous. As much as we would want to have the ships in a safer haven, the balance for that is inside the gulf itself. They are operating with other forces. I do not know the exact disposition, but I know the American forces are there. They have mutual support and they have air cover. So, while they are within the range of the Exocet missile and the Mirage aircraft, which is perhaps the biggest threat to our ships, in fact they can be under the same threat if these Mirages refuel which they can do. In effect, while they may be under a greater threat, it is my assessment in my present position, and not being on the scene at the time, that perhaps they have better mutual support. They may be as well off, or perhaps even better off, in the Persian Gulf.

The point is that it is very dangerous for us, as politicians, to debate where military forces should be stationed as much as we would like to do. This surely is the prerogative of the Chief of the Defence Staff and the

military commander at the scene, Commodore Summers.

The Acting Speaker (Mr. Paproski): I will allow a 30-second rebut, but I see no reason for it. The hon. member for Halifax.

Ms. Clancy: Mr. Speaker, I just want to say that I appreciate the comments of my hon. colleague from the sovereign province of Newfoundland and I want to say that I agree with him 100 per cent.

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I am pleased to address the House today on a matter of public concern, a matter of both national and international importance. My purpose in speaking today is principally twofold. First, I would like to explain to the House the significance of the events in the Persian Gulf as they relate to Canada's energy situation and, second, I would like to explain the actions that the Government of Canada is taking to respond to those events.

Members of the House, as this debate also indicates, have followed with great interest the impact of Iraq's invasion of Kuwait and the subsequent events that have followed in international oil markets. I want to assure the House and all Canadians that the government remains well informed on the rapidly changing events in the gulf. The situation in the Middle East is both volatile and highly unpredictable. It is true that crude oil prices have risen and remain unstable, but that is to be expected in a situation where the markets remain jittery and the price of a barrel of oil has almost doubled in the last two months.

Despite these uncertainties, our refiners are currently having no difficulty obtaining crude oil supplies. The result of the present embargo of oil shipments from Iraq and Kuwait is the loss to the international oil market of approximately 4.1 million barrels per day. Fortunately, in response to this, there have been some production increases from other OPEC and non-OPEC countries, particularly from Saudi Arabia and Venezuela. This additional production is now reaching significant levels and part of the shortfall in world production is also being made up by drawing down commercial stocks and from somewhat lower oil product demand. This combination of higher production in non-affected areas, stock draw, and demand reduction should be sufficient to avoid a serious tightening of the world oil market for some time. The situation remains manageable.

But there are, as I think members of the House have indicated in this debate, many uncertainties inherent in the present situation. The oil market is likely to become increasingly tighter during the winter months when oil demand is seasonally highest and as the capacity for significant additional supplies gradually diminishes. The situation could also be affected by any unexpected occurrences such as a colder than normal winter or problems with transportation and refining facilities. Over the next several months oil prices are likely to remain volatile as markets respond to a number of factors, including underlying supply-demand pressures, rumours and short-term competitive pressures. So, obviously, the situation bears close watching.

• (1630)

Notwithstanding the inability of governments, industry and the International Energy Agency, the IEA, to precisely quantify the magnitude of any possible future oil supply problem, there is consensus that the global oil markets will tighten and Canadian markets will be similarly affected.

The recent increases in motor gasoline prices in Canada, for example, are evidence that our country cannot be insulated from world oil uncertainties. Canada's response to the Persian Gulf situation has been within the framework of our existing policies on security of supply and emergency preparedness.

The point of departure for present Canadian policy is that energy markets must be allowed to respond effectively and efficiently to changes in supply-demand conditions, both internationally and in the domestic market. Canada's economy is part of that world market.

Efforts of previous governments to insulate us from world energy economy through regulation of prices and trade simply did not work. These tactics only delayed the day of reckoning, and the Canadian economy had to adjust to higher prices which ultimately gave rise to further problems. The tactics prevented or muted the adjustments to higher efficiency of energy use, which is the normal reaction to price rises.

The objective of present policy is to ensure that Canadian energy producers and consumers are free to respond to the pressures and opportunities presented by world markets. We have deregulated oil and natural gas prices. We have sharply reduced oil and natural gas market restrictions, eliminated discriminatory and interventionist tax and incentive measures and reduced the intrusive hand of government in the oil economy. Working more closely with the provinces has helped us create a more stable framework for industry investment. This policy has paid high dividends in terms of industry confidence and improved federal-provincial relations.

The government has no intention of returning to greater industry regulation in the current circumstances. The past has demonstrated that this is not the right approach in dealing with oil market uncertainty.

In normal times our policies lay the basis for both expansion of our resource sector and competitive pricing for consumers. We have intervened primarily to act as a catalyst and investor in certain large energy projects where the national regional economic benefits to be derived are significant and where the costs and risks are so substantial that private investors could not easily cope with them alone.

Our policy has recognized, of course, that we do not always live in normal times. As recent events demonstrate, the world remains vulnerable to oil supply disruptions due to a variety of political and military events that cannot be predicted or controlled.

In November 1974, in response to the oil crisis of the time, 21 of the world's principal industrialized countries signed an agreement on an international energy plan and the International Energy Agency, the IEA, was created. The basic task of the IEA is to reduce the industrialized countries excessive demand on oil in meeting energy requirements and to bring about a better mix of energy supply and demand over the near and long term. These objectives are pursued by setting in place co-operative programs and sound, compatible energy policies.

In times of oil crises, IEA member states have agreed to implement plans to reduce consumption, draw down emergency oil reserves maintained for the purpose and share available oil supplies. The objective is to balance demand with supply among the member states in order to equitably share the burden of supply losses and minimize adverse economic impacts. In the case of an incipient oil supply crisis, the International Energy Agency governing board can implement co-ordinated emergency response measures which can be taken in creeping crises conditions that remain below the International Energy Agency's emergency trigger level of a 7 per cent reduction of normal supply.

The Coordinated Emergency Response Measures involve voluntary actions that can be taken by member states in a pre-crisis situation. These measures may include use of surge production, stock draw, fuel switching and oil demand restraint. In Canada's case, there are few opportunities for fuel switching and surge production, and Canada is exempt from the IEA's stock holding obligation because of our position as a net oil exporter. Consequently, any action by Canada under this program would have to take the form of demand restraint.

The invoking of the oil sharing system has never been necessary in the past. Other means have been found to deal with oil supply disruptions. If needed, oil sharing would give expression to our collective commitment to security. It is premature, however, to speculate on whether such a system will in fact be needed.

Canada has long had in place an effective emergency planning system. In 1974, the Energy Supplies Allocation Board was set up by the Energy Supplies Emergency Act. The act gave the Energy Supplies Allocation Board the responsibility for preparing and, if necessary, implementing contingency plans during an oil crisis.

The government has not waited to see the results of unfolding events in the Middle East to get its house in order. We have begun acting to prepare for any necessary response should the supply situation deteriorate. Included in the actins we have taken are the following.

We have reviewed the measures that Canada could take in terms of demand restraint, and we have updated the readiness of existing emergency plans under the Emergency Supplies Allocation Board. If there is an oil crisis in Canada, Canada has the power to allocate crude oil and petroleum products. There is also a provision for gasoline and diesel fuel rationing at the retail level, but it

would only be implemented in a situation of extreme shortages.

Additionally, federal officials have met with their provincial counterparts to brief them on the International Energy Agency and international oil market developments and to explore what actions could be taken to reduce demands on petroleum supplies.

We are meeting regularly with industry associations and oil company representatives to apprise them of our plans and to facilitate our monitoring of the state of oil product markets within our country.

The Department of Energy, Mines and Resources and I, as minister, will be stepping up our efforts over the coming period to reduce oil demand and to work with the provinces on other measures that will have a national impact. An initial meeting with provincial government officials has already been held to discuss a national co-operative initiative that would emphasize increased energy conservation and encourage voluntary restraint of energy demand. These measures will become even more germane as we approach the colder months of late fall and winter.

I am also pleased to report to the House that we have had successful and co-operative sessions with the provinces, including a day-and-a-half meeting in early September to update provincial representatives on developments within the International Energy Agency and on issues concerning international and domestic oil markets. Like the world-wide community itself, the provinces know all too well that this is a global energy problem we have on our hands, not a regional energy problem. It is a problem that goes well beyond provincial boundaries.

I would also like to report to the House that our government is maintaining ongoing contact with the industry throughout this period of oil market uncertainty. We have also had close liaison and information exchanges with our partners in the International Energy Agency. So our lines of communication both domestically and internationally are open at all times. I might mention parenthetically that International Energy Agency countries are meeting tomorrow in Paris to consider measures that may be required to deal with the present situation.

In the meantime, we expect Canadian oil companies not to take advantage of the situation. Companies are already co-operating by providing information on oil supply and prices. We expect that they will take all measures necessary to ensure continuity of supply and the integrity of the Canadian supply system. We also expect the industry will follow responsible pricing and marketing practices. My officials will be monitoring the situation closely, along with the provinces.

• (1640)

We must recognize, however, that as the situation evolves, prices have and will rise. I give the House this example. In the first quarter of 1989, the average price of oil in Canada was $15 West Texas Intermediate or WTI, before the invasion of Kuwait. That average price had moved by the end of 1989 from $15 to approximately $20 WTI, U.S. At the meetings prior to August 2, the day of the invasion, the meetings of OPEC had brought the price of oil in the order of $21 to $23 WTI. It is that pricing, that increase from the first quarter of 1989, to the pricing prior to the situation in the Middle East that is being reflected in energy price increases today.

Anyone who speculates that the pricing today is already including the effects of the August 2 period and the post-August 2 period is simply not being accurate in terms of analysing the market and the accounting for oil which we have in Canada as distinct from the accounting for oil that the United States uses. I think it is important that we in the House understand that accounting system.

We cannot predict precisely how prices will move in the future. Short of a major supply crisis, price movements are the logical and most effective way balance supply and demand. It is, of course, important that the full competitive forces of the market remain free to operate. Remedies are available under existing competition legislation in the event of demonstrated anti-competitive behaviour.

Mr. Speaker, the present situation is not one that requires drastic or precipitous action. Through our international partners and our own market analysis, we are staying well informed regarding the evolution of the oil market, the likelihood of general or specific shortages and the movement of prices.

It is important, that Canadians realize that the risk of a disruptive situation arising could be reduced and made more manageable if we all were to exercise some extra prudence in our use of energy over the coming months. By using energy more efficiently, deferring uses that are not necessary and conserving available supplies, we can

all demonstrate good citizenship and possibly reduce the necessity for more stringent measures later on.

The department will be working closely with the provinces and territories to collaborate on voluntary petroleum demand restraint measures, to co-ordinate plans, particularly in the transportation area and to demonstrate leadership by example. Through the regular meetings of the Interprovincial Advisory Committee on Energy, we will ensure good communications between both levels of government.

Let me conclude, Mr. Speaker, by stating that the situation in the Persian Gulf should remind all of us that we live in a world dominated by uncertainty. What we take for granted today can become tomorrow's great dilemma.

The Government of Canada has responded to these events in the only ways that make sense, through collective action with our international partners, through effective emergency planning and through the continuation of general energy policies that promote the flexibility and growth of the Canadian energy sector.

I think that all Canadians realize and recognize that we face a wide-ranging problem. Isolationism just does not work in this kind of oil crises. In these days of uncertainty, Canada shares a world-wide problem and we have to learn to work and think at a world-wide level. I am confident we can do it, but we must be prepared to accept co-operative and creative measures that will help to entrench a unique kind of common solidarity with the international community.

Mr. Speaker: Questions or comments. The hon. member for Dartmouth.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I have listened with great interest to the hon. minister opposite. I found very helpful some of the information he put forward today, particularly as it relates to the energy sector in Canada.

However, I would submit to him—and I do not just want to be taking a cheap shot—that perhaps this is some of the information we could have had a bit earlier if his government opposite had done the right thing when this crisis first jumped on the scene and perhaps had an earlier recall of Parliament.

Some of the issues the hon. minister is talking about now are going to have to be debated much further in the very near future. I have some concerns, and I want to ask the minister what specific plans he and his colleagues and the department have to put in place, if we do indeed find out that there is some unfair pricing because of the current crisis in the gulf.

Everybody knows that in the international energy industry, particularly the oil industry, a multilevel pricing takes place. Then we get sort of a blended price as to what exactly is a fair price, given a particular circumstance at a particular point in time.

Most Canadians do not know whether or not they are paying a fair price, but when they see the price going up at the pumps they have a tendency to believe that somebody is digging a bit too deep into their pockets.

I want the minister, if he is able, to give me, members of the House, and Canadians generally some idea—a glimpse perhaps—of the plans that he and his colleagues in other departments like Consumer and Corporate Affairs have to ensure that they are not just monitoring. I would like to make sure that they have the capability to monitor, but if they are going to be monitoring and if some unfair pricing is taking place, at what point do they put in place a plan of action? How do they roll back the prices? What pressure can they put on those national and international companies that are in the oil industry in Canada?

In particular I look at Atlantic Canada which is susceptible to changing prices at the international level. In Atlantic Canada, but for the announcement the other day and the bill that we now have before this place, there is no oil production. In a few years hence we will have oil production from the Hibernia field, we hope, but at the current time we are basically hostage to energy, to oil from another place.

I have a second question for the minister, because I can only get the floor once and I am interested. I would like to know if the current situation which has threatened our security of supply of oil, of energy in Canada, leads the minister to review the position that his government seems to have abandoned, that is of pursuing a policy of energy self-sufficiency in Canada.

In particular, will the minister do everything he possibly can now that we all know how volatile the Middle East situation is today, and perhaps for years to come,

and the effect it can have on our national oil supplies? Will he give some type of commitment today to review, to promote, and to do everything he can to try to get this government to approve the proposal put forward by the Synfuels consortium to take Cape Breton high sulphur coal and, through some fairly unique proven processes, turn it into a synthetic oil product? Can he give us some of those assurances here today?

Mr. Epp: Mr. Speaker, there are a number of questions there. I am not going to eat into the 10 minutes of members opposite unduly.

Let me make a few points, first of all in respect to pricing. The hon. member recognizes in his own question that the matter of pricing and blended price or a world reference price, as it is referred to, is very difficult to determine. Quite frankly—and I have looked very carefully at the fluctuations of oil prices and pump prices—when prices go down we as consumers accept that, as it is time that the market is responding to the needs as we perceive them as consumers. In reverse, when the prices go up there is an easy charge made or a very quick charge made that prices are too high.

I think that also applies, for example, when one takes a look at the price differential between Canadian gasoline and American gasoline. When one takes a look at the present situation, one will find that there is still a price differential even if one takes into account exchange rates and volumes. That primarily and almost totally is the difference in federal and provincial taxes.

• (1650)

Having said that, we will continue monitoring if there is an uncompetitive position. As the hon. member knows, that would have to be done under anti-combines investigations and would have to be done with a legitimate due process which has been passed into law by this House.

Second, in terms of Atlantic Canada, the hon. member makes a very valid point. At the present time—and I take one area of departure from him—the Government of Canada has not abandoned self-sufficiency in oil and in energy. In fact quite the opposite. The whole basis of our energy policy at the present time is just to stay with oil and oil products.

Canada exported in the last quarter, on average, approximately 275,000 barrels a day in crude and in oil products. It is for that reason I mentioned that we as an exporter were not subject to the strategic oil reserves of the International Energy Agency to which other countries like the United States, for example, are subject.

Having said that, on the east coast we are importing about 550,000 barrels a day, about 350,000 from the North Sea. That is why I parted company with a number of my colleagues yesterday when they said, for example, that if the oil from the Hibernia oil fields were to go to the United States, why should it not go to Canadian refineries?

On the surface it is a very easy question, and the answer seems to be even as straightforward as the question. The fact of the matter is that because of our distribution system on the east coast through Portland, Maine, we need those 550,000 barrels from offshore as the hon. member put forward. In terms of energy self-sufficiency, that is why we are doing Hibernia.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I wanted a clarification from the minister. I have been getting a number of calls and letters—and I am sure he has as well—with regard to the increased prices at the gas pumps. If I have understood his remarks correctly, he is saying that whatever has happened just recently at the gas pumps is in fact not related to the Kuwait crisis.

Certainly those constituents of mine with whom I have spoken believe that what is happening is that the reserves that were accumulated are still being sold. They do not understand that the prices should increase. Perhaps he can just inform me a bit so I can talk with my constituents.

The other questions are two very brief ones. Normally before we enter a conflict such as this one—and it might have been a more appropriate question for the Minister of National Defence—there are briefings given to the ministers and to cabinet. One question that would normally be asked is: What is the probability of conflict when we send a force to such a situation? Obviously some estimates are given. Of course, if there were a conflict, do we have a sense of the estimates of possible law of supply?

Is the minister at all in a position to inform me and this House of those particular questions? I would appreciate that.

Mr. Epp: Mr. Speaker, on the last question, I am not in a position to answer that one.

In terms of briefings, I have offered briefings to critics opposite. A number of them have taken up that offer. I understand that will be done next week.

Specifically with reference to the member's question—and this gets into what is known as oil accounting—I will try to be as succinct as I can be. I mentioned to the hon. member that over approximately the last year and a half the price of oil on a reference of West Texas Intermediate, WTI, we have seen an increase of about $15 to $20 to approximately slightly higher prior to the August 2 invasion.

There is a time lag between when that crude has been bought and is sold at the gasoline pump, which varies somewhat from region to region in Canada depending on refinery capacity and storage capacity. Generally speaking, we can look at somewhere between 60 days and 75 days. That will vary from region to region slightly. Having said that, oil that was purchased has come through the system and we are seeing the reflection of that higher energy price at the pumps now. What we have not yet seen at the pumps are the possible increases because of the crisis in the Persian Gulf.

That is why I mentioned the August 2 date very specifically as being the next reference point and, if present prices continue, consumers will see an increase in prices beyond the present level.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I understand in Washington the joke on the Persian Gulf crisis goes: "Why did we go in there? Oh, we went in there on principle. Do you spell it p-a-l or l-e? And the answer is you spell it o-i-l, oil". This is an oil war in many ways.

I am glad the Minister of Energy, Mines and Resources has spoken on this matter. I just want to tell him that what Canadians are concerned about is that the prices have not gone up as a result of the Persian Gulf. We think in Vancouver they have. Canadians are concerned that if the world price goes down it takes a long time to work its way through the system to the pump, but when it goes up it seems like overnight the prices go up. We are concerned about whether there is any regulation to that.

The competition bureau is a toothless tiger. What the government should be doing is putting in place—and I ask it to consider this—a better mechanism to look at the increase in prices so that there will not be windfall profits if there are actually further difficulties with oil prices as a result of the more serious difficulties, if that is possible, in the Persian Gulf.

I think the minister should consider looking at that matter. The other thing I want to ask the minister just briefly is: Has he considered that maybe the Conservative government should reverse its policy on energy? We were moving toward energy self-sufficiency, to Canadian control. Now we have sold our oil and gas to the Americans in this big free market, with the United States in this free trade deal. Does the Persian Gulf situation not show us that we now are at risk? I do not think we were at risk. I think if we had developed our own energy resources through Petro-Canada and through Canadian companies, not through Mobil and Hibernia or by ignoring the other development, then we could have been protected from this crisis.

We have this energy in Canada. We have the oil and gas. Why are we still dependent on the Persian Gulf and have put ourselves in that position? Have the government's policies not led to this dependency?

Mr. Epp: Mr. Speaker, as I tried to make plain to the hon. member, In fact quite the opposite has happened. We are a net exporter of oil. We are energy self-sufficient in almost every form. In fact, in many areas we are world leaders and world suppliers. One that he does not much appreciate is uranium. We are also energy self-sufficient; we now have our gas bubble. Our problem is one of transportation systems. Our problem is one of infrastructure to bring more to the market.

With respect to oil and oil products, we are at a net value today per day, exporting 275,000 barrels per day more than, for example, we need for our own production. On the question of self-sufficiency, the issue is different from the one he raises about Canadianization.

I want to give him a reference, and I will be very brief. I took a look at what the National Energy Program was projecting the price of oil would be this week, and I just

happen to have the figure here. The price was to be $116.63 a barrel.

An hon. member: How much?

Mr. Epp: It was to be $116.63, the international reference price in Montreal because that is where we have our international oil coming in. We were asking Canadians to pay $78.73 under the national energy plan. The $40 difference was going to be made up by taxes. Can we imagine what the price of energy would be with their program?

The Acting Speaker (Mr. Paproski): It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

CRIMINAL CODE

FIREARMS ACQUISITION CERTIFICATE

Hon. Warren Allmand (Notre-Dame-de-Grâce) moved:

That, in the opinion of this House, the government should initiate amendments to Part III of the Criminal Code (Firearms) to provide:

1) That a "Firearms Acquisition Certificate" be required for the purchase of ammunition;

2) That there be a mandatory two-week delay between the application for a "Firearms acquisition Certificate" and the actual granting of the "Certificate".

He said: Mr. Speaker, this motion is part of a two-track approach to tighten gun laws in Canada. This particular motion would amend the Criminal Code to provide that a firearms acquisition certificate must be used in order to obtain ammunition as well as a new firearm, and I will explain the reason for that. The motion also proposes that there be a mandatory two-week waiting period between the application for a firearms acquisition certificate and the actual granting of that certificate.

I said that this motion is part of a two-track approach. I also have on the Order Paper a private member's bill, Bill C-283, which I introduced on February 2, 1990. That bill also demands that the firearms acquisition certificate be necessary for the purchase of ammunition and provides for the two-week delay in obtaining a firearms acquisition certificate. But in addition, the bill requires that the application for the firearms acquisition certificate be accompanied by the signatures of two citizens attesting to the responsibility of the applicant. It also provides that the firearms acquisition certificate be only good for two years rather than five years, so that the police have an opportunity to investigate the applicant on a more regular basis.

I should point out that in the horrible massacre of the 16 women in Montreal in 1989, the killer had a firearms acquisition certificate. However, it was an old one that he had had for several years and his degenerated state of mind had not been subject to examination or to scrutiny over that period of time. I have also proposed, and it is not in this motion, that such weapons as the STRUM semi-automatic rifle, which was used in the *École polytechnique* massacre, should be placed on the restricted weapon list.

I repeat that this motion, and my bill which is on the Order Paper, were presented to the House of Commons in the aftermath of the December 6, 1989 massacre at the *École polytechnique*. However, I go on to advise the House that I have been a long-standing proponent of tough gun laws. I have had bills and motions on the Order Paper and debated in this House for more than 20 years. When I was Solicitor General I took steps to tighten our gun laws and that was done while I was a minister in government.

I must say that while advances were made at that time, I was never completely satisfied and incidents since that time have shown that my gut feelings with respect to what was done was correct. The incident at the University of Montreal, the *École polytechnique*, demonstrated that the laws that we now have, while much tougher than those the United States, are still not adequate.

I would like to briefly describe the present regime for gun controls in Canada. We have three classifications of guns. First of all we have prohibited weapons, which are not permitted to ordinary citizens under any circumstances. These are fully automatic weapons such as machine guns and sawed-off shotguns which can only be used for criminal purposes. Well, prohibited weapons are

not allowed for sale to the public but may only be used by the armed forces and by the police.

The next category is restricted weapons. Restricted weapons are hand guns, revolvers and so on and semi-automatic weapons. A person may obtain a restricted weapon for one of five reasons. I will not go into the reasons now but these reasons are set down in the law. You apply for the use of a restricted weapon such as a hand gun, for example, if you are a private detective. That is one of the reasons you may get a permit and obtain a restricted weapon.

Finally, we have what I call regulated weapons. These are ordinary long guns such as rifles and shotguns which are used for hunting and other sporting purposes. These are permitted for sale to the public as long as you have a firearms acquisition certificate when you purchase them. For a long time these guns were subject to no regulation whatsoever.

As a matter of fact, when I first came to Parliament, I can recall a very well-known incident where a young man went to a sporting goods store here on Sparks Street. He was very disturbed, went in and bought a shotgun and took the shotgun to his high school, opened the door and started firing on the class, killing several students and the teacher. This young man was able to buy that shotgun without any questions asked, as if he were buying a package of bubblegum.

It was in the aftermath of that incident that we brought in the firearms acquisition certificate. Now, in order to purchase a long gun, an ordinary rifle or shotgun you need a firearms acquisition certificate and there is a certain investigation before you can get it.

However, there are still many inadequacies and shortcomings in the law. For example, although we have the firearms acquisition certificate, in the present law there is no mandatory delay between the application and the granting of the certificate.

We had an incident in Montreal where a woman, in an extremely emotional situation because she found her husband was fooling around with another woman, went to a sporting goods store to buy a shotgun. When she was told she needed the firearms acquisition certificate, she went to the police and applied in the morning and got the certificate in the afternoon.

The present law says that there should be an investigation by the police, but there is no mandatory delay. She applied in the morning, got the gun in the afternoon and went to her husband's place of business and shot him. That sort of incident demonstrated that a mandatory delay is a reasonable proposal, a reasonable addition, to these laws.

Since I tabled this motion and since I tabled Bill C-283, the government has come forward with legislation. I congratulate the government for Bill C-80 because it does deal with some of the proposals that I have been pushing for many years. For example, it provides for a mandatory delay of 28 days and I think that is a very good measure.

It also provides for one of the other provisions that I have in my bill. I propose that every applicant for a firearms acquisition certificate must have the countersignatures of two citizens in his or her community attesting to the responsibility of the applicant. We do that, by the way, with passport applications. You have to get your passport countersigned by one of a list of people who will certify that you are the person you claim to be.

The minister has stated in Bill C-80 that every applicant will require two references. He or she will also need a photograph to go along with the application which will be on the firearms acquisition certificate. That is not the case now. I think this is an additional protection.

• (1710)

Mr. Speaker, the bill does not go far enough. If we are going to amend Canadian gun laws, I believe we should do it right once and for all. For example, one major gap in the law at the present time is that the firearms acquisition certificate is only required for the purchase of new weapons, it does not apply to all those long guns that have been hanging around in the homes of families on the shelves for years and years.

To cover that situation I have proposed that the firearms acquisition certificate should be required whenever an individual purchases ammunition. I do not see any great problem with that. If you already have a firearms acquisition certificate, you would simply show it when you went to purchase ammunition. This means that you would throw an obstacle in the way of those people who might wish to use a weapon under severe emotional circumstances, a weapon that they might borrow, a weapon that they might have had in the family for a long

time. I think that would be a good measure and would not cause too much inconvenience to the law-abiding citizen who wants to go hunting or participate in sport shooting.

By the way, the other thing that should go into the government bill is a shorter renewal period. I refer again to the massacre at the *École polytechnique*. It is possible that someone at the age of 18 might apply for a firearms acquisition certificate and have a good reputation in the community at that time and have no blemish on his or her record. But if you wait for five years for a renewal, a lot of things can happen.

For example, we have to renew our automobile licences every one or two years. If your record declines considerably in that period of time then you are refused your licence. As a matter of fact you can lose your licence with demerit marks even during the period that you hold the licence.

While I congratulate the government for what is in Bill C-80, I would hope that it would consider the amendments which are contained in my motion before the House and in my bill which is also before the House.

Why do we propose these kinds of laws? There is a very large lobby in Canada opposed to any type of gun law. They have the feeling that we are trying to prevent the law-abiding citizen from having guns which they would use for legitimate purposes such as hunting and sport shooting. Well, that is not the case at all. I have used the analogy over and over again with other activities that we take part in, in life.

No one would think for a moment that because we required the licensing of automobiles and the licensing of chauffeurs and drivers of automobiles that we are trying to restrict legitimate use of automobiles. Not at all. What we are trying to do when we require the testing of people who apply for an automobile licence is to make sure that those who get those licences are responsible people who drive their cars properly and know the rules of the road.

Surely, a gun which was designed and manufactured to kill, whether it be killing an animal in hunting or to kill in war or for the police to protect communities, the purpose of the gun is to kill. If we have licences and registration for automobiles, then surely we should have them for guns. I think this country has accepted that principle for a long time. We have accepted the principle and now it is simply a question of tightening up, of closing the loopholes, closing the gaps so that we make it more complete. But we do not. I have never had any intention of keeping guns away from law-abiding hunters and sport shooters. Canada has had a great record in Olympic sport shooting and international competitions. That is not our goal.

The opponents of stricter gun laws say that if you ban guns, and of course we are not proposing that we ban guns, only criminals will have guns. You see that slogan on bumper stickers and on posters and so on. I must point out that two-thirds of the homicides in Canada are committed under severe emotional circumstances, usually by family members and acquaintances. Most homicides in Canada are not committed by the so-called professional killers. The people who attempt to get guns under severe circumstances are people that usually have never committed a crime before in their lives. It is at those people that we direct our gun laws.

I know that we will never stop homicide altogether. We will have a very difficult time keeping guns out of the hands of the professional criminal, the so-called gangster. They will always find a way to get guns. But two-thirds of our murders are not committed by gangsters or professional killers. They are committed by husband against wife, or by a group of friends who get in an argument over one thing or another, usually with alcohol or drugs involved. Mr. Speaker, it is those people, if you look at the statistics and the records, who look for a gun when they get extremely angry and upset. It is toward them that we formulate these laws.

Again, the opponents of these laws say that we should not put in restrictive measures—what I would call preventive measures—but let us rely on tougher penalties. We know that, while tougher penalties may be one way of approaching the problem, it is not the best way. It is applying the tough penalty after the crime has been committed, the murder has been done. Is it not better to prevent the crime from taking place?

If we had prevented that young man from getting that gun last year at the *École polytechnique*, those 16 women might still be alive today. There was the case that took place in Ottawa several years ago. If that young man had not got that shotgun that day, those murders may not have taken place. That is why the mandatory delay, which is in my motion and in the government bill, is a

good thing. Very often the emotional crisis that the individual is undergoing could very well disappear after a week, 15 days, or two weeks. Lots of things could happen to cool the person down. Even though the individual might have applied for a firearm's acquisition certificate in the hope of getting a gun, first, the police might turn down the application, but second, the circumstances might very well have changed after 28 days.

The gangster or the professional criminal will always get guns. But if we can reduce the number of murders committed with guns by those who are not professional criminals, and that is the large number in Canada, if we can even reduce them by 50 or 100 a year, we will be accomplishing something. I suggest that the House might very well do that.

I want to point out that after we tightened the gun laws in 1978 there was a considerable decline in the rate of crime with guns in the country. The facts are on the record. For the countries of the world with strict gun laws, the rate of crime with guns is much lower than those countries with loose gun laws.

The most flagrant example is the United States where the gun laws for the most part are state laws because the criminal law in the United States is a state responsibility rather than national. The rate of crime with guns in the United States is considerably higher than in Canada and considerably higher than in those countries that have strict gun laws. The most recent statistic is that in the United States 60 per cent of homicides are committed with guns where in Canada only one-third of homicides are committed with guns.

Mr. Speaker, you indicate to me that I have only one minute left. I will just deal in that one minute with another slogan that is put forward by those that lobby against stricter gun laws. The slogan goes that people kill, not guns. Well, of course, people kill and the guns do not kill all by themselves, but it has been demonstrated that guns have been five times more effective in killing than any other weapon, for example, a knife. That is obvious to anyone that knows anything about guns. A gun is an effective way of killing and surely we should do something to keep guns out of the hands of those who are irresponsible, who have a record of alcoholism, mental instability, family violence and so on. These are the people at whom we aim our tougher guns laws.

• (1720)

While I congratulate the government for Bill C-80, I would hope that the ideas that are put forward in this debate will provide it with some thought and perhaps will lead to some amendment of Bill C-80 when we approach that bill later on so that it can be made even a more effective bill.

[*Translation*]

Mr. Jim Edwards (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I rise in the House today in response to the motion of the hon. member for Notre-Dame-de-Grâce in which the government is asked to initiate the following amendments to Part III of the Criminal Code: first, require a firearms acquisition certificate at the time of purchase of munitions; and second, impose a mandatory two-week delay between the application for a firearms acquisition certificate and the actual granting of the certificate.

Before I go any further, however, I would like to say the hon. member is to be commended for his sustained interest in this aspect of the law. The House will recall that the hon. member played a major role in the proceedings leading up to the passage of the gun control provisions now in effect.

According to certain studies, the percentage of deaths related to the use of firearms is so much lower in Canada than in the United States because of the strict gun control provisions we have in the Criminal Code today. For instance, perhaps I may draw your attention to the special article that appeared on November 1988, in the New England Journal of Medicine, on the impact of handgun regulations in two cities that are very similar, namely Seattle and Vancouver.

Mr. Speaker, Canadians must never forget the date of December 6, 1989, when Marc Lépine, a young man in his early twenties, entered the *École polytechnique* of the University of Montreal around 5:20 p.m., carrying a semi-automatic .223 caliber Ruger Mini-14, and killed fourteen young women before turning his weapon on himself and taking his own life.

This, the worst killing in Canada's history, caused considerable consternation among the people of Quebec and Canadians in general.

Subsequently, it was found that in this particular case, the application for a firearms acquisition certificate had been made on September 5, 1989, and that the certificate was granted several days later.

Apparently, there was nothing unusual about the way the Quebec authorities processed the application. A routine investigation failed to produce a police record or any other information that would justify rejecting the application. Lépine purchased the firearm on November 21, 1989, with 100 bullets and two secondhand magazines.

Mr. Speaker, as you know, Bill C-80, an Act to amend the Criminal Code and the Customs Tariff in consequence thereof, was tabled in the House of Commons by the Minister of Justice on June 26, 1990.

This bill contains several provisions that reflect the public's growing concern about violence related to the use of firearms. The government's tabling of Bill C-80 would seem appropriate at this time, to deal with the problem of gun control in Canada. I regret, however that I cannot support the hon. member's motion as such, although I appreciate his motives.

Canadian firearms legislation has always tried to strike a balance between the rights of bona fide, legitimate users and the safety of the Canadian public. This also applies to the proposals tabled in the House.

The amendments proposed in Bill C-80 are the result of long consultation with sports and firearms associations, police corps, public interest groups and provincial authorities.

Hunters, target shooters and collectors have for many years been allowed to own and use firearms, and the proposed legislation is not intended to prevent them from doing so.

Furthermore, regarding the waiting period suggested by the hon. member in his motion, I may point out that the period provided in the bill is twice as long.

Mr. Speaker, the proposed amendments are intended to give the public better protection by improving the screening procedure for applications for firearms acquisition certificates. Furthermore, the Minister of Justice has announced the government's intention to proclaim the coming into effect of a provision of the Criminal Code enacted in 1977, under which persons applying for a firearms acquisition certificate would have to establish that they have either finished a course or passed a test on the safe handling and use of firearms, before obtaining the certificate. Both course and test must be approved by the Attorney General of the province concerned. However, the provinces have yet to ratify the coming into effect of this provision.

Course content will be established in consultation with the provincial authorities and with the assistance of the Canadian advisory council on firearms. The government, working together with the provinces, will set up a national training program to encourage safe handling and use of firearms. The minister has also announced that the firearms acquisition certificate will be revised to include the owner's photograph.

The requirement that the certificate must be produced when ammunition is purchased would substantially alter the original purpose of the certificate, which was to ensure that individuals who acquire firearms are not a danger to society. The hon. member's proposal would, to a certain extent, have the effect of making the certificate of acquisition a certificate of ownership. I think this is one aspect of the question that could appropriately be considered when Bill C-80 is referred to a legislative committee after second reading.

I am looking forward to further discussion at second reading of the amendments proposed in the bill, in the not too distant future.

• (1730)

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, this is a very controversial issue and I think that perhaps the parliamentary secretary found a solution: he spoke in French, but with the interpretation it was easy to understand his argument.

[*English*]

I am just saying that this is a very controversial area and I congratulate my friend, the member for Notre-Dame-de-Grâce, for his thorough dealing with the situation and I commend my friend from Edmonton for his fine speech, totally in French.

I support in principle reasonable and workable gun control laws in Canada. My friend from Notre-Dame-de-Grâce made reference to the tragic situation at the École polytechnique at the University of Montreal on December 6, 1989, when a crazed person massacred 16 women. Again it made us look seriously at our gun control legislation in Canada. I should point out at the time of that happening my colleague, the member for

Saanich—Gulf Islands, said in the House and I will quote from her comments on December 11. She said:

> Mr. Speaker, today in Montreal thousands of women are mourning the deaths of 14 women at the hands of a gun-toting madman. He was able to buy his semi-automatic rifle because he had met all legal requirements.
>
> On Saturday, the Prime Minister said the ease with which Marc Lepine obtained his instrument of mass murder was "serious and unacceptable". He is quoted as saying his government would deal with the problem if necessary.
>
> The fact that a man with serious psychological problems was able to legally obtain a powerful rifle and kill and wound more than two dozen innocent people should make it obvious even to the Prime Minister that action is necessary.

The member went on to call for legislation and legislation has been brought forward by the government in the form of Bill C-80. The parliamentary secretary was making reference to this matter.

I would like to deal with the motion. As the hon. member said, the present situation is that everyone who wants to obtain a non-restricted firearm in Canada needs to have a firearm acquisition certificate. Of course, that does not apply to people before 1978. It is an important matter to remember.

Non-restricted weapons, FACs as they are called, are rather simple to obtain. Depending on the province and where you live, you can obtain one within a few hours, or a few weeks if it involves the mail. The body responsible in the province for granting the FAC does a check of criminal records involving violent crime and mental illness involving violence. Although it is rarely an in-depth investigation, there is no problem, the FAC is granted.

It is more difficult to obtain restricted weapons, as you might expect. As I said, individuals who obtained weapons before 1978 and have not obtained a weapon since do not need to have FACs.

I will deal first with part two of the motion. The motion calls for a mandatory two-week delay between the application of an FAC and a granting of the licence. The idea, I gather, is to ensure a cooling off period to stop individuals from buying guns on impulse, as the hon. member for Notre-Dame-de-Grâce outlined a few cases about this, and the individuals using the gun.

I noticed the member proposed in his motion two weeks. The government bill, Bill C-80, asked for a delay of 28 days. That would make his motion less onerous than the government bill. He says the government bill is better. We will get to consider that I believe in Bill C-80 in committee, and that is one matter we should look at.

Part one of this motion today is the more controversial element of the motion. As it states, it would require that individuals have an FAC to obtain ammunition. This would have several important effects. On the positive side, it would ensure that those who had obtained a weapon illegally would have difficulty getting ammunition without an FAC. On the other hand, we might as well acknowledge this, it would not in fact affect those people who have had a gun before 1978 and do not need to have an FAC. So in a sense, it is retroactive legislation, although indirect if you like retroactive legislation, but it has a retroactive effect nevertheless. That is something that this committee has to consider and consider very carefully because it potentially applies to hundreds of thousands of people in the country. I want to deal with that controversial matter.

I have just become justice critic for my party. I have looked at my mail and I see many letters. Here is a letter from a Mr. Jarvis in North Vancouver who writes to me and says he thinks Bill C-80 is unfair because it really does not succeed in hitting those people who misuse guns and it hits the people, the hunters, and others who are law-abiding citizens. You get that view expressed widely. The hon. member for Notre-Dame-de-Grâce dealt with that in his speech.

Here is another view from one of my constituents, Miss Elizabeth Thunstrom. Her view is the opposite. She points out that she is very much is favour of more restriction when it comes to firearms, so you have a divided public on this matter. I personally think that the people of Canada are in favour of gun control, accept gun control and want workable gun control.

I am told that there is a difference between people who live in rural areas and those who live in urban areas. For example, trappers, guides and outfitters use guns as tools. If an outfitter goes on a canoe trip, drops his gun, drops his ammunition and has to get more, the question

is: does he have to wait two weeks or 28 days or so on in order to get another check or another firearms acquisition certificate? These are real issues for a group of people and we have to find a way that we can make this thing workable.

I personally feel that it is in the long-term interest of those who legally possess guns in Canada, hunters, trappers, gun collectors and people who have a legitimate interest in guns, to have proper gun control as well. I believe that with some thought, in committee we can bridge the gap here. It may be that we have to work out a system in our country where the municipalities could have some control so, for instance, in metropolitan Toronto it would be very difficult to get a permit for guns or ammunition whereas in the municipality of Prince Rupert it might be a lot easier, in the sense that there are more people who are trapping and hunting for a living in Prince Rupert. That is just a thought and that will have to be considered at the committee.

Again, I support the motion in principle. I believe that we can deal with some of these matters in detail when the legislation hits the legislative committee.

Finally, I would like to say that we should compare our situation in Canada with that of the United States. In Canada, we consistently have had stronger gun laws than the Americans. I think the result of this is partly responsible for the fact that we have less violence in our society. In general, each time we strengthen gun laws we do succeed in limiting the illegal use of firearms in Canada. I believe tougher gun control laws are overwhelmingly supported by Canadians, especially when we contrast them with the American situation, with the one caveat that we try to find a less onerous and bureaucratic way for those people who are in rural areas or who use guns in the course of their work, as is the case for trappers and guides.

As the *École polytechnique* tragedy shows, we cannot become complacent. As we have suggested before and after the tragedy, our laws can and must be strengthened and made to work better. I look forward to seeing Bill C-80 in committee and look forward to finding ways that we can make this legislation workable and that we can continue, as the hon. member for Notre-Dame-de-Grâce said, to in fact make Canada a safer society and that we can focus our gun laws so that we are looking at that group of people which he said committed the two-thirds of homicides that were not committed by professional killers but by people in trouble; in family situations often times, disturbed people, the Lepines of this world.

• (1740)

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired. The hon. member for Halifax.

Ms. Mary Clancy (Halifax): Mr. Speaker, it is with great pleasure that I rise to speak in support of this motion moved by my colleague, the hon. member for Notre-Dame-de-Grâce.

I think it is of maximum importance to the people of Canada and perhaps most particularly to the women of Canada that such an amendment to the gun control legislation be brought forward. I refer particularly to my colleague's recommendation that there be a mandatory two-week delay between the application for a firearms acquisition certificate and the actual granting of a certificate.

I do not think anyone who lived in Canada will forget that night of December 6, 1989. I recall it very clearly. Indeed, it was the night of a celebration in our caucus. It was the night of a Christmas party, a night when a number of members of Parliament were getting together before we would all return to our ridings. Late in the evening, we were joined by our colleague, the hon. member for Humber—St. Barbe—Baie Verte. When he entered the room, I could tell that something terrible had happened. He told us of the appalling events, the massacre of the 16 young women at the *École polytechnique*. I remember the comment of another colleague at that point who said: "Things like that do not happen in Canada".

I recall again the next day when all of us on all sides of this House were united in sorrow and in mourning for the death of these young women. We all felt that way, that things like this do not happen in Canada. Indeed, we used to enjoy that belief and that certainty that things like this did not happen in Canada. Unfortunately, that is no longer the case.

I certainly have no wish to denigrate in any way the appalling tragedy of the *École polytechnique*, but violence

has become a common thing in our country, most particularly in our cities. I am sorry to say, in my own city of Halifax where violent crime was practically non-existent when I was growing up, the incidents of murder by guns has increased substantially and, with that, an increase in death by firearms.

There comes, whether we really are aware of it on the surface or not, a hardening of attitude. Along with that are the rapid changes in our culture. I refer particularly to the kinds of television and film that we are exposed to. What is happening is that we are becoming desensitized to the issue of guns. We are becoming desensitized to the sight of people being killed or maimed by firearms.

Now I am not, by any means, suggesting that Canadians are not moved and are not disturbed greatly by this change in our own attitude. I am not suggesting that Canadians are totally insensitive or even past, if you will, the 50 per cent line of sensitivity on the issue of gun control and access to guns. What I am saying is that we are farther down the road than we were even half a generation ago. I want to make very clear that, as my colleague from Notre-Dame-de-Grâce said earlier, I am not attempting to prevent hunters or sports shooters in this country from access to their use of firearms in a well trained, law-abiding manner.

I have spoken to lobby groups in my own riding. I have spoken to national lobby groups as well. I am not particularly keen on firearms at all. I will be perfectly honest. They make me nervous. However, I know there are lots of people, women and men in this country, who are expert in the use of firearms and in whose possession they will be used for their correct purpose. These are not the situations we need worry about.

When I think of Marc Lepine, when I think of those young women in Montreal, when I think that tonight in every major city in Canada many women and children will be menaced by firearms, because it is happening on a daily basis, when I think that our gradual desensitization to the whole issue of violence is becoming more and more the norm and less and less the exception, and when I remember those young women who died and I know that every day in this country women are dying from violent crime, then I say we cannot merely do the adequate. We must push beyond that to the ultimate and ensure that our gun control legislation is the finest in the world, that our gun control legislation offers the kind of protection that Canadians deserve.

I have heard frequently from people who oppose gun control the rather nauseating phrase that suggests that people who are in favour of gun control are a bit dull, that guns do not kill people; people kill people. Certainly that is a truism: people do kill people, but it makes it a whole lot easier if a gun is put in the hands of those people.

Mr. Boudria: Too easy.

Ms. Clancy: Much too easy. It also is another example of the difference between this country and our neighbour to the south. In their constitution they have the right to bear arms. That is their constitution and that is fine. It is not in our Constitution.

I recall, when I was teaching at the University of British Columbia some 15 years ago, giving a seminar to Customs officers. They told me at the time that one of their big problems is Americans who drive through British Columbia on their way to Alaska and have firearms in their cars. It is the practice of our Canadian Customs officers to dismantle the guns. They are wrapped up some way and sealed, and then when they reach the Canada—Alaska border the seals are broken and they are given back. The same process applies on the way back.

One Customs officer said that his worst problem was the abuse he took from American citizens saying: "We have the right to bear arms". He would say: "Yes, you may well have the right to bear arms, but you don't have the right to bear arms in my country".

Mr. Boudria: Not here you don't.

Ms. Clancy: That is something I think we have always been proud of in Canada. We do not have the right to bear arms because we do not need the right to bear arms.

Mr. Boudria: And we don't want it.

Ms. Clancy: "And we don't want it", adds my colleague from Glengarry—Prescott—Russell adds.

Again, we are not talking about hunters. We are not talking about sport shooters. I am sorry, this is the second time today that I have lost out on remembering a particular Olympic sport and the young woman from British Columbia who won the Olympic Gold Medal.

Mr. Hughes: Nancy Greene.

Ms. Clancy: No, Nancy Greene was the skier. The young woman who was the shooter in the Olympic competition is now a faculty member of St. Mary's University in Halifax, Nova Scotia. It is most remiss of me to forget her name.

Mr. Speaker: Susan Natras.

Ms. Clancy: Susan Natras. Thank you very much, Mr. Speaker.

At any rate this is not what we are talking about. We are talking about the very serious subject of handguns. We are talking about automatic weapons. We are talking about the need to protect Canadians and the need to continue to be in the forefront in the free world for all people to say: "This is the way we live in Canada". This is the kinder and gentler society that other people aspire to but which we have achieved. We will only achieve this kinder and gentler society, thanks to Mr. Bush, if we continue to show the human face on this kind of legislation and make the restrictions fit the kind of Canada we all wish to participate in.

• (1750)

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, the hon. member for Notre-Dame-de-Grâce has proposed that the government make certain changes to the gun control provisions of the Criminal Code. He wants to require a firearms acquisition certificate for the purchase of ammunition, and he wants a mandatory two-week delay between the application for an FAC and the time at which it is issued to the applicant.

As most members of this House will be aware, the Minister of Justice has tabled Bill C-80, an act to amend the Criminal Code and the Customs Tariff in consequence thereof, in this House since the hon. member introduced his motion.

Bill C-80 contains extensive changes to the law of gun control in Canada and is supplemented by a number of non-legislative measures. Canada's gun control law is based on three basic elements. First, it seeks to deter those who would misuse firearms through specific firearms offences and penalties. Second, it seeks to restrict or prohibit access to certain types of firearms believed to be a greater than average threat to public safety. Third, it seeks to screen out those persons who should not have access to guns and deny them that access.

The firearms acquisition certificate, or FAC, is a key part of the screening process. All Canadians who wish to acquire a gun in any manner, whether by purchase, loan, gift, or even inheritance, must first undergo the necessary screening process and get an FAC.

It is an offence for anyone to give a firearm to any person without proof that the recipient of the gun is a holder of a valid FAC, and it is an offence for any person to obtain a gun unless he or she is the holder of a valid up-to-date FAC.

The legislative and regulatory package recently put forward by the Minister of Justice seeks to improve the FAC in a number of ways. First, it would require those who want an FAC to pass a course or test in firearms safety. Second, it would require them to provide the names of two references who could provide the police firearms officer with additional background information. Third, it would require them to provide an up-to-date photograph that would be attached to the FAC so that unauthorized use would become impossible. Fourth, it would require the applicant wait at least 28 days between the application and receiving his or her FAC. This is double the delay period proposed by my colleague.

As any member of this House who has recently obtained a firearm will be aware, it generally takes at least two weeks for the police to process an application. This delay is not mandatory. It is simply the time required to conduct the necessary check and fill out the forms.

The four-week delay proposed in the minister's bill would significantly lighten the existing wait, and it would ensure a more or less uniform wait as most applications could be dealt with properly in a month. It would also ensure that an FAC was not used in less than a month, even in cases where the paperwork was completed in less time than that.

The Minister of Justice has said that this waiting period is intended to allow firearms officers time to conduct a proper background check, but it seems to me that it will also reduce firearms incidents for another reason. It seems to me that where a person wants to obtain a firearm to commit a crime or perhaps to commit suicide, a one-month delay might well force that person

to reconsider. It might in some cases force that person to reflect on the implications of their acts to the point where they decide not to act at all.

For this reason I would support the idea behind this part of the motion. It is a good idea and worthy of support in this House. I am sure that this is why the Minister of Justice has included a similar proposal in her bill, and I am sure the hon. member for Notre-Dame-de-Grâce will want to support the minister's bill for that reason.

The hon. member has made another proposal in his motion. He has proposed that the same FAC document be required for purchasing ammunition for any firearm. Unfortunately I cannot support this proposal. I believe that it would cause many problems for the police and others involved in the FAC process, and I cannot see any advantages if any exist at all. I am afraid I cannot see any advantage that it would bring in terms of reduced crime, accidents, suicides, or any of the firearms related problems that exist in our country today.

It seems to me that one of the advantages of our present FAC system is that it concentrates on those persons who we think are the greatest risk as firearms owners, those who have just acquired or are about to acquire their guns.

You do not need an FAC to keep a gun. You only need one to acquire a gun. Once you have had the gun for a length of time and have not committed a crime or had an accident with it, I would think that the chances of such an incident ought to drop considerably.

Persons who obtain a gun sometimes do so intending to use it for a crime, and persons who are new gun owners and are not familiar with guns ought to be much more likely to have accidents with them.

I would suggest that this is why the FAC system concentrates its efforts on these people. It concentrates the scarce resources of the police firearms authorities on those situations where we hope they will do the most good.

What then would be the effect of our colleague's proposal? It would force any gun owner who wants to shoot his gun to have an FAC so as to be able to buy ammunition. It would presumably make anyone who sold or even gave ammunition to another person into a criminal unless a valid FAC certificate was presented.

Many Canadians who have owned firearms for years without any problem whatsoever have no FAC. They may have had the guns since before 1978 when an FAC requirement became law, or they may have bought a gun since then using an FAC and not renewed or replaced it.

There is no need to get another FAC to keep a gun you already have. You only need an FAC if you want to get another gun. The hon. member's proposal would change this. He would require the FAC to buy ammunition. He would require those gun owners who have owned their guns without any problems to undergo the FAC screening process regularly.

He would subject them to a more intensive screening process than is contained in the minister's bill. He would force police authorities who must conduct the screening to screen them over and over again, consuming time and resources that could be better used to conduct more effective screening of new gun owners who pose a much greater risk to the public and even to themselves.

• (1800)

I am afraid I cannot support this part of my colleague's motion. I recognize the hon. member's good intentions in putting it forward, but I am afraid that I see it as unworkable and potentially harmful to the existing gun control system and I cannot support it for that reason.

[*Translation*]

The Acting Speaker (Mr. Paproski): The hour provided for the consideration of Private Members' Business has now expired.

[*English*]

Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

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

GOVERNMENT ADVERTISING

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to take part in today's debate. I hope that, once and for all, the Conservative govern-

ment will explain why it insists on misleadingly advertising the GST.

Mr. Speaker, I want to sum up the question I asked in the House last June 1. In short, I wanted to know why the government would not withdraw the GST advertising which I described as being misleading. The Minister of National Revenue told me, and I quote: "I simply want to add for the interest of the hon. member and all members in this House that the GST is not a new tax, even in the service sector".

[*English*]

I read further. On that day, the minister answered questions about the false and misleading advertising of his government. He said:

> Mr. Speaker, we analyzed these ads very carefully prior to making them public, particularly after the Speaker's ruling some months ago about another ad of which the hon. member is well aware.

What happened is that the government was telling us that the radio ads of the Conservative government were not false and misleading. We are talking now about the radio ads.

These "spots" as they are called in radio language, had been featured across Canada and Mr. Paul Tuz of the Greater Toronto Better Business Bureau had complained about them to the CRTC.

Mr. Speaker, you know me. Sometimes I decide to take up these challenges myself as well, so I decided to write a letter to the Canadian Advertising Foundation.

I said to myself: "In the unlikely event that someone thinks that I am not totally objective about this thing," which probably would not be the case anyway, but in the event that they said that, I said: "I will let an independent arbitrator be the judge."

"The Advertising Standards Council of the Canadian Advertising Foundation sounds to me to be pretty objective, at least more objective than the Minister of National Revenue." Listen to what they had to say. They wrote to me on August 2, 1990. They said:

> Dear Mr. Boudria:
>
> The Canadian Advertising Foundation has followed up on your complaint concerning Government of Canada advertising of the Goods and Services Tax.

It said the following in addition:

> The Standards Division of the Canadian Advertising Foundation wrote to the Minister of Finance on June 13, 1990 to advise of the complaints received about this advertising and to inform the Department that the complaints and the advertising in question would be the subject to a review by the Advertising Standards Council at a meeting on July 19, 1990.
>
> On that date, the Advertising Standards Council did indeed review the material to determine compliance with the Canadian Code of Advertising Standards.

I invite the hon. parliamentary secretary opposite to pay close attention to the following sentence. It reads as follows:

> The Council ruled that two of the spots entitled "Future" and "The Consumer" to be in violation of Clause 1 of the Canadian Code of Advertising Standards.

Clearly, an independent body has ruled that my complaint was right and that the minister's answer on July 1 was wrong.

I invite the parliamentary secretary to tell us now whether he thinks the Canadian Advertising Foundation, the Advertising Standards Council and 85 per cent of Canadians are wrong and that his minister was right.

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, I thank my colleague opposite for giving me the opportunity to reply.

The hon. member from Glengarry—Prescott—Russell has expressed concern about, as he terms it, "the $14 million advertising campaign to promote the dreaded GST". Before addressing the member's concerns, I would like to point out that the cost of radio and newspaper advertising in May and June on the GST was about $3.5 million.

• (1805)

As pointed out in the hon. member's question, Mr. Paul Tuz, President of the Better Business Bureau of Metropolitan Toronto, asked the CRTC to remove the government's current radio advertisements from the airwaves because one line was felt to be misleading, and I quote: "It" being the GST "is not an additional tax".

The Better Business Bureau argues that services are not currently subject to a federal sales tax but will be taxed under the GST system. The GST is therefore viewed by the Better Business Bureau as an additional tax on services and not a replacement tax.

This argument seems relatively simple and complete. It demonstrates, however, a complete lack of knowledge of the current federal sales tax system because services are taxed indirectly today through business inputs. Many service industries purchase manufactured goods such as computer systems, office equipment, cars, trucks, gasoline and alcoholic beverages, all of which have federal sales tax embedded in their price.

The service sector currently pays an 11 per cent federal sales tax on most telecommunications charges. These taxes invariably are not paid by the businesses but are passed on to the consumers. A percentage of the $700 of federal sales tax collected from each Canadian every year is collected indirectly through the service sector. Although the tax base for the GST will be broadened to ensure a more equitable system, the government is expected to raise net revenues of about $18.5 billion. This represents about the same amount the current federal sales tax would have raised had it remained in place.

Mr. Boudria: It's revenue neutral, right?

Mr. Reid: I will read that again, Mr. Speaker. Although the tax base for the GST will be broadened to ensure a more equitable system, the government is expected to raise net revenues of about $18.5 billion. This represents about the same amount the current federal sales tax would have raised had it remained in place.

In light of these facts, it is clear that the GST is not an additional tax. It is a replacement tax.

The radio advertisements in May and June were factual and straightforward. They were designed to correct the misconceptions demonstrated by the Better Business Bureau of Toronto and, if I may say, the hon. member.

The government has received 360,000 calls on a toll-free information line.

Mr. Speaker, I see you urging me to complete.

Since the hon. member for Glengarry—Prescott—Russell has posed his question in the House, this issue of the government's radio ads has received further attention. On August 27, 1990, we responded to the Canadian Advertising Foundation. I am happy, either to lay on the table of the House or to give my hon. colleague a copy of the statement issued at the time and a letter that accompanied it.

THE ENVIRONMENT

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, as the newly appointed associate environment critic for my party, responsible for international environment, and a member of the international debt sub-committee of the Standing Committee on External Affairs which tabled the report "Securing Our Global Future-Canada's Stake in the Unfinished Business of Third World Debt", I am pleased to be able to expand on a question I posed in the House on June 8.

I want to expand and further expose a major contradiction which I raised in that Question Period on June 8. It is related to the Export Development Corporation. That contradiction is that while the Export Development Corporation, EDC, administers about a billion dollar budget of our tax dollars, it is exempt from environmental assessment.

In my question to the minister of that day, it is clear that this government places economic priorities not only separate from the environment, but economic priorities are given precedence. So much for linking the economy and the environment. So much for the holistic language of the Brundtland commission report on the environment and the economy.

• (1810)

The Export Development Corporation is a federal Crown corporation whose job it is to promote exports by providing subsidies of various kinds to big banks, such as the Bank of Montreal and the Toronto-Dominion Bank, and to corporations such as Inco and Canadian General Electric. An example of some of the work they do: in Argentina there is the EDC-backed construction of a CANDU nuclear reactor that continually breaks down, creating chaos for the economy, threatening the environment and resulting in millions of dollars in losses to the Canadian taxpayer.

In Mexico there is EDC support for another CANDU to be built by Atomic Energy of Canada Limited. This one, never even begun, likewise pushed Mexico further into debt; the connections between international debt crisis, our own deficit and our environmental problems are clear. In Colombia, the EDC backed the Guavio hydroelectric complex which has become synonymous in that country with white elephant. As the leading Colombian news magazine, *Semana*, their *Time* magazine, pointed out, the cost overruns alone from this ill-con-

ceived project equalled half the nation's entire budget for social programs.

This is what our report on Third World debt pointed out, that we are contributing to the Third World debt by so-called hand-outs. We are not helping them by giving them money for that sort of thing.

Colombians suffered, obviously, as a result but not Canadian General Electric, which carried out the work. The EDC saw to that. Our tax dollars saw to that.

With our government agencies throwing money at environmentally harmful projects like these in order to promote exports at a loss, is it any wonder that the Canadian taxpayers are suffering or that Third World economy and environment is in such shambles. Having the Export Development Corporation exempt from environmental assessment review process is not good for the environment. It is not good for the people of the developing world, either their economies, their environment or their working methods, and it is not good for the Canadian taxpayer.

There are two ways that the government can approach this. We have got the much touted Green Plan that is coming forth, and I am looking forward to seeing whether there is real meat behind all of the fuzz that we have seen up to now. There is also Bill C-78, the environmental assessment review process. I urge the government to give real teeth to Bill C-78 to include the Export Development Corporation in their environmental review process. I urge the government to put real teeth in that Green Plan to make certain that the kind of investments our taxpayers are putting into international development not only bring benefits to Canada, because that of course is the intent—and I do not think any of us are against that—but that those contributions also flow to the rest of the world.

We are globally interdependent if not interlinked. Our government policies should demonstrate that.

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, it gives me great pleasure to address the House today on a subject which is obviously very important to my friend opposite and I think to all Canadians, the environment. The member for Saanich—Gulf Islands has expressed considerable dismay that the EDC may not be subject to the federal environmental assessment review process.

Frankly, my hon. colleague is quite justified in her concerns. The current environmental assessment and review process guidelines order was created in 1984 by a previous government that was on its way out the door. That guideline makes the application of environmental assessment process strictly voluntary for Crown corporations such as EDC and the Canadian Commercial Corporation as well. That my hon. colleague should express concern about such an apparent loophole in the environmental assessment process is quite understandable and reasonable. It is because of a multitude of such loopholes and weaknesses that the government is undertaking to replace the outdated guideline with the Canadian Environmental Assessment Act.

• (1815)

Bill C-78, which my colleague talked about, was tabled in the House on June 18 and was part of a comprehensive package of environmental assessment reforms designed to do away with a guideline that never did work as effectively as it should have to protect the environment. We will create in its place an effective, efficient, and accessible environmental assessment process, built around the goal of sustainable development, a process that will move Canada into the forefront of environmental protection and keep us there for many years to come.

The Canadian Environmental Assessment Act will ensure that all Schedule 3 Crown corporations are subject to the federal environmental assessment process by means of special regulations. This approach has been taken to protect the competitive nature of such corporations. It must be recognized that the operational requirements of Crown corporations are very different from those of federal departments and agencies. Their special circumstances require greater managerial autonomy and flexibility. This fact has been recognized in a separate financial regime established for them under the Financial Administration Act and will be recognized in a separate assessment regime to be established for them under the Canadian Environmental Assessment Act.

The EDC and the CCC represent special cases that are very useful in illustrating the government's commitment to both the economy and the environment, in short, sustainable development.

The granting of commercial credit and the development of Canadian export markets is a highly competitive international business. A significant portion of Canada's economy depends on success in exporting our goods and

services. But the hon. member from Saanich—Gulf Islands is quite right. Canadian exports can sometimes contribute to projects which in turn are damaging to the environment. This is just another example of the way in which a lack of environmental stewardship in one country can be visited upon its neighbours and its partners.

Measures taken to address this concern, however, must be implemented in a manner that is both environmentally and economically effective. We must not lose sight of the important role played by Canadian exporters, a role that can only be sustained on a level playing-field where exporters from all countries face a similar set of competitive circumstances.

Our course of action will see a strong Canadian initiative to develop an international consensus among the world's leading export nations on the role that environmental assessment must play in export decisions. In this way a level competitive playing-field can be maintained, the sovereignty of individual nations can be respected, and the environment can be protected far beyond just the Canadian jurisdiction. This international consensus in turn will provide for a special regulation under the Canadian Environmental Assessment Act to establish an environmental assessment process for the Export Development Corporation and the Canadian Commercial Corporation.

As you can see, Mr. Speaker, the government is prepared to take effective action on both the environment and the economy and to integrate both in a way that will move Canada and the world toward sustainable development. Would that our colleagues on the other side of the House were as committed to the environment as to the economy, let alone both.

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 o'clock a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.18 p.m.

HOUSE OF COMMONS

Friday, September 28, 1990

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

CROWN CORPORATIONS DISSOLUTION OR TRANSFER AUTHORIZATION ACT

MEASURE TO ENACT

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)) moved that Bill C-73, an act to provide for the dissolution or transfer of certain Crown corporations and to amend certain acts in consequence thereof be read the second time and referred to a legislative committee.

He said: Madam Speaker, I am pleased to rise today to lead off the debate on second reading on Bill C-73, the Crown Corporations Dissolution or Transfer Authorization Act.

Most hon. members will be aware that this bill responds to commitments made in last February's budget. The budget said the following and I quote:

> We will continue to privatize Crown corporations and sell investments where government ownership is no longer needed to meet public policy objectives.
>
> We are also winding up a number of Crown corporations and other agencies whose functions can be handled effectively by other organizations.
>
> Organizations that will be wound up and whose functions will be transferred to other entities include Canada Harbour Place Corporation, Canadian Patents and Development Ltd., and the Canadian Livestock Feed Board.

That is what the budget said and today we are here to deliver on those commitments. The budget named three of the corporations to be dealt with and the legislation we are considering names an additional three. These are Harbourfront Corporation, Canada Museums Construction Corporation and Mingan Associates.

Before dealing with the particulars of these six Crown corporations and agencies I would like to paint a clear picture of the government's objectives for the better management of Crown corporations.

We know that Crown corporations have played, and will continue to play, an important role in the development of the economic, social and cultural fabric of Canada. Crown corporations can be powerful and effective instruments of public policy—their relative autonomy and freedom to operate make them capable of responding to the needs of Canadians and to changes in the external environment in ways impossible for government departments.

Crown corporations, in aggregate, represent a significant proportion of federal public sector assets and employment—the 57 parent Crowns and 112 wholly-owned subsidiaries account for assets in the amount of approximately $54 billion, employ 140,000 people, and receive annual payments of some $4.9 billion from the federal treasury.

[*Translation*]

Crowns are often charged with providing goods and services to clients that the private sector, for whatever reason, chooses not to serve, but they are also tasked with being financially viable and, in some instances, with earning a positive return on Canada's equity investment in them.

Our *Agenda for Economic Renewal*, which was presented in November 1984, is a sweeping plan to renew Canada's economy. The *Agenda* is motivated by two mutually reinforcing principles: First, to restore health, integrity and discipline to the federal government's finances; and second, to restructure our economic framework to ensure that the market forces of the private sector, not government signals, drive the economy.

[*English*]

In short, we wanted to remove constraints that lay in the way of dynamic economic activity and having done that to let market forces and enterprising individuals

take the initiative. We see that as the way to ensure vitality in our economy and to make it—and to keep it—internationally competitive.

While fiscal progress has been a vitally important part of our action plan, we have also made, and are continuing to make, significant changes that improve the way the economy operates.

• (1010)

The 1984 Agenda paper was the first formal declaration of the government's intention to assess the continued use of Crown corporations as instruments of public policy. It noted that although each corporation was established to serve what, at that time, might have been a public policy purpose, we had to ask ourselves whether that remained the case. If it did not, it was important to consider whether the corporation should be retained. The Agenda paper also noted that some Crown corporations were predominantly, or in some cases entirely, commercial in character, and that it was appropriate to consider whether continued public ownership was in the best interests of either the company or the country.

The Agenda set out this government's approach to management which would be centred on financial discipline and efficiency. It stated that our Crown corporations must set new standards for sound management and financial performance, rather than provide examples of inefficiency and massive losses.

Since 1984, I am pleased to note that much progress has been achieved.

There has been significant rationalization of the Crown corporation portfolio. The number of parent corporations has been reduced over the past six years through the sale of all or part of 18 corporations and the dissolution of eight entities, representing an over-all transfer of more than $5 billion in assets to the private sector.

The privatization program is a success story and an initiative that complements our other actions to curb government spending, reduce annual deficits and control the growth in public debt. Air Canada and Teleglobe were in sufficiently robust financial health to attract enthusiastic private sector investors. The sale of Canadair to Bombardier has permitted the company to benefit from the expertise of one of the world's leading manufacturers and to expand its product line into the regional jet niche.

I would like to observe that there have been some real management success stories. For example, CNs balance sheet improvements—long-term debt is down from $3.5 billion in 1986 to $2 billion in 1989; productivity improvements at Canada Post—that corporation became profitable in 1988-89, producing a profit of $96 million in 1988-89 and $149 million in 1989-90. Compare that, Madam Speaker, to an operating loss of almost $400 million in 1984-85; and CMHC, through it's competitive financing renewal process, instituted in 1988, will save an estimated $54 million per year by 1992 by minimizing the interest rates paid by social housing sponsors.

Employment in Crown corporations in general was reduced from over 200,000 in 1984 to 140,000 in 1989. While over half of this reduction was due to the privatization of certain Crown corporations, a very significant portion was attributable to productivity gains that were achieved in the Crown corporations that remain our portfolio. Budgetary payments to Crown corporations in 1988-89, at less than $5 billion, represent a reduction, in real terms, of 9 per cent from those in 1984-85. Liabilities of Crown corporations are down over the same period by 12 per cent in real terms as well.

We have also taken firm action in other cases. The reduction in financial commitment to VIA Rail was a long overdue and necessary step towards ensuring that Canadians retain a passenger service that is, above all, affordable. Marine Atlantic's funding levels were cut by $36 million in 1984-85. Atomic Energy of Canada Limited's heavy water plants in Glace Bay and Port Hawkesbury, Nova Scotia were closed because they were making a product for which there was no market. However, the government recently entered into a joint funding arrangement with provincial electrical utilities to revitalize AECL's research and development program, and AECL continues its restructuring efforts to ensure the long-term viability of its commercial operations. It was amply clear that there is a continuing trend internationally toward more reliance on market forces. It is evident not only in the extraordinary rapid rise of the newly industrialized countries of the Pacific Rim and in the European Community's move towards a single market by

1992, but also in the remarkable events that have occurred in Communist states in eastern and central Europe.

The rebirth of belief in the market economy, the reality of the globalization of economies and the benefits of market discipline bring a growing recognition of the interdependence of nations and peoples economically, social and most importantly, environmentally. These realities force both the private and public sectors to become more flexible and responsive to changing conditions.

For those corporations remaining with the Crown corporation family, we must look to continuing improvement in financial performance. Since deficit reduction remains a prime objective of this government, we must work at lowering the net fiscal burden of the Crowns.

For Crown corporations dependent on appropriations, we must continue to examine how the load on the public treasury can be reduced. Much of the room to manoeuvre will have to come from efficiency gains. Profitable Crown corporations will be asked to return more to the shareholder. The government has invested significant resources in these Crown corporations and, as shareholder, it should normally expect a return on its equity. These corporations are establishing divided policies to encourage management to function in a more commercial way. Over the next two years, new dividend initiatives are expected to yield over $150 million. Crown corporations have contributed to the restructuring of the economy, the goal this government put forward in 1984 and will continue to do so as we realize our goal of achieving a more market oriented flexible and competitive economy.

In this environment the government will continue to examine whether certain Crown corporations are still needed to achieve public policy goals, or whether these goals can be met more efficiently through other means, such as through privatization, tax, regulatory or other program means.

It is just this kind of examination, and the purposes, that has led the government to propose the six initiatives contemplated in the bill before us today.

This bill would provide the authority:

(1) for the Minister of Transport to dispose of the shares of Canada Harbour Place Corporation through their sale or transfer to another federal entity, thus removing a parent Crown corporation from the management of this Vancouver complex that includes a hotel, office tower, convention centre and retail operation;

(2) for the Minister of Industry, Science and Technology to wind up and dissolve Canadian Patents and Development Limited and transfer patents and licences to departments and agencies of source, including universities who best know how to take advantage of them;

(3) for the Minister of Agriculture to dissolve the Canadian Livestock Feed Board and transfer program responsibility unchanged to the Department of Agriculture, a saving of a considerable amount of money;

(4) for the Minister of Public Works to change the Canadian Museums Construction Corporation from a parent Crown corporation to a subsidiary as a step toward eventual dissolution, in recognition of the fact that the Canadian Museums Construction Corporation's mandate was to build the National Gallery of Canada and the Museum of Civilization, both have been completed;

(5) and for the same minister to wind up and dissolve Toronto's Harbourfront Corporation once a settlement has been negotiated with Ontario, the city of Toronto and other parties. The proceeds from the sale of the assets will be used to provide for the development of parks and infrastructure on the site and to assist in the creation of an independent, locally-controlled entity having a capacity to continue the very excellent cultural programming that we know takes place at Harbourfront in Toronto;

(6) and finally, for the Minister of Indian Affairs and Northern Development to dissolve Mingan Associates, Ltd., an inactive Crown corporation.

• (1020)

In summary, we are getting out of inappropriate roles and allocating tasks to where they can be best performed without additional overheads and we are recognizing that when a job is done, the shop that did the job should be phased out. Eminently logical actions, each and every one. Actions that can be and will be supported.

Canadians are very much aware of the size of the federal deficit and the debt load. They want to be assured that the government is a careful custodian of their tax dollars. The savings from these initiatives are

modest, but the initiatives are nonetheless a clear indication of a process of critical self-examination that will be welcomed. Canadians are more prepared than ever to review how the government delivers public services and goods. If delivery can be arranged more intelligently or more efficiently, then Canadians, I believe, will support a change.

I therefore commend this legislation to the House and recommend its early passage.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I am pleased to have this opportunity to rise and speak on behalf of the Opposition in relation to Bill C-73, which the government describes as mostly housekeeping and a dissolution and transfer of government-owned assets in Crown corporations.

I would like to start with one or two general comments before I deal with the specifics of the bill. The comments relate to the general field of privatization and regulatory affairs. We can see that it has been recognized for approximately a decade that the role of government in a mixed economy requires continuing reassessment of the government's presence and role in the market-place. That analysis is one that is quantitative and qualitative and we now see, after many years of government growth, the real need to do that.

There are two ways in which we have done that here in Parliament and in government. The first area is the encroachment on the market-place and the cost of government regulatory activity. The second involves the wartime and post-war growth of Crown corporations and Crown enterprises in the market-place. We realized that this growth, this proliferation could not go on forever. In the late sixties and early seventies we became aware of what an economist and author, Peter Drucker, called certain discontinuities which call upon all of us in the western world to reassess the role of state enterprises in our mixed economies and the word I use here is "reassess".

This does not mean that we resort and beat a retreat to Wall Street capitalism. We do not mean that at all. It just means that we have the need to continue to reassess and scrutinize this area carefully, based on short-term and long-term government goals. I know that we do not have, on the other side of the House, a bunch of neo-Conservative carpet-baggers who are intent on plundering and selling everything we have in our Canadian corporate heritage. I know that there are reasonable members and ministers over there and I know that the process of fair and honest scrutiny will continue.

I want to recognize as well the advances that have been made in this area of scrutiny. It goes back well over a decade and is based on the work of parliamentarians and public servants who realized that times were changing and that we had a great deal of work to do. They are to be commended for their fine work in this area.

What we have now is a system of laws, procedures and institutions that are there to audit and scrutinize government presence in the market-place and government regulatory activity.

I would like to put on the record what are now said to be the five preliminary criteria for determination of whether or not a Crown enterprise should be privatized. I put them on the record because they are very relevant to the debate on privatization. They are as follows: First, does the corporation play a continuing role in the support of national and regional public policy objectives? Second, does the company have the potential to be commercially viable? Third, is it ready to operate in the private sector? Fourth, will privatization be compatible with other federal government policies such as bilingualism, competition, foreign investment and trade? Fifth, what will the effect be on the employees, competitors, suppliers or customers, all of which are proper elements of a criterion for assessment of whether or not an enterprise should be privatized.

The first one, does the corporation play a continuing role in the policy area, begs another question. We have to ask just what those regional and national policy goals are. We know that governments will differ from time to time on just what those policies will be. If we are not going to be able to agree on the policy, clearly we are not going to be able to agree on the privatization analysis. There is the nub and there is the debate.

Let us take a closer look at Bill C-73. It is characterized as a housekeeping bill and perhaps a bill that fulfils the promise of that wonderful government budget earlier this year. I say that, of course, with tongue and cheek

just so *Hansard* gets it right. I would like to look at the six corporations very quickly.

The first corporation that the bill refers to is Canada Harbour Place Corporation. We are basically talking about the Vancouver Canada Place lands. The bill calls for the sale or disposition on such terms as the Governor in Council approves, but it also permits and authorizes Canada Harbour Place Corporation to sell its own assets in the way that the Governor in Council approves. I want to come back to this particular Crown corporation in a few moments.

The second one is Canada Museums Construction Corporation. The provisions of this bill call for the transfer of the share now held by the Minister of Public Works to Canada Lands Company Ltd. I do not think any of us are going to have a major problem with that. That truly is housekeeping, subject to—and this is a subject which will have to be looked at in committee—the need to scrutinize very carefully, from a legal perspective, the completion of contracts on the museums which have been constructed at great cost and also from a perspective of compliance with the warranty provisions in each of those contracts.

These provisions all relate to more extensive and complex contracts. We want to be very sure that the transfer in ownership or control here does not prejudice the position of the taxpayer in those two regards.

The third entity affected by the bill is the Canada Livestock Feed Board. This is basically a dissolution and a rollover of the assets and working agency into the Ministry of Agriculture. There is some speculation that this initiative could save the taxpayer several hundred thousand dollars. How can we argue with that. The fourth corporation affected is the Canada Patents and Development Limited. This involves a dissolution and transfer of the capital assets. I think it can be characterized as a rollover as well. The government believes this will ensure more effective prosecution of the development and sale of patents and the patent rights.

• (1030)

The fifth one is Harbourfront Corporation. This involves a sale of assets and a closing out or winding up of all of the activity, I think much in the way that the Vancouver initiative is planned.

We are dealing with some major real estate assets here. We have a book value of approximately $31 million. We have real estate leases, short-term and long-term, and extensive and complex property rights, something only the overheated real estate market of Toronto could develop. But they are there, they are complex. I want to come back to Harbourfront Corporation in a few moments.

Lastly, Mingan Associates is accepted to be a housekeeping initiative.

I want to come back to two of these entities which are being "privatized". I suggest that this is not just housekeeping, that this is in fact privatization. I wonder out loud why we might not have wanted to deal with each of these privatizations each one on its own merits.

Why am I being cautious? Why do we have to be cautious about this? Well, there are a few reasons. I want to make reference to some of the other privatizations we have seen over the last three or four years. I am not going to go into detail, but the mere mention of the name ought to be enough to make the minister take note and want to be cautious.

In the de Havilland sale, we sold a large viable entity in which Canadians had invested heavily and which we did plan to reap heavily. We sold it into the private sector, which is not of itself a bad thing at all, but we sold it for about $90 million. A short time later we settled a lawsuit with the purchaser for almost the same amount of money. With the return to Canadians, I think we basically sold it for nothing or less than nothing. That does not look like much of a deal. I think it should embarrass some of the people who were involved in that.

I can mention the privatization of TeleGlobe. All I have to do is mention it and mention the prospect of the potential down side of too much insider activity which may or may not have occurred in relation to that privatization. I know it embarrassed some.

I want to mention Route Canada. With Route Canada, I know that one of our committees here may want to take a closer look at it. The government sold an asset that had a book value of approximately $75 million for about $29 million. Now, I know that looks bad. I am sure there is an explanation out there somewhere, but what a perfect opportunity for an asset strip.

Purchasers called it a leverage buy-out, but it was an asset strip. It was a perfect candidate. Maybe it occurred just because we in government have not learned how to sell things yet. Maybe we really did not yet learn how to do it right. Maybe there is still a learning curve. I and my caucus want to make sure that if we are going to do this kind of thing again, because we have good policy reasons to do it, we do it right. I do not want to make any more mistakes, and I do not want to prejudice any more government employees. I do not want to prejudice any more employees of the Crown corporation. I want to make sure we do the right thing, and do it the right way. Why am I cautious? The mention of a few of those corporations ought to permit us to deduce why. Let us take a closer look at the two corporations at which I want to look more closely.

First, there is Canada Place in Vancouver. I note that it has a depreciated asset book value of $67 million, not an insignificant sum. Also, I want to point out that the land on which that building sits, which is valued at $67 million depreciated dollars, was purchased for $1 in the Vancouver market. I want to put a flag beside that.

I want to say to the government that it is dealing with an asset value that may approach $100 million, that when it is disposed of there has to be the policy analysis that first dictates the privatization. Then there must be a careful procedure to ensure that it is sold properly, without embarrassment and that the taxpayers have recovered what is justly theirs.

The second area is Harbourfront Corporation which has a book value of $30 million. I have to suspect that the book value on these lands, property rights and leases, all of which were acquired over a decade ago, is vastly understated in the Toronto real estate market.

I think we will be looking for a better appraisal and a better statement of just what these assets were, notwithstanding that the minister indicates that it is the government's intention to move these assets into another public corporation, joint or otherwise, involving the provincial and municipal governments in Toronto.

It is also essential that we see the privatization analysis. I am confident we will have an opportunity to ask for this in committee. I am quite sure we will see it. We are not going to sell these assets involving all of these millions of dollars on such terms as the Governor in Council shall approve unless we see that analysis, not just because it was in the budget.

I am saying all of this for the minister's benefit. I know when he retires in 1993 that he will want to retire proudly, feeling that he has done a great job for the taxpayers and the people of Canada. I want him to be proud of his work. I do not want to see him harassed and hounded out of office by a crowd of journalists and angry opposition MPs. I know he will take our advice. I know he really believes I said all of that for his benefit.

As well, I want to point out in connection with the Vancouver sale the controversy which has surrounded current and recent past sales of the Vancouver Expo lands. There is a mandatory requirement of intensive government consultation with the local governments.

I have a special interest in the Harbourfront in metro Toronto lands, my riding being Scarborough—Rouge River in metropolitan Toronto. I want to ask if the privatization contemplated here is consistent with what is known as the Crombie royal commission on the future of the Toronto waterfront. I know that the minister believes that it is, and I have seen it written in some locations that it is, but I am not a believer yet.

Is this a sale, the terms of which are before us? No, we do not see the terms of the sale. The statute does not even say to whom it will be sold or transferred. We do not know that yet.

• (1040)

We are passing a law that says: "Governor in Council, cabinet, sell this asset and get what you can". The minister says no that is not quite what it is, but that is what the law says and that is why we are here: to pass a law. I am looking at the words in the statute. This privatization is supposed to be consistent with the Crombie recommendation.

I would like to read two recommendations of the Crombie royal commission. The first one says: "We recommend first that there be no further sale of lands currently held in public ownership including provincial and federal". The second one I want to read is: "We recommend that aggressive public land acquisition programs be instituted on the waterfront".

I remain to be convinced that the sale of these lands now are consistent with either of those two recommendations. That royal commission was instituted by this government. I would like to know why the bill as proposed does not, on its face, come close to complying with those two key recommendations which are found in Volume IV of the report at page 68.

Also in metro Toronto there is a land ownership issue very close to my riding of Scarborough—Rouge River respecting the Rouge Valley lands. The federal government owns pieces of the Rouge Valley. The province owns most of it. Recently the province made a decision to give over all of those lands to the preservation of the Rouge Valley. That was lousy economics, but it was good planning. I caution the government that when it deals with the Vancouver and Toronto lands not to chase the god of great economics and end up with lousy planning.

We all have an interest in the proper disposition of these issues. This is a caution flag. I want everyone to know that we in opposition will be looking at these two aspects of this bill very carefully. We want to see the government's own policy analysis dealing with the sale and disposition. We want to see the program that is contemplated for both of these matters before we can feel comfortable supporting this bill.

Mr. Lorne Nystrom (Yorkton—Melville): Madam Speaker, I too would like to say a few words on the bill before the House.

As the minister says, the bill deals with six different corporations. In many cases it transfers the work of one of the existing Crown corporations to another agency of the Government of Canada. The main thing we should be doing today is saying to the minister across the way that we want this bill in committee so that we can ask some specific questions about each of these six corporations.

I am concerned, for example, whether or not the employees are being dealt with in a proper way. Those are the kinds of questions that I would like to ask. Employees are going to be transferred from a Crown corporation to a government agency, and I want to know if that is going to be done properly in terms of their benefits, their salaries, and their pensions. Is there going to be job loss? Are the employees in agreement with what is happening? I am also concerned about the various relevant interest groups, as to whether or not they are pleased with this new activity.

If I can take as an example the Harbourfront Corporation in Toronto, which is going to be transferred to local control. In principle I like the idea of local control. It is a way of democratizing our economy and our country, but I would like to know more details about what the government has in mind about what local control is.

If it is along the lines of the recommendations of David Crombie and the royal commission, my understanding would be that this would be very attractive and would have the agreement of most Torontonians. We would probably give a green light to that. Perhaps we could get more details on that from the minister in committee.

The second looks attractive in principle. It is the Mingan Associates Limited company which was established to obtain land and fishing rights. It is now a Crown corporation. The intent of the minister under this bill is to transfer this corporation to the relevant Indian reserve so that the Indian people themselves have control over it.

I would also like to know what those local Indian people think of the matter, whether or not they have requested it. Is this the route those Indian people wish to go? If it is the route they wish to go, it could be the proper direction or the proper move toward further democratization of our economy.

I have been one for a long time who thinks that we should be moving toward what I call economic democracy in our country, where people have more control over the economic levers that affect their own lives. I would be very interested in whether or not these are the kinds of steps, in these two cases in particular, that would move in that direction.

Those are two moves, the elimination or the transfer of two existing Crown corporations, which indeed may be interesting in terms of local people or local associations having more control over the lives and over the future development of that relevant agency in terms of their own community.

I notice that for three other Crown corporations there is a slightly different move recommended in this bill at seconding reading. One is Canadian Patents Development Ltd., a Crown corporation that is going to be

transferred to relevant government departments. That may or may not be a good move.

Once again I would like to have a chance to question the minister and relevant officials at a committee to see whether or not this is the efficient way or the proper way to do it in terms of the industry to do it. In terms of research and development in this country, is it a good thing for R and D to eliminate this Crown corporation that deals with patents and transfer its jurisdiction to the relevant government departments? It may indeed be the proper thing or perhaps there is some objection to it from the scientific community or from the research community in this country.

I am sure that the member of our party from Windsor—St. Clair, who is our spokesperson on research and development, might be interested in asking a question or two about this issue later on.

Another agency is the Canadian Livestock Feed Board that is very relevant to those of us in rural Canada. My riding being in Saskatchewan is one of those with people who are interested in this particular agency. I understand that the functions of the Canadian Livestock Feed Board have in essence been transferred in the last two, three, or four years to the Department of Agriculture. The functions of that agency are already being carried out by the Department of Agriculture.

Once again I would like to know whether or not the employees have been dealt with in the proper fashion. Are the employees happy with what has happened? Are the farm organizations pleased with what has occurred? Is all the jurisdiction of the existing board going to be felt in Agriculture Canada? That is the second Crown corporation that will be transferred or has already been transferred to the relevant federal government department.

The third one that is going to be transferred is the Canadian Museum Construction Corporation. That corporation was established a while back to deal with the construction in the national capital region of the National Gallery here in the city of Ottawa and the Museum of Civilization in the city of Hull, just a few metres away from the Parliament Buildings. This corporation is going to be transferred as well to become a subsidiary of the Canada Lands Company.

Again the same questions I raised about other companies and employees are relevant in this case. Also in this case I would be interested in knowing about some of the cost overruns in the construction of those museums, why we cannot be a bit more accurate in estimating how much a major building by the federal government is going to cost before we settle on the tenders and before we settle on the contracts.

There is a lot of concern by ordinary Canadians who are not in the national capital region about the cost of these two beautiful places, these two wonderful places. Before we rubber stamp this transfer by the federal government, I think what we should be doing is calling in the relevant officials to make sure that we have answers to some of those questions.

The last corporation is the Canada Harbour Place Corporation, a corporation that was given a mandate to administer properties at Canada Place in Vancouver as the Canadian Pavilion in Expo 86.

• (1050)

I assume that this is going to be sold to the private sector. Of the six corporations that are going to be dismantled or eliminated by the federal government this is the only one, at least on the surface, that appears to be in a position where it is going to privatized in the classical sense: in the way that the federal government has privatized Air Canada and some of the other corporations in recent years.

Those are the concerns we have in our party. In committee we want a chance to deal with these six corporations in a very specific way in terms of finding out of it is good (a) for the country, (b) for the employees working there, and (c) for the people who are interacting with these particular corporations, be it scientists or be it farmers in terms of the Livestock Feed Board or be it Torontonians in terms of the Harbourfront.

Since I know somebody else wants to make a few remarks before eleven o'clock, in conclusion I say to the minister that shortly we are going to have a major bill before the House to privatize Petro-Canada. My attitude at that time will be totally different from my attitude toward these corporations. I believe the Conservative Party is making a very major mistake going ahead with the privatization of Petro-Canada, particularly at a time when there is a crisis in the Persian Gulf and the Middle East.

Petro-Canada was established back in 1973, 1974 and 1975 at a time of a crisis in the Middle East. It is our window on the marketplace in terms of the oil industry. We are making a major mistake by selling out to the private sector—part of it probably to foreign investors—this small window we have on the marketplace in Canada.

Most of our oil industry is foreign owned. It is owned by the private sector. Most countries in the world, except the United States, have a very major publicly owned gasoline, oil, or energy company. The Mexicans have and most European countries have it. Most countries in the world have a major Crown corporation that is publicly owned. I believe we are making a mistake.

In concluding, I say that the Conservative Party made a major change in terms of its ideological orientation and privatization about four or five years ago when this Prime Minister was elected, in terms of trying to privatize as much as possible in this country. The Conservative Party of many years ago was the opposite. I remind the House that the Conservative Party is the party in this country that established many of the Crown corporations we have today: the CBC, the Canadian Wheat Board, and the Canadian National Railway, to name but a few. Peter Lougheed as premier of Alberta believed in a mixed economy in terms of public ownership in that province. The minister responsible for privatization comes from Brampton, Ontario. Former Premier Bill Davis was one who intervened in the marketplace in terms of Crown corporations.

That is sort of the tradition and the heritage of the Conservative Party of Canada. I think there has been an ideological change in the last few years. I think they have blinkers on, in terms of the value of privatization.

Therefore I serve notice to the government today that when the privatization of Petro-Canada bill comes before this House, he can expect a fight from the New Democratic Party. He can expect our party to try to mobilize public opinion to make sure the Conservative Party does not proceed with that bill in the same way we did 10 years ago when a former Prime Minister, the right hon. member for Yellowhead, promised to privatize Petro-Canada, raised the price of oil in this country, and went to the people and was defeated.

Once again we promise to make the same kind of issue out of Petro-Canada as we did 10 years ago and to try to stop the government from privatizing it.

[*Translation*]

Mr. Benoît Tremblay (Rosemont): Madam Speaker, I have a question for the hon. member for Yorkton—Melville. It seems to me that with this bill the government is pursuing two objectives. One section of the bill deals mostly with administrative reorganization and changes in responsibility, which I imagine is supposed to improve government efficiency. Other parts of the bill concern the privatization of certain corporations. In your speech, you seemed to object to the bill as a whole for reasons that were mainly connected with the privatization aspect. However, there is also that part of the bill that focuses on improving the effectiveness of government administration, and I would like to hear your views on the subject.

Mr. Lorne Nystrom (Yorkton—Melville): Madam Speaker, I believe I said before that we have a lot of questions about the effectiveness of the bill before the House today. When I say effectiveness, I am talking about administration. I gave as an example a change that would affect three Crown corporations: The Canada Museums Construction Corporation, the Canadian Livestock Feed Board and Canadian Patents and Development Limited. I wonder whether administratively speaking, these changes would indeed have the desired results for this country and for the government of Canada. I am not sure. That is why I would like to see this bill in committee, where we can ask the responsible minister, the Minister of State (Privatization and Regulatory Affairs) and his officials for answers to this kind of question. The proper place to ask these questions is in committee. I would like effective and responsible government but I also want a government that has progressive policies for our country.

This bill also holds out the possibility of having Harbour Front Corporation in Toronto under local control.

As I said a few minutes ago, I agree in principle with the government's proposal but, as usual under our system of government, a lot depends on the details of the bill and the way the regulations are set up. That is why

the minister should come before the appropriate committee and answer our questions.

Mr. Benoît Tremblay (Rosemont): Madam Speaker, I have another question for the hon. member for Yorkton—Melville.

He pointed out that the bill covers the re-organization or privatization of several very different corporations.

I am wondering whether a single committee would be able to deal with them all, because we are looking at issues related to agriculture, to science and technology, and to other topics more closely tied to the real estate field.

Can the same committee, usually made up of members whose abilities and expertise have something in common, consider the advisability of re-organizing, abolishing or even privatizing various government activities covered in a single bill? Can a committee member be all at once expert in agriculture, expert in science and technology patents, and expert in matters related to real estate.

I have some reservations as to how this might be worked out and, if we are to achieve the goals you have in mind, I should like to hear your suggestions in that respect.

Mr. Lorne Nystrom (Yorkton—Melville): That is a good question, Madam Speaker.

We have a problem here because, as the hon. member said, we are dealing with six corporations operating in very different fields. For example, one of them is very important to the farming community. Yet another one is a leading concern in research and development in Canada. I would suggest that we need a parliamentary reform, Madam Speaker, for we are often asked to consider what we call omnibus bills which cover a wide range of issues.

It would be a problem because I happen to know that the member for Saskatoon—Humboldt, knowledgeable as he is in the agricultural sector, would want to attend the committee proceedings on the bill. As to research and development patents, Madam Speaker, the member for Windsor is our party spokesman.

I agree with my colleague from Rosemont that the matter deserves more consideration, but the government is putting us in a tight spot.

Madam Deputy Speaker: It being 11 o'clock, pursuant to Standing Orders 35 and 31, the House will now proceed with members' statements.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

WORLD SUMMIT FOR CHILDREN

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, as all members of this House will know, this weekend the World Summit for Children takes place in New York. For the first time ever, heads of state or government will meet to discuss one important social concern, the health and welfare of the weakest and most vulnerable of society, children.

For Canada, the summit is an international event, around which we can find common national purpose. It can be a catalyst which can focus world attention on the specific and urgent needs of children. Children are one of a country's most vital resources. The World Summit is a unique opportunity to draw attention to the specific problems facing children in all parts of the globe.

Mr. Speaker, while much has been accomplishments, there is still a long way to go. Children must become a higher political priority in the 1990s.

I applaud the leadership of our government and our Prime Minister in our participation at this historical summit and look forward to our commitment to focus on "doing the do-able" for the children of Canada and around the world.

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UNEMPLOYMENT INSURANCE

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, through the mist of the very heady stuff that we have been discussing this opening week of the fall session of Parliament, we find another problem of a different nature but no less magnitude.

In rural Newfoundland, the high number of people who do not qualify for unemployment insurance this year is nothing short of awesome. They do not qualify because this government will not reinstate the variable entrance requirement that takes into account the realities of high unemployment and that would have their qualifying time

reduced from 14 to 10 weeks. I estimate the number in my riding alone to be well over 5,000. I met and spoke with them this summer.

They are without money; they are without food, their children will soon be going to school hungry and inadequately clothed. People are close to the point where they are without hope. There is no question the situation is desperate.

I call on this government to take compassion on these people and immediately reinstate the variable entrance requirement and reduce the unemployment insurance qualifying time from 14 weeks to 10 weeks.

* * *

GREENPEACE

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, yesterday in Montreal Greenpeace activists were arrested following a confrontation with port authorities while trying to draw attention to the export of uranium from Canada. Their actions stemmed from the refusal, two weeks ago, of the Minister of Energy to launch an inquiry into uranium mining in Canada.

Miners, native groups, health professionals, and environmentalists have been pressing for the inquiry for 10 months. They want to know why two million litres of radioactive waste spilled into Wollaston Lake in northern Saskatchewan. They want to know who is regulating the regulators. They want to know why the maximum penalty under the Atomic Energy Control Act is $5,000, half of that for smoking on the Hill. They want to know why development of massive new radioactive deposits like Cigar Lake are going ahead without intense public scrutiny. They want to know why radiation levels, raised by Jean Chrétien, remain as much as 20 times higher than elsewhere in the world.

Mr. Speaker, pious platitudes and stonewalling are no substitute for truth and action and it is truth and action that we need.

* * *

[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, I noticed last night, during the Prime Minister's press conference, that our national network has once again translated into English the part of the speech the Prime minister gave in French but that, with total disregard for the francophones, it retransmitted without translation the part he gave in English.

The CBC should live up to the linguistic expectations of all Canadians, Mr. Speaker. It is unfair and discriminatory for our national network to dare broadcast only part of such an important statement from our Prime Minister.

I therefore urge the minister of Communications to look into this problem.

Mr. Speaker, it is not the first time that this happens and it is totally unacceptable in a bilingual country such as ours.

* * *

[*English*]

THE SENATE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, Tory times are expensive times, for taxpayers that is.

Earlier this week, the Prime Minister created eight new Senate positions using an obscure clause in the Constitution in order to obtain passage of his much dreaded goods and services tax.

Let us look at the cost of these eight unnecessary nominations: $71,900 per year per senator in salary, $21,628 per year in estimated travel expenses, $152 per day for sitting in the Senate, which totals $36,352 per year. That is $129,880 in direct expenses per senator. Based on a retirement age of 75, each candidate in question will result in 183 person–years and a direct cost of $23,768,040. That is the cost of the boondoggle of the Prime Minister. Imagine what the cost would have been had I calculated the 15 nominations of last week. It is almost enough to make John Buchanan blush.

* * *

[*Translation*]

ORAL QUESTION PERIOD

Ms. Marie Gibeau (Bourassa): Mr. Speaker, it seems to me that you have changed the time allotted to the speakers in Question Period all week long. Traditionally, the government side was always allowed two questions. By eliminating the second question, you penalize the francophone government members, thus silencing the supporters the government has in Quebec. So, Quebec has to suffer because you allow a new opposition group

to use that time, at the expense of another group of elected members which is at least as important. One gets the feeling, Mr. Speaker, that this small group of individuals that represents Quebec, individuals who have decided to change allegiance while in office, which is their privilege. By acting that way, Mr. Speaker, you bias not only perceptions but mainly the true representativeness of this House.

Allow me to urge you to start allowing again a second question from the government side and to restore, that way, social justice and public morality.

* * *

[*English*]

IMMIGRATION

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, foreign domestic workers in Canada face a variety of problems. Many are poorly paid, drastically overworked and often the victims of sexual harassment. These workers, most of them young women, come to Canada hopeful of a start of a new life. The way they are treated is shameful.

The most glaring example of this inequitable treatment has arisen in the case of Juvy Badua. In Ms. Badua's application for entry to Canada she misrepresented her age, she said she was older than she was. That was wrong. She should not have done this, but she willingly acknowledges this misrepresentation.

But how has the government reacted? They have ordered her out of the country even though she has a job here in Canada. This action flies in the face of previous rulings where misrepresentations as to age and marital status have led only to a slowdown in cases, not in an order to leave the country.

To be blunt, the government has gone right off the deep end on this case.

Why is Juvy Badua being treated so unfairly? Why has she received a punishment which goes so far in excess of her misrepresentation?

I would ask the minister to review Ms. Badua's file and correct this inequitable treatment. Allow her to stay in Canada.

* * *

AGRICULTURE

Mr. Ken Hughes (Macleod): Mr. Speaker, grain producers in the riding of Macleod have spoken to me about their concerns and their frustrations with world market prices this year. Certain relatively small areas have faced drought and devastatingly low yields for the ninth year in a row. Nothing is more frustrating than personal financial devastation while the media reports boom-time production across the prairies. Nothing could be more frustrating.

But even those with mountains of grain on the back forty face a financial crunch with few sales, low prices, and, I might say, borrowed input costs. In some cases, the only source of cash is the advances available on production not yet delivered.

I ask the Minister of Agriculture to consider waiving, for this crop year, the interest requirement on at least part of the cash advance.

* * *

HUMAN RIGHTS

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, in his speech accepting the Nobel Peace Prize, the Dalai Lama said: "the awarding of the Nobel Prize to me, a simple monk from Tibet, fills us Tibetans with hope. It means that despite the fact that we have not drawn attention to our plight by means of violence we have not been forgotten. It also means that the values we cherish, in particular our respect for all forms of life and the belief in the power of truth, are today recognized and encouraged."

• (1110)

Mr. Speaker, it is truly a tragedy that our Prime Minister does not recognize the power of truth and peace. Why can he not accord this great man of peace the welcome he truly deserves during his visit to Canada, a country which prides itself on defending peace and human rights? Canada cannot only defend the human

rights of those countries which are currently in vogue but must adhere to a moral code which stands for the rights of the oppressed throughout the world. By refusing to meet the Dalai Lama, Canada is reneging on its convictions.

* * *

WELLAND

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, most of the time in our statements we are complaining about one thing or another happening in our country and across the world. But today I thought I would interject a little bit of good news.

Welland, Ontario, which is situated in the heart of the Niagara peninsula, is becoming known for its magnificent outdoor wall murals. Since the inception of this outstanding tourism and economic development project in 1988, specially selected artists from across Canada have created 27 giant historical murals on building walls in this canal city.

The mural program is a special project of the Promote Welland Task Force. It is a non–profit community organization made up of Welland citizens from all walks of life. They are determined to create a basis for economic revitalization. This grass roots groups has provided the funding and the logistics for the massive artistic effort.

Welland probably boasts Canada's highest proliferation of outdoor art by professional artists. Some of these murals are as big as 82 feet by 32 feet. These can be enjoyed 12 months of the year and it is absolutely free.

We in Welland are very proud of our accomplishments and we would like Canada to be proud of us. We extend an invitation to all Canadians and, indeed, to all people throughout North America to visit the mural capital of Canada and sample our outdoor art gallery and Welland hospitality.

* * *

VIOLENCE AGAINST WOMEN

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, almost one year ago 14 young women lost their lives when one man's hate exploded into violence at the *Ecole Polytechnique* in Montreal.

In the aftermath, the federal government promised the women of Canada that it would work to end violence against women. Yet the violence continues. Yesterday, a young woman student at the same school was viciously attacked. Women who face violence often have nowhere to go. The lack of shelter spaces means that one in two Canadian women who need help must be turned away.

Twenty years ago, the Royal Commission on the Status of Women in Canada began its report by quoting from the Universal Declaration of Human Rights: "All human beings are born free and equal in dignity and rights". Twenty years later I call on this government to make good on their promise to the women of Canada. Stop the violence.

* * *

THE SENATE

Mr. Dave Worthy (Cariboo—Chilcotin): Mr. Speaker, recent polls have shown this government to be unpopular. This is not surprising when you realize that strong government will many times be unpopular.

Our current deficit is evidence that governments that try to gain popularity through soft legislation fail. Behind the doors of the other House, misguided Liberal senators are holding up a vital UIC bill, a government restraint bill, corporate tax reform as well as GST. These bills have all been labelled as unpopular but they will account for a turnaround of $8 billion in our deficit.

This government is prepared to pay the price for an unpopular but effective government. We are not willing to sit by and watch as an unelected House down the hall holds our taxpayers up to an $8 billion increase in our annual deficit.

* * *

[*Translation*]

HIBERNIA PROJECT

Mr. Nic Leblanc (Longueuil): With reference to the amendment introduced by the Hon. Member for Richelieu, Mr. Speaker, Hibernia is an expensive project which is not economically sound and even if it were some day to become financially viable the dividends and profits would go directly abroad. Most Canadian economists have shown that it is not a profitable operation as evidenced by the fact that no private corporation was prepared to get involved in this project without the support of the Federal Government.

As to the spinoffs from the construction, there is no guarantee that Quebec firms will get their fair share.

For all these reasons, I am quite surprised not to see a single Quebec representative of whatever their stripe, either blue, red or yellow, rise in this House to discuss openly this ambiguous project.

Mr. Speaker, I wanted to give Quebecers fair warning, because obviously they are taken for a ride.

ORAL QUESTION PERIOD

[*English*]

THE SENATE

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, in the absence of the Prime Minister my question is for the Deputy Prime Minister. Yesterday Canadians saw the Prime Minister fall to a new low, and I am not talking only about the Gallup poll, when he completed his packing of the Senate by using a provision of the Constitution for the first time in our history to appoint the eight additional Senators in a stubborn and desperate attempt to force through the goods and services tax, a tax Canadians do not want.

Why is the Prime Minister continuing to try to ram through the goods and services tax when Canadians know and economists generally agree that it is the wrong tax at the wrong time. It will cause serious damage to an economy already in serious difficulties because of the policies of this government?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, far from falling to a new low, I think that all of us would be interested in noting the almost universal condemnation of the actions of the Liberal Party over in the Senate in their efforts to thwart the will and the rights of the House of Commons in Canada.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the government has ignored the universal, not almost, but the universal condemnation by Canadians generally of this government's misguided goods and services tax.

The Deputy Prime Minister has ignored the point of my question so I will ask it again. Why is he ignoring the impact of the goods and services tax on an economy which if it is not already in recession, is tumbling headlong into recession at a time when world oil prices are soaring? They are reaching record levels. Why does the Deputy Prime Minister and his government want to jack up the home heating bills of every Canadian by 7 per cent next January and each and every month thereafter?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, if there is anything that is undermining the confidence of the Canadian economy it is the actions of the Liberal Party and particularly the actions of the Liberal senators.

Just simply to support that, because it is not only the contention that we have on this side of the House, it is the contention of learned opinion right across the country. Right here, *The Ottawa Citizen* in today's editorial states:

> Senate Crisis Blame the Liberal goons
>
> This fight has nothing to do with whether the GST is a good or bad tax—Rather, it has everything to do with discrediting the Tories;
>
> Equally contemptible is the blatantly opportunistic NDP which is calling on the Senate to kill the tax.

The Montreal *Gazette*, "Hitting a new parliamentary low"; the *Calgary Herald*—

Mr. Allmand: Nobody believes that.

Mr. Keyes: Not according to 85 per cent of the population.

Ms. Copps: Issue the writ.

Mr. Mazankowski: Mr. Speaker, when I answer the question, and they do not like the answer, they start heckling. They cannot take it.

The *Calgary Herald*, "Prime Minister Brian Mulroney had little choice but to invoke section 26 of the British North America Act—In fact, it could even be argued that he had a duty to do so".

So, Mr. Speaker, what is at issue is whether Mr. MacEachen over in the Senate is going to pick and choose as to what pieces of legislation he thinks are appropriate for the Canadian people or whether those decisions are going to be made here on the floor of the House of Commons.

Some hon. members: Hear, hear!

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the issue is whether the Prime Minister will have his way in spite of the universal opposition of the Canadian people to this tax.

• (1120)

I ask the Deputy Prime Minister if he thinks that this goods and services tax is the right thing for this country. Will he move immediately to have an elected Senate and see if Canadians will elect senators who support the GST?

[*Translation*]

Mr. Speaker, I am asking the Deputy Prime Minister whether, together with his government, he will amend the Constitution right away to make it possible for Canadians to elect a Senate which would support the GST. Clearly, the reply is no: No to the GST and no to this government!

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, for a very distinguished parliamentarian who has served the House of Commons with a very long and distinguished career, I am absolutely appalled and ashamed at the fact that he would surrender the supremacy of the House of Commons of Canada to the Senate.

An hon. member: That is what he suggests.

Mr. Mazankowski: That is exactly what he said. Now he suggests that maybe we should have an elected Senate. It is the first time I have heard that from him in his 30 years of being a parliamentarian, but it is worth while considering.

* * *

GOODS AND SERVICES TAX

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Finance.

Most Canadians believe that the only reason the minister is trying to ram his goods and services tax through Parliament before January 1, 1991, is because he hopes that Canadians will have forgotten their anger by the time of the next election.

Given that we have lost tens of thousands of jobs in the last year, given that we have tens of thousands of firms experiencing bankruptcy, given that the minister himself has admitted that we are in a period of recession, will he please explain to the House why he insists on imposing this onerous and inflationary new tax on Canadians at a time when the economy is already badly battered?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me remind my colleague that on what we are debating in the other House, the reason why the Prime Minister took the actions that he took was not because of one bill that is being held up but because of Bill C–21, the unemployment insurance bill, Bill C–28, the income tax bill and the goods and services tax bill.

It is these bills that must be got through to maintain the fiscal integrity of this government. We are not going to allow the integrity of the government to be undermined by a man who was a minister of finance here and failed in that position.

Mr. John Manley (Ottawa South): Mr. Speaker, I think Canadians will find it ironic to hear a Minister of Finance who is no longer believed by the people of Canada and a government that is universally detested promoting a tax that is universally hated, pleading for democracy.

I would like the minister to speak about his tax, the GST. He has admitted that his budget figures were wrong last February. He admitted that he was wrong on inflation. He admitted he was wrong on interest rates, wrong on revenue and wrong on the deficit.

Will he not now admit that he is wrong to be asking Canadian households to pay an additional $6 billion at a time when the economy is in a recession?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the $6 billion figure is a deliberate misrepresentation by the hon. member. That is not an accurate number, and he knows that is not true.

The hon. member has asked why we are pressing to get this legislation through. This legislation has been widely supported by international organizations which are saying that this is extremely important to getting the financial position of the Government of Canada in a stable position.

I have pointed out in a number of ways how it improves the stability of the fiscal position of the Government of Canada. It astounds me that this man is just right now criticizing the fact that our deficit is going to be up

somewhat this year, I might say after it was for three years running below our target.

I have not heard anything from him congratulating us to the fact that it is below the target. The hon. member is saying that we should not proceed on this. At the same time, he is saying: "You have to get the deficit under control." You cannot have it both ways. This is an important factor in normalizing and stabilizing the fiscal position of the Government of Canada.

* * *

THE SENATE

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Deputy Prime Minister.

Yesterday the Prime Minister appointed the eleventh senator from New Brunswick. I would point out to the Prime Minister, according to the Constitution Act 1867 to 1982, that section 22 states: "There shall be 10 senators from New Brunswick". Section 37 states: "There shall be 10 members of the House of Commons from New Brunswick". Section 51(a) of the Constitution Act states:

> Notwithstanding anything in this Act a province shall always be entitled to a number of members in the House of Commons, not less than the number of Senators representing such province.

It would seem that the Prime Minister has chosen to appoint 11 senators from New Brunswick, but we still have 10 seats in the House of Commons. I ask the Deputy Prime Minister how he explains this possible contradiction.

Mr. Riis: A violation of the Constitution.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, the hon. member raises an interesting question. It has to be divided into two sections.

First of all, there is absolutely no question that section 51(a) in any way impedes the ability of the government to use section 26 of the Constitution.

Our advisers are looking at the relationship between the two sections. There are a number of ways of approaching it. Clearly, section 26 is intended to be a temporary device, because once there are retirements in those areas, they will not be replaced until the number of senators is down to the proper level.

We are seeking advice on this and there may, in fact, be implications on this for the next generation election. I appreciate the hon. member raising it.

Some hon. members: Oh, oh.

Ms. Audrey McLaughlin (Yukon): I have a supplementary for the Minister of Justice: Clearly, there are some very serious questions here about whether this government is violating the Constitution of Canada.

An hon. member: She just admitted it.

Ms. McLaughlin: Mr. Speaker, I ask the Minister of Justice, rather than operate on maybes, why does this government not simply make a reference to the Supreme Court, as was done in 1982, to get a ruling on what is legal about these appointments.

An hon. member: Hear, hear.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, in fact, it may well be appropriate to seek that as a way of answering the relationship between section 51(a) and section 26. It is a complex issue and we are reviewing it. I would underline again that section 51(a) has no bearing on the legitimacy or the validity of section 26.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I direct my supplementary to the Deputy Prime Minister. Clearly the government is acting in its demolition derby attitude toward government and not even checking out the legality of what it is doing. We have the possible illegal moves in appointments to the Senate on top of an inept performance by the government and an unfair tax. I ask the Deputy Prime Minister: Why not do the right thing and pull the tax now.

An hon. member: Hear, hear.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, most of us are bewildered and perplexed by this new found relationship between the New Democratic Party and particularly the Liberal senators. I would have thought that the last thing I would have experienced in my days as a parliamentarian here in the House of Commons was to see the hon. Leader of the NDP become a spokesman for Mr. MacEachen.

[*Translation*]

THE ECONOMY

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is directed to the Minister of Finance. Last week, the Minister admitted willy-nilly that Canada was in a recession. Yesterday, the Bank of Canada increased again its interest rates. Does the Minister believe that it is possible for Canada to get out of this recession while maintaining such a wide difference between our interest rates and those of our international competitors, including the United States?

• (1130)

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I might make an observation that the hon. member for LaSalle—Émard has changed the direction of Question Period because he is, I believe, quite uncomfortable with the position that the Liberal senators are taking on this particular issue.

An hon. member: Right on.

Mr. Wilson (Etobicoke Centre): I would challenge him to start asking questions which would support the position of the Liberal Party in the Senate because I do not think that he is too comfortable in it at all.

He is asking a question on the state of the economy. He probably has not heard today, but the gross domestic product in July was up from June, so this talk about a slowdown in the economy is not as serious as he is talking about. I have acknowledged that there is a slowdown in the economy, but I have said there is a very good reason for it as well.

When you have had a seven and a half year run of very strong economy, it is natural that there is some slowdown in the economy. We were seeing inflationary pressures building up. It was important to get those inflationary pressures under control. This is what I anticipated in my 1989 and my 1990 budget and this is what is happening.

As we go through this period we will be building the basis for a strong recovery in the economy which we anticipate will happen next year.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, I would like to tell the government what makes me uncomfortable. It is the incredibly faulty economic analysis which I have just heard from this minister.

Some hon. members: Hear, hear.

Mr. Martin: We are in a terrible, terrible recession. We are in this recession because of the failure of this government to bring adjustment measures following upon the free trade agreement. We are in a recession because we have an absurdly high level of the Canadian dollar. We are in this recession because of incredibly high interest rates which this government has inflicted upon the Canadian consumer and Canadian industry. We are in a recession because of the threat of inflation brought about by the GST.

My question relates to what every single business person and consumer in this country knows, and if the minister does not understand it, he ought to go back out and start talking to people who are suffering the ill effects.

My question is: how does this government think we can compete? With the outdated economic policies of this government, how does it think that Canadian industry can modernize in order to compete in a very different world and if our cost of capital is so much higher than any of our competitors?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, we have just heard some great rhetoric, but I notice that the hon. member did not make one mention at all of the comments that I made about the Senate.

I think the hon. member is feeling just a little bit uncomfortable with the position of his party here and in the Senate on the actions that the Liberal senators are taking.

Let me answer this hon. member's question directly. He referred to the importance of new investment, of becoming competitive, of getting this country in a position where we can compete effectively. Let me ask him then why he is opposed to the GST which will help our exporters compete more effectively It will put our Canadian producers in a more competitive position as under the existing sales tax, importers pay one-third less tax than the companies they compete with in Canada.

Why is he is against this tax when, with the harmonization in the Province of Quebec, the reduction in the cost of new investment is 7.5 per cent. That is equivalent to a 7.5 per cent investment tax credit, which will encourage new investment in Canada, encourage us to become more competitive and encourage a healthier economy.

The hon. member cannot have it both ways.

* * *

GOODS AND SERVICES TAX

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, my question is to the Minister of Finance. Small business employs 40 per cent of the labour in this country. Eighty per cent of the net new jobs created in this country are by small business. Over 90 per cent of business in this country is opposed to the GST.

Why does the Minister of Finance continue to say that business supports the GST when it is in fact a fallacy?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I am under no illusions. There are elements of the GST that some parts of the business community do not like. But that does not in any way take away from the importance to the business community and to the economy of Canada for getting on with what is widely regarded internationally as one of the best things that we can do to improve the competitive position of the Canadian economy. It will improve, as I said to the member for LaSalle—Émard, the capacity of this country to bring in new investment, equivalent to a 7.5 per cent investment tax credit. That applies to small, medium and large-size business. It will improve their capacity to create jobs. It will improve the capacity of them to compete internationally. Surely we have to get over this partisan obsession of the Liberal Party and regard this initiative of the GST for what it is, a major improvement to the capacity of this economy to compete.

Mr. Dennis Mills (Broadview—Greenwood): My supplementary, Mr. Speaker, is to the Minister of Finance. We notice in *The Ottawa Citizen* today that the PM is exaggerating and this is becoming widely known.

The hardest hit in bankruptcies are the sectors of construction, retail and tourism. These sectors are also the sectors that are hardest hit by the GST. Where is the logic of the Minister of Finance to proceed in spite of the overwhelming evidence that it is the wrong thing to do?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I had a visitor in my office yesterday from Germany. He has been living in Germany for about 15 years. He came in and said: "What's this problem about the GST? Tell me, what is it, what type of tax is it?" I explained to him what the tax was and he said: "That is the same as our value added tax in Germany". I said: "Yes, that's right". He said: "Well, what's all the fuss about? It is helping us to compete better as a country". It will help us as a country to compete.

This type of tax is in place in 48 other countries in the world. Some of the smallest economies of the world and some of the strongest economies of the world have this type of tax, and yet the hon. member keeps his head buried right in the sand—

Mr. Speaker: I think we should move on.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is to the Deputy Prime Minister. We have just heard his justice minister admit that her legal advisers may have blown it in terms of section 51 of the Constitution. Those same legal advisers blew it in terms of their advice on the Canada Assistance Plan which had been struck down by the British Columbia Court of Appeal earlier this year.

I would like to ask the Deputy Prime Minister whether he has thought of the possibility of those legal advisers blowing it yet a third time, and the courts may find that the appointment of those eight senators to be illegal. If that is the case, not only is the GST legislation illegal, but all legislation passed by the Senate or the House of Commons from yesterday on will be illegal. If that is the case, why does he not do the proper thing and withdraw that tax now? Nobody wants this in the country. Get rid of it.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I strongly resent the hon. member's comment that the government's legal advisers have blown it. They have not blown it at all. The government legal advisers are perfectly aware of the situation with respect to section 51(a) which in no way impedes the operation of section 26.

With respect to the case before the British Columbia Court of Appeal and the tax reference, if I may say it politely, the jury is still out on that. That case is under appeal. Whether or not our legal advisers were correct has yet to be established by the highest court in the land.

All of the parties with respect to the decision to appoint the eight senators had independent legal advice. All of that legal advice strongly supported the view that the government was right to do this. It is absolutely the case. In fact, the government must do this.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, the legal advice was wrong in terms of the Canada Assistance Plan and the minister knows that. The Court of Appeal in British Columbia said no.

I want to ask the Deputy Prime Minister a question about the mandate for his government on the GST. The Deputy Prime Minister knows full well—if I can get his attention, Mr. Speaker—that in the last election campaign his party did not campaign on a 7 per cent GST.

What I want to ask the Deputy Prime Minister is: are we living in this country in a democracy or do we have a four-year dictatorship? Mr. Speaker, is it not a proper constitutional thing that should be done now to have the Governor General dissolve the House of Commons, not rely on the Senate to block the bill but dissolve the House of Commons, call an election and let the people decide. Is that not the proper constitutional course to pursue?

• (1140)

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I am kind of amused by this reference that we did not campaign on sales tax reform. Both the Liberals and the NDP have said this.

It is interesting that the Government of Canada had a white paper which set our clearly how we were going to proceed with sales tax reform, but both the New Democratic Party and the Liberal Party said: "We will oppose this but we will not say what we will do in its place".

This is the clear difference in the last election: we are clearly on record with what we were going to do with sales tax reform, and there was a great big blank as far as the NDP and the Liberal Party were concerned.

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CHILDREN'S RIGHTS

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my question is for the Deputy Prime Minister.

Some 500,000 Canadian children are forced annually to use food banks or go hungry. I am wondering if the Prime Minister is going to mention this fact in his speech this weekend at the summit for children. Too many Canadian children are neglected and abused.

Could the Deputy Prime Minister tell us whether or not the Prime Minister will announce this weekend at the summit exactly when the government will ratify the convention on the rights of the child and become internationally accountable for the treatment of our children?

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, the hon. member, as all members of the House, should be proud of the fact that the Prime Minister will be co-chair of this weekend's conference.

We in the government are very concerned about the conditions of some children in Canada. We know of the many causes of poverty. Illiteracy, basic lack of training skills for workers, and family breakdown are some of the reasons for this immense problem.

When we talk about lack of training skills in this country, one thing the hon. member could do is ask her friends in the other place to pass Bill C-21—

Some hon. members: Hear, hear.

Mr. Danis: As far as the second part of the question with regard to the ratification is concerned, my hon. friend might want to read today's article in *The Ottawa Citizen* wherein Stephen Lewis indicates that one of the reasons it has not been ratified yet is that we do live under a federal system and we are presently negotiating with the provinces, but I am sure it will be ratified at the earliest possible time.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my supplementary question is for the Minister for External Relations.

The Middle East crisis is costing the Third World tens of billions of dollars. It is obvious, in light of this weekend's summit, for children to link the impact of this crisis to the rapidly deteriorating condition of the world's children. This government's cutbacks to Official Development Assistance have worsened the plight of the world's children.

Will this government announce today a reversal of its cutback policy which has sent a signal to the world that we do not care?

[*Translation*]

Hon. Monique Landry (Minister for External Relations): Mr. Speaker, in the first part of her statement, my hon. colleague referred to the Gulf crisis and to the impact of this crisis on children and displaced people in the affected area. She knows how quick the government was to help foreign nationals caught in the area return in their country of origin and to tend to their immediate needs, by the contributions announced. I do share the concern she expressed in her question for the world's children. She knows full well that this government is presently contributing substantially to the well-being of the world's children throught its CIDA programs, especially through its policies, as well as through the work of non governmental organizations aimed at helping the most destitute people better the conditions they live in. My hon. colleague can rest assured that this government will keep providing assistance to the children in the Third World.

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[*English*]

PERSIAN GULF

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Minister of National Defence.

Today, as Canadian ships arrive in the gulf, Mr. Shevardnadze of the Soviet Union has warned us that war could break out at any moment. Indeed, it is Mr. Shevardnadze who is leading the effort to have a UN commanded military operation in the gulf.

Why is Canada not leading the effort to have a UN commanded military operation in the gulf? What is our position on the options put forward by Mr. Shevardnadze?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, the hon. member should be aware that even though this latest enunciation by Mr. Shevardnadze is appreciated, the Canadian Ambassador to the United Nations, Mr. Fortier, has been working diligently over the last several weeks to bring about a unification of the military effort under control of the United Nations.

I am sure the hon. member does not believe that we should wait until that effort has been successful to bring about the force of Canada, along with approximately 26 other countries in the world, to enforce the sanctions of the United Nations and to deter aggression.

Hon. William Rompkey (Labrador): Mr. Speaker, we want to make sure that Canada's voice is heard loud and clear in the community of nations now, as it has been in the past, for a UN commanded operation. I want an assurance from the minister that privately and publicly on a UN commanded operation that we will speak out loud and clear so that if in the regrettable circumstances that war breaks out our forces will be part of a UN commanded operation.

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I do have some difficulty with my colleague's question. I understand his concern and appreciate his support, but he has yet to answer me. Does he believe that Canada should not be involved, as we are with some 25 other nations in the world, enforcing the sanctions under 665 under the authority of the United Nations?

Mr. Rompkey: In a UN commanded operation.

Mr. McKnight: Yes, the hon. member is saying that he agrees Canada should be enforcing those sanctions. I thank him for his support.

* * *

NATIONAL CHILD CARE PROGRAM

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, 20 years ago today the Royal Commission on the Status of Women released its comprehensive and excellent recommendations.

One of these recommendations was for a national child care program, but this government quickly dropped its inadequate proposal after the last election.

When will will this government introduce a national child care program which addresses the shortcomings that child care experts pointed out in their last proposal? Will it contain national standards with no capping of funds? Will it create the critically needed spaces for Canada's children?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, first of all I would like to indicate to the hon. member that the actual date the report of the royal commission on the Status of Women was made public was December 7. That in fact will be the day we will be honouring all those who were involved in the development of that report.

As I am sure the hon. member is aware, the Minister of National Health and Welfare has announced that this government will be moving forward with a national child care strategy. We have already implemented a number of measures through the tax system to assist women in the care of their children. We will be moving forward with other initiatives to help in other ways to achieve that objective.

Ms. Copps: Women and men; it is not just women.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, we have seen the government's commitment to child care with the capping of CAP, which is the mechanism right now for funding child care spaces.

How can the Prime Minister go to New York and defend this government's record on child care services? One in six Canadian children live in poverty. Over half of our native children live in poverty. Some 40 per cent of food bank users are children. An estimated two million children in this country are in desperate need of child care.

When will this program be forthcoming? Will it meet the needs of Canada's children?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I would remind the member once again that this government has already committed $2.3 billion over a seven-year period through the tax system to child care. That is a significant amount of money that we are putting forward.

Yes, indeed, we are looking at additional assistance, but I do not think the hon. member should expect that the federal government alone or the provincial governments alone can possibly meet the needs of child care. It is going to require partnerships with employers, with communities, with all levels of government, and with parents. All of us have to work together to meet the needs of the children and our families in this country.

* * *

• (1150)

FINANCE

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, my question is for the Minister of State for Finance. It concerns the government's proposals for financial reform which he released yesterday.

Yesterday the minister only tabled the trust and loan legislation. This means that Canadians are getting an incomplete picture of the government's policy because he failed to table the Bank Act and legislation concerning insurance and credit unions.

When can we expect this missing legislation? Why does the government continue to keep the financial industry in the dark?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I think the hon. member will have noticed that together with this first package of legislation I have tabled a complete overview of the principles and the methods that will guide us for the rest of the institutions.

She will also appreciate that we are dealing here with a very complex sector. Some areas of financial institutions have not been touched. They are very central to our economy and have not been touched in certain cases for 70 years.

By proceeding as we have with one major bill and allowing this House to participate in discussions around it—we have been consulting for five years—I think we have a very good package. We want to proceed with this particular package which links with the others and in due course listen carefully to what the members of this House will have to say and come forward immediately

after with the second package which will contain all the improvements that may be made to it.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, a complete overview is very different from legislation. As I said, Canadians only have part of the picture.

Certainly a major way to promote harmony in this industry is to work with the provinces to establish similar regulations across the whole country, yet this minister refuses invitations from provinces to attend the annual conference of ministers responsible for financial institutions.

Why has the minister refused these invitations? Will he agree to start attending these conferences?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, one of the reasons we did not proceed with all the legislation at the same time is that maybe we were afraid that her hon. colleagues in the Senate would have indigestion. They have been slowing down our legislation. We would not want to overwork them, would we?

Some hon. members: Hear, hear.

Mr. Speaker: I think the question had something to do with invitations.

Mr. Loiselle: Second, the hon. member would probably be very disappointed if I were to send to her copies of the letters I received from the provincial ministers today who were highly complimentary about our movements.

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AGRICULTURE

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, my question is for the Minister of Agriculture. I remind him of a pledge that he made some days ago.

He promised compensation to farmers for lost sales to Iraq. I also remind him that the Trudeau government paid compensation to farmers about 10 years ago during the Afghanistan crisis. Of course this embargo on sales to Iraq could not come at a worse time because farmers desperately need cash right now.

Could the hon. Minister of Agriculture make an announcement now with respect to this matter?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the hon. member would know that it took the Trudeau administration two years to calculate the hurt that was inflicted. We are monitoring the situation and, if in fact there is any injury to the producers, it would be taken into consideration.

I think the member is aware that the embargo was put in place sometime in the fall of 1979. I believe it was in the latter part of 1981 when adjustments for that were made. I think he understands the reasons for that.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, I don't think we should be quibbling over timing. Let's get the job done.

On top of lost sales to Iraq, farmers are experiencing other problems. Bankruptcies are up dramatically in the first eight months of this year, income may drop as much as 67 per cent in some parts of the agricultural community, and of course farmers as consumers are having to face this horrible GST.

Has the minister met with farm leaders or will he meet with farm leaders to come up with a compensation package?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I have met with most farm leaders and organizations on this particular issue. They think they understand it, quite unlike the hon. member who has posed the question.

I should also remind the hon. member that most of the commitments, if not all, under the long-term agreement with Iraq for the supply of wheat were filled for 1990. How could there be any major loss or significant loss when in fact the bulk of the commitments under the long-term agreement were filled for 1990?

* * *

[*Translation*]

HOUSING

Mrs. Marie Gibeau (Bourassa): Mr. Speaker, I direct my question to the Minister of State for Housing. The five-year federal co-operative housing program is due to expire soon. Considering that almost 75 per cent of Montrealers are tenants and that this program is of vital importance to them, I should like to know what measures the minister will take to make sure that the program is maintained and enlarged so as to take into account the preferences of Montreal residents.

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, co-operative housing is very popular in Montreal and throughout Canada. Earlier this week we did release a co-operastive housing discussion paper. I intend to make a recommendation to Cabinet before year's end.

* * *

[*English*]

NATIONAL DEFENCE

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, my question is for the Minister of Justice.

The legal basis for sending the army into Quebec appears to be the National Defence Act which, on close reading of the act, allows any provincial premier, be it Premier Bourassa or even Premium Vander Zalm for that matter, to call in the Canadian army unilaterally for an unlimited period of time, with no parliamentary scrutiny, under the direction of the provincial premier, and the federal Treasury pays for it. I find that to be just incredible.

Given that the only protection in the act is the fact that there must be a report filed by the provincial attorney general to the Canadian Secretary of State within seven days of calling in the army, has the government received that report? If it has, would the minister please table it in the House?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I would ask my hon. colleague to read closely the act. It says: "within seven days must commence to assemble that information and then provide it".

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, now we even learned that perhaps there is not even going to be a report under the act.

The Quebec government has made public how much it is costing them with the police and the other matters. I wonder if the minister could tell the House how much it has cost the Canadian taxpayers to date to have sent the army into Quebec. Could he also tell the House how long he expects the army is going to stay in Quebec?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, if I knew the answer to the hon. member's second question, I would be able to give him an answer to the first question as to how much it would cost.

* * *

ENERGY

Mr. Ken Hughes (Macleod): Mr. Speaker, my question is addressed to the Minister of Energy, Mines and Resources.

• (1200)

American energy interests, particularly in California, have been trying to create unfair natural gas regulations, unfair from a Canadian perspective.

These pernicious efforts would have had the effect of preventing Canadian natural gas producers from gaining fair access and fair prices in that market. What steps has the minister taken, and what assurances can he provide to this House that this kind of harassment of Canadian producers and exporters will not continue?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, this is a very important question.

For 30 years western Canadians have been supplying gas for the California market on a stable basis. As the hon. member has remarked, the California Public Utilities Commission attempted to change the contractual rules.

I am pleased that, along with the Government of Alberta, the Government of Canada was able to make not only public statements regarding the unacceptability of that approach, but our embassy as well worked very diligently with the administration of the United States.

I am pleased that, while we did not have to invoke the free trade agreement, everyone came to the conclusion that the free trade agreement is a two way street. It works, and in this case it has worked not only in protecting Canadian interests, but Canadian gas producers and has verified the validity and the veracity of the contracts we have.

Points of Order

POINT OF ORDER

COMMENTS DURING QUESTION PERIOD

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I understand that the junior finance critic for the Liberal Party has taken exception to the word "deliberate" in a statement that I made during Question Period.

I withdraw the use of the word "deliberate" because it is an unparliamentary word, but I would ask him if he would make sure of his facts before using them in the House.

* * *

[*Translation*]

PRIVILEGE

ORAL QUESTION PERIOD—TIME ALLOTMENT

Mrs. Marie Gibeau (Bourassa): Mr. Speaker, I rose for member's statements to draw your attention to the new time allotment during the Oral Question Period in an attempt to point out to you that this new procedure does have unfortunate consequences for Quebec members who support the government.

In my remarks I implied that you were responsible for this decision and, apparently, I used words which could be interpreted as a direct attack against you. I would like to withdraw the words which may have offended you, for I certainly did not intend to question your competence nor to attack you personally. Such was not my intention. I meant to draw your attention once again to a process which is the outcome of unfortunate decisions and which frustrates Quebec members who support the government.

Mr. Speaker: I thank the hon. member for Bourassa.

[*English*]

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I rise on a brief point of order to draw to your attention what I think is a problem for this House.

It will be recalled that yesterday during Question Period the member for Cape Breton—East Richmond was called to order on his references to the Governor General, and he was asked to withdraw those statements, which of course he did.

The unfortunate thing is that even though those comments were withdrawn, they ended up on the *National* last night at ten o'clock.

Once again, I think this draws to the attention of this Chamber how important it is that remarks which breach the traditions of this House, which make reference to the Governor General or to other individuals, that may well be slanderous, or something that could be in some way offensive, have to be dealt with very quickly and very efficiently.

What happens as a result of that withdrawn statement is that it continues to stay on the record. The net result is that the statement that was played on the *National* last night is I think a poor reflection on the House and the Governor General.

Mr. Speaker: I am not going to pursue this point of order at the moment. It can be dealt with at another time.

There is a question of privilege which must be heard, because it has precedence over other things. I just might say I am certainly prepared to discuss further the point of order raised both yesterday and today. Members can go back and look at *Hansard*. Yesterday I stated very clearly that it does not do very much good to correct a mistake afterwards, if the matter is out on the electronic transmission. I am not now referring to that particular incident, but any incident from either side of the House. It is there. There is no sudden surprise when it gets used by the media. That is another matter and I am quite prepared to discuss it further with hon. members. In the meantime I must give precedence to a question of privilege from the hon. member for Shefford.

[*Translation*]

GOVERNMENT ADVERTISING

Hon. Jean Lapierre (Shefford): Mr. Speaker, I would like to recall what you said in the House on Tuesday, October 10, 1989, when the right hon. Leader of the Opposition at the time had asked you for a ruling on the government ad concerning the Goods and Services Tax.

In the course of your statement, Mr. Speaker, you said that there were two main aspects that should be considered: first of all, whether the ad would prejudice the future proceedings of the House and the Finance Committee, which had undertaken an examination of the technical paper, and second, whether it left the public to

infer that Parliament had no role in the passage of this measure.

Mr. Speaker, in your learned reply, you made it abundantly clear that the government should never take the support of the House of Commons for granted. In fact, at the time you warned the government, and perhaps I may quote: "However, I want the House to understand very clearly that if your Speaker ever happens to consider a situation like this again, the Chair will not be as generous".

Mr. Speaker, it so happens that I must draw to your attention a similar situation, based on the press release on September 14, 1990, concerning the launching of the Hibernia project.

Mr. Speaker, I was at home watching Newsworld which was broadcasting the events live, when I heard the first statement from the press release, which started like this: "It's official: work on the Hibernia project, estimated at several billion dollars and to be carried out off the coast of Newfoundland, will start immediately, the federal government announced today". Worse than that, Mr. Speaker, while listening to the various speeches, I heard Premier Clyde Wells, and I will quote what he said from the MTT, The media Tapes and Transcript.

[*English*]

—the Hibernia bill has been passed.

[*Translation*]

Mr. Speaker, as a member of this House. I was absolutely flabbergasted when I realized that this bill had passed without my being aware of it I checked, and I found that Bill C–44 was still at the report stage. So the government had made a public announcement and issued a press release saying it was official, without consulting the House and its members in effect using Parliament as a rubber stamp.

Mr. Speaker, I want to recall what you said on October 10, and also what Premier Wells said about there being an agreement with the opposition parties. Mr. Speaker, we were never party to any agreement whatsoever to sneak this bill through the House at top speed. As you know, $2.7 billion are involved in this project, including $675 million from Quebec taxpayers, and we demand the right to consider those facts here in the House, Mr. Speaker.

I insist on bringing this press release and all related statements to your attention, because what happened was that they used Parliament as a rubber stamp. You yourself warned on October 10, 1989, that you would not be as generous next time.

Mr. Speaker, I wish to raise a question of privilege. Parliament has been disregarded and ignored, by a government has taken its support for granted, which does not that reflect well on members opposite, who are being treated like a herd of sheep or a bunch of voting machines. I know most of them are, but the fact is, Mr. Speaker, that this is an insult to all parliamentarians here in this House, and I would ask you to rule on this matter.

• (1210)

[*English*]

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to have an opportunity to intervene for a couple of minutes. I want to indicate to the hon. member and to the House that, in fact, the Government of Canada has entered into an agreement with the Province of Newfoundland which is mutually acceptable to both levels of government.

I should also indicate to the hon. member that under the existing estimates, which were by this House at another time, the essential funds to start up the project have already been approved and are in place. So there is absolutely no discrepancy between what we, as members, are now dealing with in this House, that is, Bill C–44, and the fact that the announcements have proceeded and that things are going. I do not see any inconsistency at all. It is an interesting point of order but perhaps it should be better described as debate.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, so far this is a point of privilege. What my hon. friend—

An hon. member: A point of privilege?

Mr. Riis: He is arguing a point of privilege, Mr. Speaker. The point being made is that the government has prejudged what Parliament will do. We have seen this occur on previous occasions and on those occasions your rulings were very specific.

I agree with the comments made by my hon. friend earlier. I was surprised that legislation had been passed. In fact, it had not been passed when I heard a deal had

been made between the federal government, the provinces and the companies involved. It requires legislation to be passed.

I think it is fair to say that all of us take our work here very seriously. But when the government announces that it is going ahead with this project, it is simply assuming that, not only the House of Commons but the Senate will pass the legislation, I do not think that that assumption ought always to be made. As a matter of fact, the Senate is not even in session any longer. If the Senate were to do what it presumably plans to do, and that is to keep the bells ringing indefinitely, this legislation we are discussing now, Hibernia, would never occur.

When the government suggests that the project will go ahead and guarantees that legislation will be passed, that does not provide much incentive for us here in the House to take our job very seriously. So I simply want to summarize by saying that if the government wants the co-operation and support of the opposition parties, I think it is in their interest to recognize that there are stages through which legislation must pass. We are not even beyond report stage with the Hibernia legislation and from here it goes into the other House.

Time after time we have seen the present federal government consider Parliament to be a nuisance to their agenda. This adds to the public perception that this government would just as soon not have Parliament in session and simply announce their initiatives by decree.

Mr. Cooper: Mr. Speaker, I listened with interest to the arguments of the hon. member which, of course, were just a reiteration of what we had heard a few moments ago. The fact is he did not bother to respond to the very simple statement that these funds had been approved, were sitting in the COLA fund, and it is those funds that are being used for startup. I do not know why they insist on ignoring the facts and continue with the rhetoric, trying to present once again an image which is both false and misleading.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, to the point of privilege raised by the hon. member for Shefford, I am of the opinion that the matter being raised now was really a matter of debate. That is not to say that the Official Opposition does not find itself on many occasions agreeing with the notion that this government is taking the House of Commons for granted.

We made it very clear in this party during the initial debate that we prefer to see the passage of the bill in question at the time it was initially debated. It was very clear during the debate. It should be crystal clear that the funding that is currently in place and that has allowed the first contract to be called on the Hibernia project is being funded from the offshore development fund and is not financed or funded by the Government of Canada as a consequence of the passage of this bill. The reality is that if Bill C-44 does not pass the House and does not pass Parliament, the project will shut down when it runs out of interim financing which is coming from the offshore development fund.

What is noteworthy is that despite the support, both at the initial opportunity that we had to debate Bill C-44 in the House and later, the Liberal Party was supportive of the bill, we still see that the New Democratic Party, now joined by the Bloc Quebecois, is out to destroy the Hibernia project. That is an unusual and unholy alliance, but this is a matter of debate and not privilege.

[*Translation*]

Mr. Speaker: I listened with some concern to the statement made by the hon. member for Shefford. I have received some documents; perharps there are more. This may or may not constitute a question of privilege. I have also heard the hon. parliamentary secretary's comments, as well as those of the hon. member for Humber—Sainte-Barbe—Baie Verte. I think it would be appropriate for the Chair to take the matter under advisement and come back to the House with a ruling.

There is no need to hear more arguments. I get the point, especially regarding the ruling the Chair made a few months ago.

* * *

[*English*]

BUSINESS OF THE HOUSE

Mr. Speaker: I have a statement which it is necessary to make. I have received written notice from the hon. member for Essex—Windsor that he is unable to move his motion during Private Members' hour on Monday, October 1, 1990. It has not been possible to arrange an exchange of positions in order of precedents pursuant to

Standing Order 94. Accordingly, I am directing the table officers to drop that item of business to the bottom of the order of precedents.

[*Translation*]

The "Private Member's Hour" will therefore be cancelled, in accordance with Standing Order 94. Since the House has no business to deal with at 1 p.m., the House should take recess, after the prayer, until 2 p.m.

[*English*]

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, we are once again up against one of the problems we have with our Standing Orders. As all members are aware and so there are a number of options for us to handle the situation for Private Members' Business on Monday. I think you might find consent for the motion that we have used in the passed. I move:

That notwithstanding any Standing Order, on Monday, October 1, 1990 the House meet at one o'clock p.m. and proceed to the consideration of Government Orders from one o'clock p.m. to two o'clock p.m.

Mr. Lapierre: No.

Motion negatived.

Mr. Cooper: I heard the noes. Then we have a couple of other options, one of which may help us resolve the situation leaving, I think, the House officers in a difficult position. I would put that second motion. I move:

That notwithstanding any Standing Order, on Monday, October 1, 1990 the House meet at two o'clock p.m. for Statements by Members, followed by Oral Questions and the remaining order of business as provided for Mondays.

Mr. Speaker: Is that agreed?

Some hon. members: Agreed.

Motion agreed to.

* * *

PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Mr. John Manley (Ottawa South): Mr. Speaker, I regret that I feel it necessary to raise a matter arising from Question Period.

It is the second day I have been obliged to raise matters with regard to the Minister of Finance. He was given notice that I intended to rise but did not choose to stay.

At the conclusion of Question Period he rose and referred to having said that I had deliberately misled the House in a question that I put to him. He said that he would withdraw the word "deliberately". He then proceeded to convey the impression that I had indeed misrepresented. The authorities are mixed on whether the word misrepresent is unparliamentary. In Beauchesne's Fifth Edition it can be concluded that it is either unparliamentary, on page 109, where attempted to misrepresent has been found unparliamentary or, it has been accepted, as noted on page 112.

• (1220)

I feel it is necessary to make the point that I did not fail to check numbers, nor did I attempt to misrepresent in the question that I put. It was a question relating to the goods and services tax and the extent to which the tax will affect a shift in taxation in Canada from businesses to households. In the minister's own statements in this House in second reading debate, he said that it was $6 billion.

SPEAKER'S RULING

Mr. Speaker: The issue was first raised by the hon. member for Ottawa South and raised immediately and properly with the Chair on the question of "deliberately misrepresent." There is no doubt in my mind that "deliberately misrepresent" is unparliamentary. The question of "mislead" or "misrepresent" may or may not be unparliamentary, depending on the context in which it is used. If it is an argument over facts, that goes on in this place all the time. If it is said, and it may well have been, in the matter that the hon. member quotes, it may have been said in a context in which the accusation was a very severe one indeed. That is why I caution hon. members not to just look in Beauchesne's to see what words have, at one time or another, been ruled as unparliamentary, but to remember that it also has to be considered in the context.

In this case, I understand the hon. member, who is a conscientious member in this place, wanting to establish that he did not make this statement carelessly. If the hon. minister has a view about it which is different than his own, that is a matter of debate. However, the hon.

member has said that he feels that he made that in good faith. The hon. minister has withdrawn any suggestion that there was any deliberateness on the part of the hon. member and I think that that is where the matter must end.

Again, it is an example of how careful we do have to be, even in debate, and even in the rough and tumble of exchanges in this place.

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the Government's response to one petition.

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

* * *

[*English*]

ABORIGINAL AFFAIRS

SECOND REPORT OF STANDING COMMITTEE

Mr. Robert E. Skelly (Comox—Alberni) moved:

That the second report of the Standing Committee on Aboriginal Affairs, presented to the House on Thursday, March 29, 1990, be concurred in.

He said: Madam Speaker, it is a pleasure for me to take this opportunity to rise in the House and request that the House concur in the second report of the Standing Committee on Aboriginal Affairs.

As the House will be aware, the Standing Committee on Aboriginal Affairs, over the period of last winter and last spring, took it upon itself to interview leaders of the national and regional aboriginal organizations in order to develop an agenda that Parliament, the government and the people of Canada could deal with through the nineties, to address, as per the title of our report which is called *The Unfinished Business Between Canada and its Aboriginal Peoples*.

As a result of this investigation carried out by the standing committee, we identified an agenda of approximately 30 items, extremely complex and detailed items, identified thanks to the assistance of the aboriginal leadership of Canada. There were 30 items which represent the outstanding grievances of aboriginal people in Canada and also represent what aboriginal people would like to see dealt with in the 1990s.

It would be appropriate, although this is not one of the recommendations in the report, that Canada consider the decade of the nineties as the decade in which we, as Parliament and we as a people, commit ourselves to finishing that unfinished business remaining between us and our aboriginal people.

I understand that the government is required to respond to the reports of select standing committees within a certain period of time. I believe that period is 120 days. Well, 120 days has expired and what response have we received from the government on this detailed report, concurred in by all parties represented on that committee?

I will tell you how the government responded to that report, Madam Speaker. The Secretary of State for Canada cancelled funding for aboriginal representative organizations, cancelled funding for native communications, newspapers, reduced funding for organizations such as friendship centres and native broadcasting organizations. The government has consistently refused to set up an institute, again through the Secretary of State, to protect aboriginal languages which are dying out in this country at a great rate. Yet at the same time it set up an institute for heritage languages that have a base overseas. Aboriginal languages are the languages resident in Canada, born in this country. If they die out here, they will not remain anywhere in the world. Yet the Secretary of State refused to set up an institute for aboriginal languages, as proposed by one of my Liberal colleagues.

There have been continued delays and obstruction by the Minister of Indian Affairs to the settlement of important native claims and grievances. That, along with the funding cancellations, has led to the incidents we saw this summer. The refusal of the government to allow natives to be recognized, either in the constitutional process or recognized as distinct and founding peoples in

our constitution, resulted in the failure of the constitutional amendment this spring and summer.

The delays, inaction and negative actions taken against aboriginal people after the tabling of this report indicate that the government was not willing to put native people in the forefront of the agenda in this country. As a result, some significant things happened this summer.

The first was the refusal by Elijah Harper, a member of the legislature in Manitoba, to allow the constitutional amendment to pass in the Manitoba Legislative Assembly, which resulted in the failure of the constitutional amendment proposed by the government to bring Quebec into the constitutional family. That was done as a result of the refusal by the government to recognize the legitimate claims by native people in this country to be included in the Constitution and to have their society recognized as a distinctive component of Canadian society.

The second and even more damaging result in terms of what it has done to this country and it's reputation in terms of the divisions it has created between aboriginal and non-aboriginal Canadians with the government's refusal to pay attention to this agenda was the incidents we saw this summer at Kanesatake and at Kahnawake, near Montreal. The spectre of armed native warriors throwing up barricades, after years of frustration, having to resort to arms in order to persuade this government to pay attention to the aboriginal agenda, has been an embarrassment to all Canadians and an embarrassment to this country's reputation world-wide.

• (1230)

Those have been the results of the failure of the government to deal with the aboriginal agenda that our committee talked about and assembled in this report that was tabled in the House on March 29, 1990.

There has to be a more effective government response. There has to be a much more effective government way to deal with this aboriginal agenda.

What happened as a result of the debate on the motion that the government tabled on the first day of the House reconvening? Of course, that motion is now obsolete. Even though it is adjourned, it calls for the Mohawks and their allies to leave the treatment centre at Kanesatake, to submit to Canadian law and turn over their arms to the police and to the Armed Forces. That is now an obsolete motion.

It is the only thing the government has on the agenda of this House to deal with the concerns of aboriginal people. There is nothing else on the agenda in this House. Unfortunately, that is an indicator of the kind of good faith with which Canada deals with native people. There has to be something more coming from this Parliament than that feeble motion, presented the first day, which is now obsolete.

That motion also refers the issue at Kanesatake and Kahnawake to the select Standing Committee on Justice and the Solicitor General. This is a completely inappropriate reference. We should be referring that to the committee that drafted this agenda in the first place and having the confidence of native people in Canada that it is capable of dealing with those issues.

Since that motion is obsolete, I would suggest, as others have done in this House, that the government present a new motion to the House which sets up a parliamentary commission or a special inquiry into the events which led to the confrontations at Kanesatake and Kahnawake this summer, investigates the appropriateness of the behaviour of all parties involved, investigates the type of reaction that the government got involved in, and makes a report back to this House and to the people of Canada on exactly what led to that incident and provide recommendations as to how we can avoid those incidents in the future.

This is an excellent recounting of the grievances of aboriginal people in this country. I think it deserves to be read by every single member of Parliament and by all Canadians. It is basically grievances and problems as outlined by the aboriginal people of Canada themselves and conveyed to this House by the Standing Committee on Aboriginal Affairs.

Essentially what this report does is call on Parliament to make the 1990s the decade in which Canada commits itself to dealing with the aboriginal agenda. I think that some proclamation should come from the Parliament of Canada indicating that it intends to deal with the aboriginal agenda in that way, by making a proclamation declaring the 1990s to be the decade of Canada's aboriginal people, the decade in which this government and this Parliament intends to set in motion the pro-

cesses to deal with the outstanding business that remains between Canada and its aboriginal people.

I suggest that an appropriate way to kick off this decade after a proclamation is made is to invite the native leadership of Canada to select among their number either a native leader or elder that they believe has the stature to make an address to the joint Houses of Parliament to outline to parliamentarians and to the people of Canada the hopes and aspirations of the aboriginal people of this country and what they would like to see dealt with. It has been suggested that someone of the stature of Georges Erasmus be invited to the House of Commons to present, on behalf of all aboriginal groups in Canada, a statement of the hopes and aspirations of the aboriginal people for Canada and their relations to Canada in the future.

We have had a number of heads of state address this Parliament since I have become a member of Parliament. We have had the King of Jordan address our Parliament. We have had the President of the State of Israel. However, it does not necessarily have to be restricted to a head of state. We have also had Nelson Mandela, the great African leader of the African National Congress, come to address Parliament. The one group that has yet to be recognized by Parliament in that way is the aboriginal people of this country. I think it would be appropriate to establish a decade of aboriginal people, a decade in which we commit ourselves to resolving that unfinished business, to ask the aboriginal leadership of Canada to put up one of their number, a leader or an elder, who will address the joint Houses of Parliament and outline to us their hopes and aspirations as to how they would like to participate in this country of Canada.

I think that the first thing that Parliament can do in order to demonstrate its good faith to the aboriginal people of this country, coming out of the problems that we have experienced through the last summer and in terms of the failure of the Constitutional Accord and the armed confrontations at Oka and Châteauguay, is to vote concurrence in this motion which outlines the aboriginal agenda for Canada and sets in motion a decade of activity which will complete the unfinished business between ourselves and the aboriginal people of this country.

Mrs. Collins: Madam Speaker, I wish to indicate that an agreement could not be reached under the provisions of Standing Order 78(1) and 78(2) with respect to an allocation of time to the report stage and third reading stage of Bill C–44, an Act respecting the Hibernia Development Project and to amend certain acts in relation thereto, and, under the provisions of Standing Order 78(3), I give notice of my intention to move a motion at the next sitting of the House for the purpose of allotting a specified number of days or hours for the consideration and disposal at both stages of the bill.

Madam Deputy Speaker: Questions or comments? Resuming debate. We are now, after the Minister has given the notice, back to questions and comments following the speech by the hon. member for Comox—Alberni. On a point of order, the hon. member for Notre–Dame–de–Grâce.

Mr. Allmand: Madam Speaker, when you called questions and comments, the hon. minister got up on a point of order with respect to Bill C–44, I believe, and therein the confusion. Are you awaiting comments on the point of order or are we now back to the matter which was before the House?

Madam Deputy Speaker: Of course I am not calling questions or comments on a notice that was given by the minister on a point of order which was quite in order.

We are now returning to the 10 minute period of questions or comments following the speech by the hon. member for Comox—Alberni on concurrence in the report. No one rose on questions or comments. Is the hon. member arising on questions or comments?

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie): Madam Speaker, I would like to ask the hon. member for Comox–Alberni (Mr. Skelly), who pointed out that Mr. Erasmus should be invited to testify before this House, if he would have any objection to hearing the testimony of native chiefs or leaders from Quebec as well. I wonder because I read in this morning's papers that there is no concensus among native leaders. For instance, Mr. White Duck, from Maniwaki, criticized sharply Mr. Erasmus this morning. This cast a totally different light on the Oka crisis. Would he have a problem with Quebec native leaders testifying before us on what is happening in Quebec?

• (1240)

[*English*]

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I would like to thank the member for his question. I think he misinterpreted what I suggested in terms of asking the aboriginal leaders of this country, which would include Quebec, to have one of their number address the joint Houses of Parliament. I think it would be an appropriate way of beginning a year in which this Parliament commits itself to deal with the issues, as I pointed out, that remain unfinished between Canada and its aboriginal people.

I mentioned someone of the stature of Georges Erasmus, Grand Chief of the Assembly of First Nations. No, I did not specifically ask that he be invited.

Certainly there are disagreements on issues among provinces, municipalities, political parties, and various groups. It is understandable that there would be differences among aboriginal groups as well.

I think it would be appropriate for this Parliament to call on the aboriginal leadership of this country to select one of their numbers, a chief or an elder, to come and address this Parliament on the hopes and the aspirations of the aboriginal people of this country.

[*Translation*]

Mr. Duceppe (Laurier—Sainte-Marie): Madam Speaker, I would like to know—I skimmed through the report this morning and it contains a number of statistics—whether the committee also analyses figures on housing, income and percentage of the prison population, on a province-by-province basis.

Do we have statistics by province that tell us something about housing and income and about the prison population as a percentage of the provincial figure?

I would like to know whether the committee has those statistics and if it does, could they be tabled?

[*English*]

Mr. Skelly (Comox—Alberni): Madam Speaker, what the committee was doing in its report and in the research it carried out up until March 29, 1990 which resulted in its report was trying to give Canadians a broad picture of the quality of life enjoyed by native people in Canada as compared with the quality of life enjoyed by other Canadians and to show that there were disparities which have to be corrected.

I know the information the hon. gentleman mentioned is available with respect to aboriginal inmates in prison on a province-by-province basis. There is a Canadian Bar Association report. There is the report of Max Yalden, Canadian Human Rights Commissioner. That information is widely available. I know there is a lower number of aboriginal people in the population of Quebec than in other provinces. However, the number of aboriginal inmates is far too high in all provinces, and that is why we have this report. It is one of the issues this report calls on Parliament to deal with.

[*Translation*]

Mr. Duceppe (Laurier—Sainte-Marie): I would like to point out, Madam Speaker, that first of all, since 1986 the Department of Indian Affairs has had information on these matters, by province, and I am somewhat surprised that they are not given here. Is it perhaps because they put Quebec in a favourable light? I am not sure.

I would also like to know why no Indians from Quebec were asked to testify before the commitee unless some were invited but did not show up. In any case, no Indians from Quebec testified before the committee. Is there any explanation for this?

[*English*]

Mr. Skelly (Comox—Alberni): Madam Speaker, I thank the questioner again. The committee makes it a practice to invite all aboriginal organizations. In this one we attempted to invite the national organizations, but others were notified and did volunteer. Included in those national organizations were organizations which do represent native people in Quebec. We felt that we had a relatively broad representation from every province in Canada and from all of the territories.

In addition, the statistics are basically national statistics because we are the national Parliament dealing with national issues. I am sure there was no intention on the part of the committee to eliminate statistics that would have been favourable to one province or another. If it has happened, it was not the committee's intention to do that.

Hon. Shirley Martin (Minister of State (Indian Affairs and Northern Development)): Madam Speaker, I am pleased to rise this afternoon to discuss the committee report *Unfinished Business*. Certainly the committee put a

lot of time and effort into this issue. I compliment the chairman and members of the committee, as well as those who also attended committee hearings and took part in it.

In the forward it states: "The purpose of the report is to share some of the understanding that we have accumulated". The report does not prescribe specific action other than to strongly suggest that Canadians, through their governments, have a lot of work to do in this decade. This is not a challenge facing only one government or only one minister. This is a challenge for all Canadians, a circumstance that has developed over a series of generations and one which will require concentrated commitment over many years.

I think that is an apt introduction to the report in that there is much to be done. There is also much that has been done. It is very unfortunate that the cloud of Oka this summer has obscured much of the work that has been done by the native leaders in this country and the activities they have been involved in to better the standard of living for their people and also their future.

I would like perhaps to take some of the points mentioned in the report and just review some of the things that have been happening in these particular areas.

I became Minister of State for Indian Affairs in February of this year. In the six months that I have been involved, as well as with the problems of which we are all aware, I have also had the opportunity to travel across this country to meet with many of our aboriginal people and their leaders. There are many more I would still like to have the opportunity to meet with.

One of the first things that was spoken about in the committee report was the self-government agenda of Canada. We have a program for community self-government for Indian peoples. many bands are currently looking at this as an opportunity to move forward in rightfully taking over control of the decision making for Indian people.

One of the first opportunities I had was on March 9 of this year at Whitefish Bay, Ontario, where we signed the first self-government agreement with that group. Shortly after that I had the opportunity to sign a self-government agreement at New Credit, Ontario. It was rather a unique self-government agreement in that it was done with the Mississaugas and Chippawas of Ontario and it is a two-level self-government agreement. The band council itself will take on certain responsibilities, and the nine band councils and chiefs will take on other responsibilities.

These two particular signings gave me the opportunity to see from our native people the need to make sure that the programs that we have are flexible, because what met the self-government needs at Whitefish Bay would not have met, if it had been a standard self-government agreement, the needs for the people of the Mississaugas and the Chippawas at New Credit. It is very important that we keep flexibility within self-government agreements.

As mentioned earlier, many bands are looking at it. We have agreements that are close to signing and others where bands are now exploring. The whole purpose of it is that the bands themselves must first want to enter into the agreement. They must have an idea of what they want, the type of self-government that they want. Then we will sit down and work along with them to bring about an agreement that meets their needs within the framework of Canada's Constitution.

Land claims is another issue about which there has been much discussion in the debates this week. On August 23 of this year I met with the Indian Chiefs of Ontario, the Indian Commissioner of Ontario, and members of the provincial government. We sat at that meeting and one of the important requests that came out of it was a request put to Mr. Harry Laforme, the Indian Commissioner of Ontario, to bring about a report on land claim process: what was wrong with it, why it was not working, and recommendations for change.

• (1250)

Mr. Laforme has done done an excellent job. In fact his report was just tabled this morning. Here we are a month and a few days from that initial request to put the report together, and he has done it. I look forward to reviewing the report, when I have an opportunity to do so, and seeing what we can do to take his recommendations and put some of them into operation. He negotiated or discussed input with chiefs across Canada. Much of it came from his own experience in negotiating land claims in Ontario. I am really looking forward to working on the results of the report and seeing what can be done to implement it. Certainly we send our congrat-

ulations to Mr. Laforme for presenting so quickly the report that we can start to work on.

I am sure my counterpart, when he is named in the provincial government in the coming week, and I will be able to get together and work. The provinces across this country have a large responsibility when it comes to land claims and it is something that we have to work together on.

The Minister of Indian Affairs and Northern Development has been working with the people of Saskatchewan and of British Columbia on land claim issues there as well. We have some indications of agreement from the premier of British Columbia that he too is willing to work toward settling land claims in British Columbia.

Things have been happening on this matter. We are certainly going to continue to work in this area, with the help and the contribution of native peoples across Canada.

We hope to sign and work on land claims in the future. Certainly much has been done in the way of land claims since this government took office in 1984. We have signed agreements to settle claims both of a comprehensive type and of a specific claim type. I have been part of some of those in Ontario. Certainly my hon. colleague, the Minister of Indian Affairs and Northern Development, has also signed them in the north.

We are proud of those agreements. They are agreements that have been a long time coming. The process is too slow and something has to be done to speed them up, but certainly we have signed and entered into negotiation on more land claims since this government took office than was done for many years prior.

As we go through the report, we see another point that was touched on by the committee. It was the need for economic development as a very important tool for the future development and progress of our native people.

The CAEDS program that our government put into operation is starting to work very well for native people. I have had the opportunity to work with several Indian bands on their programs. They have some very interesting and innovative ideas for changes in economic development. We have committed some $1.4 billion to native economic development over the next five-year period. There are some very interesting projects coming forward. We have a board whereby native people themselves make decisions as to whether or not a business should be funded.

We have a real responsibility to make sure as we help native people develop in the business field that they are successful and have all the backing that they require. Native businesses started some 20 years ago and we now have 5,000 native businesses. Some 2,500 of those have been developed within the last six months.

Our native people are making great strides in economic development, but as I mentioned earlier there is still more that can be done.

On the environment issues, I do not think there is a people in this country who has a better understanding or lives more closely to the land than our aboriginal people.

The Minister of the Environment worked on the development of *The Green Plan* which included an environmental strategy. The northern part of Canada must be protected.

We held consultative hearings *The Green Plan* which I attended in Yellowknife and Iqaluit. I had an opportunity to hear first hand the input from the native people and the concerns they had about conservation of resources, about protection of the water, and about the protection of the landscape itself. Much in the way of material has been left behind in the Arctic that must be removed and shipped out. It will be expensive, but it is required. When it comes to the Arctic environment, it is something that we cannot do alone in Canada because the Arctic is not exclusively ours. We are working internationally with other countries to ensure that we can work toward a clean environment in the Arctic.

We have consulted with our aboriginal people in the northern part of the country and will continue to do so. There are sections within the land claim agreements which offer the opportunity to put together groups so that native people will have a say in what is done as far as

environment and economic issues are concerned within their area.

Another point that I would like to touch on in the report is education. Education is a key to the future for our aboriginal people, but there is one underlying theme in education that must be followed. The very proud heritage and culture of aboriginal people must be maintained in the education of the future.

On Wednesday I came back from Fort Hope, Ontario where I had the honour of opening a new school in that community. It is a beautiful building, one that has been designed to fit in with the landscape and nature. It is of wood with many glass windows so that the students do not feel confined. As we were opening the building, the chief made the very important point that when it comes to schools and education the building is only a shell, that it is really only what happens within that building that is important as far as education is concerned.

They have classes in that school on native culture and native language which are taught by the elders. This is their link to the past and their preservation for the future. They are also equipped with computers whereby they can provide the children of Port Hope the opportunity to be prepared for the future and to be able to progress as the country and the world are progressing in technology and in knowledge, but at the same time not forget where they come from and their very proud heritage.

I was also in Norway House in Manitoba where they have done a great deal of work on education for students who had dropped out of school and want to return and for elders who want to improve their knowledge and their skills. They have a very interesting computer program. The first thing the program does is to test the reading level of the individual. It looks at the course individuals want to take and then it adjusts that course to their reading levels so that if they need help with their reading skills they are not held back from completing the course they may want. At the same time it produces a course to increase their reading skills.

This is the type of change in education that is necessary. It is more than just the three *r's* that are necessary. We have to be able to identify the needs, produce the programs to answer those needs, and ensure that the resources and facilities are there in order for it to happen.

We do not have enough of these types of schools. It is something we are committed to work on both at the curriculum level and the physical level. Another thing that is necessary is the opportunity for native people to be involved in the administration of education. They need to be in a position to enter into decisions on curriculum and school facilities. In some cases, this could be through a school board, which is an area that is being looked at.

• (1300)

I was in Fort Francis where the native representative on the local school board has been elected chairman of that board and is having a real influence as far as native education is concerned.

Even before the children get to school there is a need for child care. Many of our native mothers who have not been able to better themselves through education because of having the responsibility of motherhood, are entering training courses and child care is very necessary for them.

In June, I met with a group in Meadow Lake who, through the Minister of National Health and Welfare's innovation program for child care, have begun a program that I was very pleased to hear about. It was one of the recommendations that we made in the special committee on child care, which I had the privilege to chair in 1985.

They have entered into what in the committee we called a "hub and spoke" situation whereby there is centralized control and supervision of child care which is conducted in homes throughout the reserves. They have brought together more than one reserve, so that the core supervisory and administrative needs are met by a small group, but is far-reaching. There are native homes for the children to attend throughout the reserves in the area where they can still stay within their native culture. The administration of that care can be done with native supervision in a centralized office.

I am looking forward to watching that program grow. I think it is an ideal example of how child care can be handled where you do not have large needs, as in a metro area, but rather small needs over a much wider area.

So we are moving in those areas, and as I mentioned earlier, will continue to do so. Unfortunately, I will probably have to continue to say for several years that things are going to be moving more slowly than what we would like, but they are moving.

I think the statement by the Prime Minister in the House this week where he outlined the four pillars of future relationships with aboriginal people, the work that has to be done in the land claims area to speed that up and also in the whole relationship between governments and native people was a very important. I think that goes a long way to really cement the work that has been started. He has given his full commitment to it and I know he will continue to support the efforts and, in fact, continue to direct us to ensure that those commitments are met in the future and are met as quickly as possible.

I appreciate the opportunity to speak to this report and to again compliment the committee on the work that it has done. I look forward to the work that it will continue to do as a very important committee in the structure of the House of Commons.

Mr. Stan Keyes (Hamilton West): Madam Speaker, while I am encouraged by the positive tone of the Minister of State's presentation, I am a little concerned about the recent fiscal arrangements of the junior minister. I point out that a document dated March 15, 1990, put together by the Assembly of First Nations analysed the last budget put forward by the government, and tell us a few outstanding facts. The two-year fiscal reduction of $100 million is deceptively buried in the 1991 main estimates of the budget papers, $26 million was cut from approved levels for capital facilities and community services, $15 million from band management, $7 million from welfare services and $2 million from economic development for each of the two years.

The question I have for the junior minister is this. With a crippled economic base and no tax base, just where do native people find the finances to offset lost federal revenues?

Can the Minister of State explain to us if she is prepared to readjust the glaring inadequacies of the last budget and actually turn around that funding to Canada's first people?

Mrs. Martin: Madam Speaker, as the hon. member for Hamilton West mentioned, the reductions he spoke about was in the proposed budget. When you look at the budget of last year compared to this year, the increase in funding in the budget of Indian Affairs was actually 8 per cent. Our budget was raised, compared to other budgets within the government. While they were all taking cuts from actuals, we were taking a reduction in what we had hoped to spend. But our budget still increased 8 per cent over the budget from the previous year.

For instance, the increases in education were some 8.7 per cent, for a total budget of $736 million; the economic development increases were 28.4 per cent, an increase of $20.5 million; under land revenues and trust we had an increase of $11 million, which was 23.8 per cent, for a total budget of $58 million. The government also invested an additional $28 million into on-reserve capital facilities and related services.

The other thing that also should be taken under consideration, is that under the current financial arrangements, we have entered into what we call alternate funding arrangements. Alternate funding arrangements provide for the administration of funds by the Indian bands themselves and not by the Government of Canada. This is the way it should be.

Seventy-two per cent of the Indian and Inuit fair budget is administered by the bands, not by the Government of Canada. They must report to us on an annual basis with an audit. But we no longer do, as the party to which this member belongs used to do in a very paternalistic way, decide how the money should be spent, not the Indian people. We have moved to that. We have increased the budget. Not only have we increased the budget, but we have given control of that budget where it belongs, the Indian people themselves. They decide within their capital budget what they want to spend it on. They decide within their operating budget what they want to spend it on, and they are doing well with it.

No, we did not get as much in the 1990 budget as we would have liked, but we did get an increase over 1989 and we have worked with that increase to make sure those dollars are well spent and spent under the control of the native people of this country. The AFAs are working very, very well.

Again I have had the privilege of signing about four or five of these since March of this year. There are many other bands who want to enter into this arrangement and when they have reached the stage where they feel they

are in a position to take over the control of the spending, then that control will be given to them.

This is another reason why education is so important. We need more young Indian people taking business and economic courses so they can use the funds provided to them to make a better future for the Indian community.

Yes, there were reductions from what we had hoped we would get, but we still had an 8 per cent increase. I think that increase has been spent wisely because it is under the control of the Indian people.

Mr. Jack Iyerak Anawak (Nunatsiaq): Madam Speaker, I have a couple of questions I would like to ask the minister.

It is all very interesting to hear what the government is saying today in terms of what more they can do for the aboriginal people. I think one of the best examples of what they can do to ensure that the aboriginal people are going to trust this government is make a couple of changes in their land claims policy.

First, it should adopt a policy that the aboriginal people have the inherent right to self-government and; second, take out the extinguishment clause in the land claims policy. Those are the two issues I would suggest that the minister talk to her colleagues to see what they can do to adopt them.

The minister made reference to the Canadian Aboriginal Economic Development Strategy, which by the way was started under the leadership of the Liberal party as the Native Economic Development Program. The minister mentioned that it was the aboriginal people who make the decisions on whether or not to award funding or loans to aboriginal groups. Does not the final approval rest with the minister at this time?

• (1310)

Mrs. Martin: Madam Speaker, in answer to the first question that the hon. member raises, the whole issue of land claims, both comprehensive and specific, are being looked at in the department, along with consultation with the native people of this country, to see what can be done to make them more effective. I will take cognizance of the comments that he made and make sure that they are passed on to my colleague as well.

The point that I was attempting to make concerning the CAEDS budget was that the native people have a role to play in assessing the value of the projects that come forward. The final authority still lies, in some cases, within the minister's office, but not in all cases. It depends upon the size of the requirement for a particular project that comes forward. The fact is that we are involving the native people in the decision making. I think we have to look through the whole program.

It is not the huge corporations that we often think of, or very large programs and businesses. There are a lot of small businesses that, given the opportunity to start under the CAEDS program, can grow to something very large. More than that, it is not only a business opportunity for the individual who wants to start it but it is a business opportunity on reserve, or off reserve, but basically on reserve, to offer jobs to native people. It offers a service to native people that they often do not have. It is those small and very important businesses that we must address and make sure that they are funded so that they can give the individual the economic opportunity, the job opportunities for native people on reserve and the services that are necessary within that area.

Mr. Jim Karygiannis (Scarborough—Agincourt): Madam Speaker, the last couple of days and months have been important. Watching the television just yesterday morning where it showed that picture of personnel from the army with an Indian women with her child in her arms reminded me of visiting Cyprus. I thought that we would never have to resort to such a thing here in Canada. Yet, we saw those pictures for almost 70 days.

The hon. minister got up and gave us an overview of education. She also spoke of the environment in the Arctic and what the government, with other countries, is doing. I would like to challenge the hon. minister to name those countries.

My most important question for which I have not yet received an answer is why this government and this minister did not go to her boss, the Prime Minister of this country, and ask him to recall the Parliament last summer?

We can sit here for the whole day but my questions are precise. Why did they not recall Parliament? Would the hon. minister tell me what other countries that they are dealing with on the environment in the Arctic?

Mrs. Martin: Madam Speaker, the Government of Canada, along with seven other countries in the circumpolar area, has formed a group which has already held meetings and which has been working on the Arctic environment. I hope my memory serves me correctly on the countries that are involved. They are the U.S.S.R., Norway, Finland and Greenland. They come to mind initially. I think what the hon. member must realize is that the water that flows into the Arctic comes from our Mackenzie Valley river system. We have very, very little industry within that particular area. But also flowing into that same body of water that provides the water in the north for our native people are river systems coming from deep within the U.S.S.R. where it is highly industrialized. We do not know what the sources of the contaminants are, we do not know if it is coming from a river system within the U.S.S.R. or whether it is coming from our own Mackenzie Valley.

We cannot clean the Arctic up on our own. We can only clean the Arctic up with the co-operation of the other countries in the area. That is why we have been, very, very active within the circumpolar group. Meetings have been held and we will still continue to hold meetings. We have had representatives in the U.S.S.R. who have been working with people there. It is a very serious matter and we feel that by working together with all of the countries in the circumpolar group we will be able to make a difference in the Arctic, differences that are very, very necessary.

Mr. Jack Iyerak Anawak (Nunatsiaq): Madam Speaker, what the aboriginal people of this country feel about the recent events and the way the government has been acting, I would say, to paraphrase a former Prime Minister of this country, welcome to the 1990s. I say that because I think that whatever happens over the next few years, never again will our concerns and issues be put on the backburner.

The Prime Minister has been saying that we are going to have a new agenda for the aboriginal people. Yesterday *The Globe and Mail*, after the pull out at Oka, stated "that Prime Minister Brian Mulroney praised the army and stressed that the government had not made any concessions." The rule of law has prevailed so the Prime Minister was all praise for the army.

I must admit that throughout the Oka situation, there have not been any shots fired at anybody. However, in saying that there had been no violence, I would just like to point out that we saw, live on TV and in the newspapers, as pictures, of a woman and her daughter being thrown to the ground by the army. So when people say there was no violence, one can be very selective about the description of violence. We saw tanks, machine guns, helicopters hovering overhead at night, we saw a razor wire—I am not exactly sure what a razor wire does but I suspect it is not that easy to just cross over a razor wire—we saw communications cut off from the rest of the world to the group and we saw all sorts of intimidation tactics. So I do not think that we can all rest easy that there were no further deaths after the unfortunate death of Corporal Lemay.

I do not think we can all rest easy and say, "it is over". We can all say, "Thank God, it is over", but we cannot just shove it off to the backburner and say, "Well, nobody died". There was violence. Unfinished business, I think, is really an apt description for the report. I think we will over the years attempt to do justice to this report. I think it is perfect timing for this report. Hopefully the government will be announcing major new initiatives. So far it has not announced concrete initiatives. All we have been hearing are words, nice words, but only words to date.

• (1320)

As I mentioned earlier in my question, I would like to touch on the subject of land claims. Again I hesitate to use the words "land claims". What are we doing? We are trying to claim some land from the government, land that was never given up, land that was never ceded, land that was never surrendered to any government, to anybody, except in a few cases down south. When I say never I mean the eastern Arctic, the area that I represent, more than anywhere else. But there are a lot of cases around here as well.

That is why I think until such time as the government recognizes our problem with the issue of extinguishment of aboriginal rights, there will be other forms of protest against the government continuing over the years until such time as the government recognizes that there is a need to recognize that inherent right to self-government. Until there is that recognition, we cannot just give up rights which we have never given up and which in

some cases supersede the Constitution and the laws of Canada, as has been pointed out by various court cases.

One of the great errors or misconceptions by the Canadian people is that when people think of aboriginal issues or aboriginal people, they think in terms of social problems and issues only. I think that people have to be aware that we want participation in economic situations, the constitutional development and the political arena, not just on social issues.

Aboriginal people are more than social problems. It is time that people realized that they cannot continue to treat it as a social problem only, but must start treating aboriginal issues as ones that need to be addressed at all levels and forms.

The Prime Minister stated yesterday or the day before that one of the first things they were going to do was do away with the issue of six land claims at a time. This I think bodes well for the numerous land claims negotiations that are going on. However, these could have been addressed long before this. Why has it taken this government six years to address this issue? Why has it taken that long to address the issue?

Approximately a year and a half ago, in April 1989, the government delivered a Throne Speech, mentioning the words "aboriginal" or "the north"' three times in that very short speech. I said: "It sounds like they are sort of giving us"—I cannot remember the proper term, I think it was something like "the velvet glove; you make sure that they notice that they have been mentioned three times but what we do afterward is not necessarily what we say we are going to do". That is exactly what has happened over the past year. There has been nothing done. Probably as much as aboriginal groups do not condone the armed conflict, there probably would not have been anything done if it had not been for the events at Kanesatake and Oka.

I think that as a result of what happened also in June there would have been a lot less done until aboriginal issues made the issue of the day through various media forums. It was very heartening to see how strong the power of a word can be when watching for something like a week or maybe a little longer a member of the legislature in Manitoba say "no", and that is all he said. It was very, very interesting to see that. It quite put in the perspective of what the power of a word can do when a person is determined to do something.

I mentioned earlier that all the nice words that are being said now have to be followed up. When Elijah Harper said "no" to the Speaker, he meant to follow through. That is exactly what we are saying to the government. When you are saying whatever you are going to be doing for the aboriginal people, you have to be able to follow through over the course of the next number of years.

It is very urgent that the government of the day also recognize that we cannot let what happened over the summer to just be forgotten. The government has to allow an independent inquiry into the events at Oka, a special independent inquiry to ensure that everything comes out, how all the things about came about or what happened.

I was talking about the violence that we saw. I am not even sure that what we saw. I am not at all sure whether there was more. What happened when the cameras were not around at Oka? What happened that the cameras did not see? We do not know. When you see violence, you think of physical violence only. I remember over the course of the summer where food was not allowed to go through, where people were not allowed to go through, all sorts of things. It was a basic abuse of human rights. Therefore, there has to be full inquiry into that issue. The Canadian people have to know what really happened.

• (1330)

On the first day after the session of Parliament started, the government put a motion forward praising the actions of the army. It was quite unbelievable that the government would do that when the issue was still going on. How could it have foreseen what was going to happen?

Now that the issue is over would have been the proper time to put forward a motion. Again, the motion did not address the real issue.

The government through this motion is really trying to gain political points. At the same time, it is trying to make sure that the opposition party might vote against its motion so that it can say to the the Canadian people

that the opposition voted against a motherhood issue. It is a motherhood issue.

We all know the army was doing its job. We do not argue with that, but to try to separate what the army was doing to the people at Oka and what the army as a whole is supposed to do is not what we would have agreed with. Instead of being non-partisan about the whole issue at Oka, the government decided to be partisan and tried to make the opposition look bad through its motion.

The constitutional issue of recognition of aboriginal people as a distinct group of people has to be recognized by the government and by the Canadian people as a whole. The Prime Minister keeps saying that the constitutional talks failed. What he selectively forgets is that the 1983 Constitutional Conference chaired by the previous Prime Minister of Canada, Pierre Trudeau, was successful in that it got some amendments that were proclaimed in June 1984.

Again, Quebec did not sign the Accord, but nine other provinces did. So there were some constitutional amendments made in their respective legislatures. There was some success at the Constitutional Conferences.

It was the last two that had no hope of success. In one instance in the last Constitutional Conference, the Prime Minister walked out without even the benefit of trying to come to an agreement. This is basically saying that it was not important enough to try to get the agreement of all the provinces.

Shortly after, the Prime Minister basically locked up 10 premiers until they got an agreement together and came out with a flawed constitutional amendment. Fortunately for the aboriginal people of this country, it was killed by an aboriginal person in the legislature of Manitoba.

One of the areas that the minister touched on was the economic conditions, the Canadian Aboriginal Economic Development Strategy. One of the problems that I as a previous member of the Native Accounting Development Program encountered was that we always had a lack of capital for the aboriginal people, a lack of equity.

There were always various businesses wanting to start up, but because of a he lack of equity, they could not do it. It is all very well for the government to say it is going out with the Canadian Aboriginal Economic Development Strategy. However, if it is not prepared to give special consideration to the aboriginal peoples' conditions or financial state, that may fail. I hope the department will take that into account, the fact that there is a lack of equity among the aboriginal people and until such time that that is taken into account by groups like the Canadian Aboriginal Economic Development Strategy, we will not have a chance.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Madam Speaker, in the report *Unfinished Business* which we are discussing this afternoon, there are some very interesting statistics at the back of the report in Appendix C which is entitled "Socio-economic Conditions of Native People in Canada". If one looks at those statistics, one notes that in many areas the situation is much worse for Inuit people than it is for Indians. Of course, for both aboriginal groups it is very bad compared to other Canadians. For example, with respect to life expectancy, the life expectancy of a Canadian male is 72 years of age and for a female it is 79 years of age but for Inuit, it is 60 years in Labrador, 62 years in northern Quebec and 66 years in the Northwest Territories, much below that of the Canadian non-Inuit person.

If one looks at infant mortality for all Canadians, it is eight deaths per 1,000 births but for Inuit it is 28 deaths per 1,000 births. This is a horrible record. When one looks at suicide statistics for Canadians, there are 15 suicides per 100,000 people and for status Indians there are 34 suicides per 100,000 status Indians, but for Inuit in the Northwest Territories there are 54 suicides per 100,000 Inuit. The incidence of violent death is 54 per 100,000 Canadians and for Inuit there are 173 violent deaths per 100,000 people. In the area of overcrowded housing, only 2 per cent of non-aboriginal people live in overcrowded housing, whereas 31 per cent of the Inuit live in overcrowded housing. Only 17 per cent of non-aboriginal Canadians did not attend high school but for Inuit, 53 per cent have not attended high school and for status Indians it is 45 per cent.

We listened at an attempt at justification by the minister a few minutes ago of what was being done for aboriginal people. I would like the hon. member for Nunatsiaq, himself an Inuit, to tell this House, faced with these statistics whether his people can take seriously the statement made by the minister.

Mr. Anawak: I seem to have a lot of work to do and I have only got 26 years left of my life expectancy. I thank the hon. member for his question.

It is very true what the hon. member was pointing out in terms of housing, benefits to the Inuit and in terms of health. I take a special case in the Keewatin region area where I am from. All our patients are taken to Churchill or Winnipeg. That in itself may not seem so bad, but just imagine a woman who is having a baby having to go to Churchill or Winnipeg, cities in a different province, for a month and if it is a special case, maybe up to two months. That in itself may not seem so bad, but it is the psychological effects that it has on the family. That creates stress, and those kinds of things are prevailing.

• (1340)

Yes, there is very poor housing. We used to try to point out to the Government of the Northwest Territories the difference between the houses which the government provided for its employees and the low cost or low rental houses the government provided for—and I do not say just Inuit—the people, as well as the amount of money that was poured into the houses for civil servants and the amount of money that was not poured into the regular houses.

In terms of other issues, we have the highest suicide rate. I just want to point out that I have lost two brothers to suicide. That kind of thing is very much a case. It is time that we hold the government to the words it is using, that we take the government to task.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Madam Speaker, the hon. member for Nunatsiaq told us that he felt insulted when the government presented a motion stating that it praised the army for its conduct during the events at Oka.

I would like to say that we in the Bloc Québécois also spoke out against the first paragraph of the motion, but I must say I am surprised that the Liberal Party, of which he is a member, did not challenge this passage in its amendment. I suppose it agreed, at the time.

In any case, I would like to ask him—he must be knowledgeable about aboriginal land claims—how many agreements have been signed so far and in which provinces?

[*English*]

Mr. Anawak: I must admit some ignorance here, Madam Speaker, as much as I hate to do it. Very few land claims agreements have been signed. Although hundreds of land claims have been put forward by aboriginal groups across the country, to date there have been very few settlements of cases.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Madam Speaker, I would like to say there have been four agreements to date, three of which were concluded in Quebec and a fourth in the Yukon, but only Quebec, as a province, is taking part in negotiations, since all other provinces have so far refused to do so.

[*English*]

Mr. Anawak: Madam Speaker, I do not think we have any lessons to learn from the member. As a member from the Northwest Territories let me say that we have one land claim negotiated under the Inuvialuit. We have two claims under process already. The Government of the Northwest Territories takes part in all discussions with respect to the ongoing land claims negotiations with the federal government. The province of Quebec is not an exception.

Mr. Jim Karygiannis (Scarborough—Agincourt): Madam Speaker, I want to take the time to congratulate my hon. colleague for the work that he is doing in this particular field and for the time he spent over the last two to three months dealing with the way his people were being treated.

I want to put to him the question that I tried to put to the minister and unfortunately got no answer, due to the fact that maybe the minister danced around or ran out of time. Does the hon. member think that this government should have recalled Parliament right away when the Oka crisis broke, yes or no?

Mr. Anawak: Madam Speaker, very shortly after this happened on July 11, the Liberal Party of Canada asked for a recall of Parliament, remembering that two years previously the government had recalled Parliament because of 117 boat people coming into one of the maritime provinces.

I think that Parliament should have been recalled. The issue would have been dealt with much faster. Shortly after Parliament returned there was a disengagement of

the incident in Oka. The events of the whole summer could have been prevented if the Government of Canada had recalled Parliament.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Madam Speaker, I rise today to participate in this debate on the report of the Standing Committee on Aboriginal Affairs entitled *Unfinished Business*.

I very much enjoyed this report. I recall in 1984, just after I first came to Parliament, that I served on that standing committee. I know the good work that was done during that time when Mr. Penner was involved with that committee. I am very pleased that good work is continuing that good work under the chair of the hon. member for Macleod.

There is just one paragraph in the report that deals with aboriginal women. The committee indicates that the Native Women's Association was unable to appear during the set of hearings that led up to this report, but it indicates that it is aware of some of the issues aboriginal women would wish to discuss. Certainly in other areas of the report it talked about child care, housing, and education, issues which I know the Aboriginal Women's Association would have brought to the committee's attention.

I would like to discuss some of those issues, some of the government's response, and some of our initiatives to deal with those issues.

However, before I move on to that, Mr. Speaker, I would just like to comment on a remark made a bit earlier by the hon. member for Comox—Alberni who opened this debate. He indicated that he felt that other than the motion which was put on the floor and debated on Tuesday of this week, there really had not been anything substantive or specific about what this government's actions were with respect to aboriginal people in this country.

I would beg to disagree. This week in almost every Question Period I think there have been questions raised on issues arising either specifically out of the situation at Oka and Kahnawake or broader issues about Indian land claims and self-government. The Minister of Indian Affairs and Northern Development and other ministers who have responded have indicated their specific plans to proceed in a rapid and appropriate way to start to deal effectively with some of these issues. This was all predicated upon the peaceful resolution of the situation at Oka, one that we were pleased to see occur on Wednesday of this week.

The most important contribution to this over-all debate—and I am sure it is a contribution which in the minds of many Canadians has been vitally important in helping them think about these difficult issues—was a speech made by the Prime Minister on Tuesday, September 25. I remind members that the Prime Minister on that occasion did indeed set out a very specific agenda. He said:

> The agenda I believe we ought to be addressing will have four main pillars: land claims, the economic and social conditions on reserves, the relationship between aboriginal peoples and governments, and concerns of Canada's aboriginal peoples in contemporary Canadian life.

He then went on and quite specifically talked about three initiatives in areas of land claims. Certainly the one that I am very pleased about, being a member from British Columbia, is that we will be abandoning the old style of only being able to deal with six land claims at a time. The largest number of outstanding land claims are in my province of British Columbia, and it has been very difficult to move ahead with them under the constraints of the old policy. I welcome the announcement and congratulate the Minister of Indian Affairs and Northern Development and the Prime Minister on it. That, along with the provinces' indication that they will be prepared to undertake joint discussions, I hope will mean that we will be able to move ahead substantially with land claims issues in British Columbia.

• (1350)

The other dimension that the Prime Minister talked about related to social conditions on reserves. All members who have had the opportunity of visiting reserves across this country know the variety of conditions. There are some that are excellent. I have in my own riding the Mount Currie community where the previous government and this government together provided the funds to establish basically a whole new community with very good housing and support services.

However, we know that is not the case in some parts of the country like northern Ontario. The Prime Minister's commitment that we were going to be working with the Indian leadership and the provincial governments on a range of improvements to basic community programs

and services such as water and sewage facilities will be welcomed by our native people across this country.

It is something that is fundamentally needed in order to move on to some of the other kinds of programs that are so essential, but I think the point the Prime Minister made as well is something we should all reflect on when we talk about the essential of ensuring that our native people have a sense of dignity. Of course that sense of dignity can only come as their own self-esteem is developed and grown, and perhaps in no area more importantly than for aboriginal women. Of all the issues we talk about and the difficulties we face with respect to aboriginal people, aboriginal women are often and frequently more disadvantaged than perhaps others.

When I came to Parliament, the very first piece of legislation I was involved in—and I sat on the committee—was Bill C-31, a bill that this government brought forward to redress a basic inequality which many aboriginal women in this country had faced for decades and decades: the fact that if an aboriginal woman married a non-aboriginal male she was disenfranchised; she no longer had status and her children no longer had status. I think the hon. member who is sitting in the chair right now served on that committee with me.

An hon. member: Not aboriginal. Only Indian.

Mrs. Collins: Indian, I am sorry. He and the hon. member opposite will recall the many hearings we went through and the delegations that came to appear before that committee. There were diverse opinions. It was not something where there was unanimity.

However, this government had made the commitment and that legislation became law in June, 1985. I think we all recall Flora MacDonald, a previous colleague of ours, who provided a lot of leadership on this issue during the 1980s.

That bill has made a difference, that change in legislation. It has meant that Indian women who were disenfranchised have been able to come back to their bands and obtain membership and housing. However, we know that the implementation has not been universally equitable across this county. Indeed there are some difficulties with that.

One of the provisions was that this piece of legislation would come up for a five-year review. I must say that those colleagues of mine who served on that committee, and others, where these kinds of provisions were included were seeing how important they are and that automatic review of legislation after a period of time by parliamentary committees is very important, because we cannot know everything when we write these laws. Sometimes they work out a little differently. They certainly may need some changes or amendments.

Over the last five years, in order to implement this legislation the government has committed some $859 million. Those funds have gone to bands. In this current year, 1990-1991, there will be about $17 million in funds for secondary and elementary education. There will be another $37 million for post-secondary education. There has been funds for housing and funds to support the reinstatement of these Indian women.

In the past little while a special committee has been established. I think it is an indication of the kind of collaboration and consultation to which this government and this Minister of Indian Affairs and Northern Development is committed. The committee is chaired by Bill Monsieur, Chief of the Six Nations Reserves, and includes memberships from the AFM, from the Native Women's Association of Canada, and from the Saskatchewan Federation of Indian Nations.

We expect that the committee will make its report around the end of November and will be making recommendations for improvements in the legislation to deal with some of the difficulties that are still faced. I am certainly looking forward to that report and to improvements to ensure that Indian women do have true equality.

Another area that I think is very important—and my colleague, the Minister of State for Indian Affairs and Northern Development, mentioned it as well—is economic development programs which will enable native people to take control over their own destinies and their own economic activities. The CAEDS program was mentioned already, the Canadian Aboriginal Economic Development Strategy which is under the jurisdiction of my colleague, the Minister of State for Small Businesses and Tourism. It has been an important component.

We are already seeing that some $875 million has been designated under that program for the first five years. Also that program emphasizes partnerships with non-government groups as a primary vehicle for native economic self-sufficiency.

In my own agency of the Status of Women we have been working with our provincial colleague. At our federal-provincial meetings of ministers we put forward a plan of action for aboriginal women's economic development. In collaboration and co-operation with three national native women's organizations—the Native Women's Association of Canada, the Inuit Women's Association and the Indian and Inuit Nurses of Canada—we have undertaken a strategy and a plan to provide greater opportunities for aboriginal women to have access to funds through CAEDS and other government programs to advance economic development.

We are all aware that in Canada it is women who are starting up small businesses. I think it is something like two or three times as frequently as men and they are twice as successful. That the same pattern exists within the aboriginal community. I know my colleague from Nunatsiaq would agree with that. I know from my own riding where I have three Indian reserves just how effective some of the Indian women have been in their small businesses, but they do need support, capital, and opportunities. I am looking forward, as I am working with my colleagues, to the implementation of an aboriginal women's economic development plan and that being done in consultation.

All these programs have to be done with native people. They have to set out what they think will work. Governments, bureaucrats, and politicians do not know necessarily what is right. These programs have to be done as partnerships.

The time is getting short, but I just want to mention three other important issues that relate to aboriginal women. We all know the importance of child are. It was raised earlier today in Question Period. Certainly for native families it is very important. Through the child care initiatives fund, we have had 53 projects to support native families. That includes both on and off reserve at $5.7 million. Certainly that is a good start. The Minister of State for Indian Affairs and Northern Development has visited some of those projects, as I hope to do in the next little while as well.

Project Haven, which is an initiative of this government under our Family Violence Program, provides support for capital for the construction of shelters for women who have been abused. Under that program, 87 spaces have been provided for native women and their children.

As well, the Department of Indian Affairs and Northern Development has a special $3 million allocated under the Family Violence Program for its initiatives. I know when I have talked to my ministerial colleagues from the Northwest Territories, Minister Marie-Jewell and Minister Margaret Joe from the Yukon who are native women themselves, one of the issues that is really the top concerns is this issue of violence against women within aboriginal communities. We are looking forward to working together on new programs to support and to try to not only provide assistance to women who are victims of abuse, but to try more vigorously to look at the root causes and work on prevention and education programs to hopefully some day eradicate this issue. I know my time is up—

• (1400)

Madam Deputy Speaker: I interrupt the hon. minister. The time has expired.

The parliamentary secretary on a point of order.

Mr. Shields: Madam Speaker, the report tabled by the Standing Committee on Aboriginal Affairs is, indeed, very important. There are a number of people who would like to continue to speak on it. I am wondering if we could have the unanimous consent of the House to continue with this order of business for the next hour. I think members would appreciate it very much.

Mr. Riis: Madam Speaker, we have a very important private member's initiative coming up for the next hour. We always have to respect the right of individual members of the House. I think my hon. friend from Athabasca is absolutely correct, this is a very important debate.

On behalf of my party I am prepared to say that we are prepared to stay later today to allow all those who wish to participate in this debate an opportunity to do so. It is very important. The situation facing native people in the country has never been more acute. It is more focused than it ever has been and we have an obligation as members of Parliament to do something about that. On behalf of my party we are prepared to stay here for the

entire weekend, if necessary, to deal with this important matter.

Mr. Boudria: Madam Speaker, that may sound very noble, but perhaps we could have a practical modification to that. Perhaps I could assist the House by suggesting that we move now to private members' hour and that we resume consideration of this subject at three o'clock for, perhaps another hour. Maybe that would be agreeable. But to leave it wide open, I think is probably not very reasonable. I do agree that other members would be interested in participating and perhaps it would be a good suggestion to move now to private members' hour and resume consideration of this issue at three o'clock for an additional hour. We could then adjourn at four o'clock, unless, of course, some time before four o'clock the House directs otherwise again.

Mr. Riis: Madam Speaker, that is certainly more than a compromise. I suppose we can be happy for whatever little debating time we can get on this issue. I am prepared to support the suggestion. I think my hon. friend from Athabasca is very wise, that to extend the sitting this afternoon is a very appropriate gesture. I applaud the government for being prepared to set aside more time on a Friday afternoon to discuss this. I look forward to extending the session as long as we can. If it is an hour, I will certainly agree to that.

Mr. Shields: Madam Speaker, I really apologize for members of the House when they try to work in political manoeuvring.

We all know that we adjourn the House at three o'clock. This is to allow members of Parliament to return to their ridings when they have duties for the weekend. My suggestion was that we continue in the next hour and, indeed, we could accommodate the private members' bill early next week. We could make that a priority that he become the very first one next week. It certainly is not acceptable to continue on for the weekend, because many of us in this House have important duties elsewhere. Indeed, I am meeting this weekend with some people of the aboriginal community in my riding and it is more important that I be there, along with some of the other members.

If it is not acceptable to extend for one hour and it is not agreed—

Mr. Riis: Madam Speaker, I am trying to understand the motive of my hon. friend from Athabasca. Perhaps he has thought ahead in knowing that the Prime Minister is in New York today dealing with children, and knowing that my hon. friend from Glengarry—Prescott—Russell is introducing a bill that would do away with a hate that is levelled against children in Canada, which I think is a good initiative, does my hon. friend not want to debate this today for fear of embarrassing the government because of what it has not done in the past? Is that what he is trying to do?

An hon. member: We have reached no agreement.

Madam Deputy Speaker: Obviously we are getting into a debate now and there is no agreement. The hon. member for Calgary West.

Mr. Hawkes: Madam Speaker, I have a special responsibility in this Chamber as the whip for the government party. Across the way is my colleague who is the deputy whip for the Official Opposition.

We have several times this week tried to reach agreement for the conduct of the nation's business in a regular planned kind of fashion. The debate we have been having today represents an unplanned intervention.

Mr. Riis: Who cares in this chaos?

Mr. Hawkes: I think the Canadian people care. I think when they go to the ballot box to vote for somebody to represent them they expect that—

Madam Deputy Speaker: Order.

Some hon. members: Order.

Madam Deputy Speaker: There does not seem to be an agreement so I would suggest that we move on with private members' business.

I have to recognize the hon. member on a point of privilege. I do hope the hon. member will very quickly come to the point. The hon. member for Athabasca.

Mr. Shields: Madam Speaker, the member for Kamloops stood in this House and impugned the motives of the member for Athabasca, myself. Very clearly he did so. The "blues" will show that. I ask him to stand up and do the honourable thing and withdraw those remarks immediately.

Mr. Riis: Madam Speaker, I am not going to resign. I was curious, Madam Speaker, and perhaps I misunderstood my hon. friend's intentions. He knows what the topic of private members' hour is all about, it is about the horrible thing that is perpetuated against children in our country that the government continues to allow.

Now all I can say is that knowing that and wanting to set aside the private members' hour until after the Prime Minister has done his duty, I suppose, on the stage in New York, I just found to be rather distasteful. That was the point I was making and if it has offended by hon. friend I will certainly withdraw that remark, but it seems that that was what he was up to.

Madam Deputy Speaker: I think we do understand that the hon. member for Kamloops was not imputing the motives to the hon. member.

It being two o'clock p.m., the House will now proceed to the consideration of Private Members' Business as listed in today's Order Paper.

PRIVATE MEMBERS' BUSINESS—BILLS

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

Mr. Don Boudria (Glengarry—Prescott—Russell) moved that Bill C-207, an act to amend the Criminal Code (hate propaganda—age group) be read the second time and referred to a legislative committee.

He said: Madam Speaker, I am pleased to rise this afternoon to bring to the attention of this House a matter which should be of concern to all of us in Canada. I am speaking of the violence against children; more particularly, I am speaking of the issue of the hate propaganda against children which I believe to be a cause of this violence.

There exists a product in this country today which is known as Garbage Pail Kids. This product exists in our country, but luckily, I suppose, it is not manufactured in our country. It is produced elsewhere and brought across the border into Canada. This product, which I referred to previously as Garbage Pail Kids, is produced in the form of a bubble gum card. These bubble gum cards depict children being mutilated, murdered and dissected. The whole purpose of this is supposed to be to provide entertainment, and I use that word very loosely. The product in question is designed to be sold to children. The cards in question are sold with bubble gum, therefore the purchaser is intended to be a child. The child purchasing this sees other children in positions that I have described earlier and as such, the whole exercise cheapens the value of human life in ways that are almost too sad to describe.

• (1410)

I will take but a moment and give you a quick description of these cards. There is a picture of a child whose back is being scratched and where you see blood flying everywhere. This child is being scratched with a rake and the joke is supposed to be, rake Jake. That is supposed to be the name of the child in question.

In another one of those so-called funny cards, we have a child whose name is Mason Mace and he is being clubbed over the head with a spiked mace and his head is falling off. All of this, of course, is supposed to be funny, accordingly to, at least, the promoters of these products. The Topps Bubble Gum company was interviewed when I brought this to the attention of Canadians some three years ago. When they were interviewed, they said children liked gross and these cards are gross. That may be so, Madam Speaker, I do not think there is anyone who will disagree with the fact that they are gross, but that does not make them right.

I have complained about these cards on several occasions. I wrote a letter in August of 1988 to the senior assistant Crown attorney of Ottawa, the judicial district of Ottawa-Carleton, who, of course, is an employee of the Ministry of the Attorney General of Ontario, to see whether these cards offended the provisions of the Criminal Code. He wrote back to me at that time and indicated that although the cards were certainly not acceptable beyond any stretch of the imagination, that there was nothing that he could do because of the way the Criminal Code is written. I wrote further to the then Minister of National Revenue, the member for Central Nova, bringing the matter to his attention as well, describing how these cards were offensive and objectionable and why they should not be permitted to come into this country from the United States.

On September 20, 1988, the minister wrote to me and said that he had had his officials review the schedules of the Customs Tariff Act which prohibit the importation into Canada of certain material. The minister says in his letter and I am paraphrasing here, that he does find the material offensive and objectionable, however, it is not permitted by him to stop the importation of these awful cards into Canada because they do not offend the hate propaganda provisions of the Criminal Code of Canada.

Madam Speaker, the Criminal Code of Canada, under its hate propaganda provision states: "Everyone who advocates or promotes genocide is guilty of an indictable offence and liable for imprisonment of not longer than five years." It says further that: "In this section genocide means any of the following acts committed against an identifiable group." The identifiable group is further defined by saying the following: "In this section, identifiable group means any section of the public distinguished by colour, race, religion or ethnic origin." Of course, children are of all races of ethnic origin, colour and race, therefore, because these cards do not promote hatred against a specific origin, religion or race of children, the minister was apparently unable to stop the importation into Canada of this awful material. What I propose to do in my private members' bill is very simple. I propose to add one word to the Criminal Code.

The Criminal Code of Canada, as I said previously, states that we must not promote hatred against an identifiable group and that this group is identified by means of colour, race, religion or ethnic origin and I propose to add one word, the word "age". In other words, under this new definition, if you promote hatred against an identifiable age group, that would also be an offence as well as promoting hatred against someone because of their colour, because of their race, because of their origin and so forth. To promote hatred against a specific age group would then be an offence under the Criminal Code.

Just relating back to the cards in question, just in case anyone is unsure whether this amendment would in fact accomplish the objective, I want to state to you, Madam Speaker, that the children in question all appear to me to be within the age group of roughly a few months to three or four years. It is quite easy for anyone to determine that what the cards promote in fact is, in my opinion, hatred against very young children and I do believe that the amendment that I am proposing would correct the situation.

At the very least, I am sure that those who export this product into Canada and those who import it, those who purchase it here, once this amendment is passed, would be quite reluctant to attempt to import the product or even for those who sell it to people across the border would be reluctant to selling it because of course they know that they could potentially be charged for a breach of the Criminal Code of Canada.

I know that the number of private members' bills that is passed in this Parliament in any given year is, shall we say, small to say the least. Only a handful of bills do make it. I am asking colleagues on all sides of the House today to set aside any differences that we might have for the good of our children.

We are opening today this United Nations conference on children. We could in a very small way make a contribution this afternoon, in the few minutes that this House has to sit before adjourning for the weekend. I propose that we adopt this bill at second reading. In the event that there is a minor change to be performed, or course the committee that would be studying the bill clause by clause is well equipped to do that. It would do so if given the opportunity. That opportunity of course is contingent upon this House not talking the bill out, in other words, this House adjourning the debate prior to three o'clock in order to permit the vote.

Naturally, it is my hope that members on all sides of the House would vote in support of this private member's bill, a bill to end hatred against children, or at least in a small way improve that condition.

Madam Speaker, I believe I have one or two minutes left and I just want to indicate to you that I have received correspondence from people right across the country on this issue. I will read a letter sent to me by E. M. Zaleski of Windsor, Ontario which states, and I read selectively:

> Dear Mr. Boudria:
>
> I was particularly pleased to read about your stand to ban the bubble gum cards "Garbage Pail Kids" with their sick advertising from being sold in Canada, since I, myself, have just written a letter to the president of Topps Chewing Gum Inc., complaining of the grossness of their cards. I enclose a copy of this letter.

This is a letter I received from Windsor. I have another letter which I received from Mrs. Mary Hawes of Calgary, Alberta which states:

> Last night my granddaughter showed me a collection of "Garbage Pail Kids" and I nearly threw up. You are right to say these cards should not be allowed in Canada.

I could read on and on from the stack of letters that I have here. Individual Canadians are not the only ones who have written to me on this issue. I just want to read to you a short excerpt from a resolution passed by the Peterborough County Board of Education on November 25, 1988 in which they adopted the following resolution:

> WHEREAS the Topps Chewing Gum Inc. product called 'Garbage Pail Kids' is most objectionable and is contrary to the values taught in our public schools, and
>
> WHEREAS this product is available in retail outlets throughout Ontario,

I will just read the conclusion:

> Therefore, be it resolved that the Ontario Public School Boards' Association petition Topps Chewing Gum Inc., the Federal Ministry of Consumer and Corporate Affairs and the Provincial Ministry of Consumer and Corporate Relations to have these products withdrawn.

• (1420)

Clearly, Canadians do not want this product.

[*Translation*]

Madam Speaker, we know that children buy these cards. But even if they have the opportunity to do so, we parents have to guide them and stop them from buying them. Of course we all know that if you give loose change to a child going to the convenience store he will not necessarily return with what you expect. We know they can buy whatever is on the shelves. For the same reason, we do not want our children to buy pornographic material in convenience stores.

I think we all hope our children will never again be able to buy this kind of hate products aimed at other children. These products lower the value of human life, so I urge all my colleagues to support me with a view to banning them as soon as possible.

Hon. Jean J. Charest (Sherbrooke): Madam Speaker, at the outset of my remarks I want to join my House of Commons colleagues who, a few seconds ago, congratulated the member from Glengarry—Prescott—Russell for his initiative. In response to his invitation of a moment ago I can tell him that government members on this side of the House do not intend to take a partisan approach to this issue. I hardly think the matter raised by my colleague from Glengarry—Prescott—Russell will prompt members to express diverging views because they are Liberals, New Democrats or Progressive Conservatives. There can be no partisan politics when dealing with such issues. As far as we are concerned, at least, there is no point of view which stems from ideology as such. The question raised by our colleague is of some concern to many Canadians.

We all know that in recent years the courts had to rule in a few hate propaganda cases. The Keegstra case in Alberta immediately comes to mind as do those of Andrews and Smith in Ontario where these cases went all the way to the superior courts. I believe that at this very moment, the Supreme Court is being asked to judge in this connection on the constitutionality of certain sections of the Criminal Code, including subsection 319(2). This means, Madam Speaker, that the subject raised by the hon. member here in the House today is now being considered by our courts and by the Supreme Court of Canada, specifically with respect to the Keegstra, Andrews and Smith cases.

I also want to join the hon. member in condemning this kind of propaganda—let's call it propaganda, he used the word—which some people see as "entertainment". Quotation marks are indeed in order here because personally, I see no redeeming features in the kind of illustrations on the cards being sold to children. I tried be objective and see whether there was anything positive here but quite frankly, I cannot, and that includes the product itself.

I don't think extensive research is necessary, Madam Speaker. I don't think anyone will order a doctorate thesis on the subject. I think any reasonable person will agree it is not the kind of product we want to sell or make available to children.

One wonders about the motives of the people who distribute and about the kind of person that would have the guts to create this kind of product. It raises a number of questions that are quite troubling for us and for all members of this House.

Madam Speaker, I would like to speak very briefly about the present provisions in the Criminal Code on this subject, and which have been there for some time.

First of all, hate propoganda is an offence that is defined under Common Law. Under our legal system, however people are not prosecuted under Common Law but our Criminal Code is based on Common Law. People are prosecuted for offences that are specifically defined or codified the Criminal Code.

This is one of the principles of our criminal law. Law professors tell us you can do anything in Canada, provided there is no law against it. That is one of the first things you learn at law school, in criminal law. Therefore, this problem, and the hon. member was right to remind us, must be considered within the context of the Criminal Code.

The current provisions of the Criminal Code stem from a study which was carried out in 1965. In January of that year, Hon. Guy Favreau, the then minister of Justice, had appointed a Special Committee to study and report upon the problems related to the dissemination of hate propaganda in Canada.

This Committee, also known as the Cohen Committee, completed its study in 1965 and recommended a number of amendments to the Criminal Code. Anxious to harmonize the new legislation with the major tenets of the Convention on the Prevention and Punishment of the Crime of Genocide, as well as the International Convention on the Elimination of All Forms of Racial Discrimination, and in line with the Cohen Committee recommendations, Parliament included in 1965 in the Criminal Code a number of provisions concerning hate propaganda.

If I mention these international conventions, Madam Speaker, it is because there is a close relationship between the current provisions of our Criminal Code and the provisions of International Law as it existed at the time.

These provisions deal with advocating genocide, public incitement of hatred, and wilful promotion of hatred. Section 318 of the Criminal Code criminalizes advocating genocide. Everyone who advocates genocide is liable to imprisonment for a term not exceeding five years. No proceeding for an offense under this section may be instituted without the consent of the Attorney General of Canada.

Madam Speaker, I wish to emphasize that these are exceptional provisions. This is not the kind of provisions which we find in most of the offences mentioned in the Criminal Code. There is a reason for that. In fact, in the case of hate propaganda, an additional review is required. Before legal action can be taken, there must be a political examination, so to speak—and again, I use quotation marks—but there must also be a political will to act before charges can be brought.

In other words, at this level the persons must be committed to suing the person or persons concerned or the organization, according to the values stated or judged, or the prevailing circumstances.

The subsection 319 (1) of the Criminal Code mentions the people publicly inciting hatred. The base of the offence is the incitation to hatred in a public place—and this is the important part of the article—in a way "likely to lead to a breach of the peace" The term "public place" is defined in the Code as including any place to which the public has access as of right or by invitation, express or implied". Those who break the law in this regard are liable to imprisonment for a term not exceeding two years.

The subsection 319 (2) of the Code covers the case of persons who, by communicating statement, wilfully promote hatred.

• (1430)

This violation differs from the previously mentioned one in that it is not necessary for the wrongdoing to be likely to lead to a breach of the peace. Moreover, the statements must be communicated other than in private conversation. Because there are limits to what the legislator can do and to what we can do as a society, Madam Speaker, I think that common sense would dictate that we at least not seek to regulate in that matter. Private conversations should not be regulated either. That is pure common sense.

As regards the latter violation, Parliament adopted means of ensuring freedom of expression is protected for, in our society, Madam Speaker, every individual liberty is measured against the liberty of others. Let us not forget that freedom of expression, as described in the Canadian Charter of Rights and Freedoms, in section 2 b) of the Charter in particular, is what serves to counterbalance these provisions of the Criminal Code prohibiting hate propaganda.

The definition of "identifiable group"—and I think that is the key of the problem—which would be modified by my hon. colleague's bill, applies to the three offenses I have just mentioned.

Madam Speaker, I think it is obvious based on the historical background of the provisions relating to hate propaganda, that these provisions were originally intended and are still intended to protect visible minorities, religious groups and ethnic minorities in Canada. The underlying principle of the Report of the Special Committee on Hate Propaganda in Canada on which the present provisions on hate propaganda are based—and I am about to conclude, Madam Speaker—was to provide better protection for minority groups against racism, antisemitism and religious intolerance.

Madam Speaker, that is what in legal circles is called the *genus* of an article or argument—in other words, a definition that is used to achieve a specific purpose. What the hon. member is proposing today is a definition that goes beyond the *genus*. That is why the government does not see this particular amendment, at least not in its present form, as the ideal solution to the problem described by the hon. member. It may be the answer later on. However, at this time, Madam Speaker, we believe that the problem described by the hon. member could be dealt with more effectively other than by adding to a section that is now being challenged before the Supreme Court of Canada. My point is that in the next few months, the Supreme Court will have to rule on the validity of all these sections and at that time will decide what the law will be. Furthermore, in a context that is rather technical, it may not be the ideal solution to include age in a definition that cannot suitably include this factor.

That is why, Madam Speaker, I think that as legislators we must act prudently and wait a few months until we have a judgment by the Supreme Court of Canada, which we can then use to propose to Canadians an effective and lasting solution to the very important problem raised by the hon. member for Glengarry—Prescott—Russell.

[*English*]

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I join with others in commending my colleague from Glengarry—Prescott—Russell on his initiative on this most important and critical matter. I join with my colleague from the Conservative Party who has just spoken and say that indeed this is non-partisan. This is not a political issue. It is an issue of compassion and caring where we, as Members of Parliament, are attempting to do something to rid this country of hate propaganda levied against children.

My hon. friend from the Conservative Party has indicated that we should see this in the context of amendments to the Criminal Code. That is one context, but I suggest there is another.

This weekend the Prime Minister will be co-hosting the United Nations World Summit for Children on behalf of Canada. While there is a lot of cynicism in terms of our Prime Minister, would it not be a perfect signal for the Parliament of Canada on the eve of the UN World Summit for Children to agree to refer this matter of hate propaganda levied against children to the appropriate committee for consideration in terms of dealing with this issue? I will be the first to say that perhaps this is not the best way to deal with it. At least it is a way. That forms another context in which I think we should examine this whole issue. We are only too familiar with the fact that children grow up today in an atmosphere of violence, violence that is demonstrated by their daily and weekly viewing of television. If you watch television, as a normal child in our country probably does, you see hundreds of killings every month on television. That rips the status of human life in terms of the image of the child.

We tune in to television in our homes now at certain times of the day and in some cases all day long to pornographic films, soft porn, hard porn, so any child now who can turn the dial on a television set can view some pretty interesting television to say the least, to say nothing of the rap tapes, discs, and records that one buys, that children tend to buy, and to listen to the messages that are sent out on those tapes, discs and casettes is something disgusting.

This is the context in which children today are being raised. It has been brought to our attention that these bubble gum packages imported from the United States carry these little pictures of kids that are supposed to be entertaining, as my hon. friend indicated. These are pictures of children with their heads cut off, pictures of

children hanging from trees—lynched, if you like, Madam Speaker—where their hands are being burned in boiling water, where they are being ripped open with a knife, where their legs are being chopped off, where their stomachs are being ripped open, where their backs are being lacerated, where they are being run over by vehicles, where they are being twisted to death in the form of torture.

I can go on and on, but I think the point is well made. These are disgusting. This is not something that I think anyone would suggest is entertaining for a young person. Yet you can buy these in any shop in our communities.

I am sure all of us have received representations from parent groups, school groups and individuals coming to our offices, saying that this is coming into Canada. This is not right.

Well, as parliamentarians we ask what can be done. Surely we just cannot sit back and say that the existing Criminal Code does not allow us to do anything, just sit back and accept this.

What can we do? Well my hon. friend from Glengarry—Prescott—Russell has come up with a suggestion. That is that we have regulations in the Criminal Code that does not allow hate propaganda against certain groups, and he has mentioned them, based on cult groups, based on colour, sex, creed, religion, country of origin. So we are able then to combat this type of hate propaganda that is aimed at those particular groups.

But we have nothing too prohibitive in that same way for hate propaganda that is destined against children.

This very simple Private Member's Bill attempts to include the wording of an identifiable age group as part of the criteria where hate propaganda can be brought into the courts under the Criminal Code of Canada.

I think this is a great initiative. It is at least an initiative, Madam Speaker. I become worried when I hear my hon. friend from the Conservative Party say there must be better ways to deal with this and so we will leave it for now.

I think it is perfect that on the eve of the United Nations World Summit for Children that the House of Commons would take this initiative. We all admit that this may not be the answer, but to simply refer this to the appropriate committee to indicate, first of all, our intention, our support for this initiative, and our disgust at this type of hate propaganda against children in our country, is a very laudable initiative.

We all know the rules here. If the debate ceases before the hour hand reaches three o'clock, this will then be put to a vote. I will say, representing the New Democratic Party, that we would vote in favour of this initiative. I have heard from my friends in the Liberal Party who say they will support this initiative. All eyes will be on the Conservative Party to see whether they support this initiative.

If they do, we will simply have a voice vote and the whole matter is referred to the appropriate committee. Simple, clean, and one of the most positive initiatives this House could take at the end of a very, very chaotic week in the House of Commons.

• (1440)

On behalf of my colleagues in the New Democratic Party, I want to say we support this initiative. We are abhorred at the kind of hate literature that is coming into our country from the United States. It is disgusting in all ways and forms. If this initiative can prevent this type of hate literature from getting into the hands of our children, we will be taking a step in the right direction.

I encourage all my colleagues to stop this debate well before three o'clock to advance this initiative.

Some hon. members: Hear, hear.

Mrs. Christine Stewart (Northumberland): Madam Speaker, it is my privilege and honour to support my colleague who brought this bill before the House.

To me there are not enough words in the English language to say just how evil are these cards by the name of Garbage Pail Kids. They are vile, repugnant, and against everything that is decent and humane about our society. For people who distribute them to say that they distribute them because children like them and want to buy them is to be totally irresponsible.

If we listen to the evidence of so many children who live in poverty in this country today, they will tell us in as many words that they feel like garbage, that their peers call them garbage, and that adults treat them like garbage. We cannot tolerate and allow this type of propaganda, this type of reverse sensitization to exist in our country.

We are judged by what we do not do as often as by what we do. Good people often fail to do what they must do. What we lack so much in this country today is leadership. Again I just want to applaud my colleague for taking the initiative at this very important point in time in bringing forward this proposed legislation. I do not want to take up a lot of time because I want to ensure that this legislation is passed in this House this afternoon by voice vote.

Last night on national television, on the CBC program *The Journal*, we watched the story of the plight of children world-wide, children who are treated so indecently, like garbage. In some nations of the world today, because children are considered as garbage, they go about killing children on the street. We have to stop. We have to take the opportunity to turn the tide back and do something to address the very dire straits in which children around the world and in Canada find themselves. We must take the initiative as responsible adults to speak out on their behalf. Even though some children because of their age may think that this is amusing, the children that it hurts have no voice in this country. They depend upon us to speak up on their behalf.

I support my colleague's bill. I would urge and expect all of us to affirm it in a vote this afternoon.

Mr. Stan Keyes (Hamilton West): Madam Speaker, I will make my remarks quickly so that we can get to the vote. I want to thank my hon. colleague, the hon. member for Glengarry—Prescott—Russell, for his determined and thoughtful initiative.

What we see here is nothing more than an housekeeping matter in the Criminal Code. He wants to add the word age. In fact it would arm the government minister with the necessary tool to prevent the proliferation of this kind of horrendous material. It is hate propaganda. There is no question of that.

We have these bubble gum cards, produced by Topps Chewing Gum Incorporated, with pictures depicting babies and older children expressing pain and agony while under dissection or surprise at having been impaled by the horn of a unicorn. This serves no one and in fact is nothing short of sick.

Where do we stop? What do we see next? Will we maybe see elderly persons? Will they pick up elderly persons and start making a mockery of them in this kind of disgusting material?

Given that the municipalities and school boards have condemned the product, it remains incumbent upon us to support them. I would hope that the House would adjourn debate on this motion to allow us to vote and vote in the affirmative in support of the member for Glengarry—Prescott—Russell and Bill C-207 and, in the process, to denounce this product and any product like it.

Mr. Arnold Malone (Crowfoot): Madam Speaker, I want to commence by letting the hon. member for Glengarry—Prescott—Russell know that I think he has undertaken today to put before parliamentarians an issue that demands our attention and requires our sensitivities. I am one who having looked upon this legislation believes that there are some technical inadequacies to it and that in some parts, perhaps in its greatest failing, does not go far enough.

I pondered as I heard the hon. member read through a list of categories of people which he says the present legislation would restrict from hate literature and then point out that age was not one of those categories. If I heard him correctly, I did not note either that gender was one of those categories. It would seem to me that a further and more thorough examination ought to be undertaken with respect to a number of these criteria.

I believe that there would be a lot of advantage for this House in some ways in waiting for the decision of the Supreme Court of Canada with respect to the hearing of the Keegstra case and its pronouncements on hate literature to give us a durable kind of resolution that we might undertake.

Having said that, none of us in any corner of this Chamber would ever want to be in a situation where it would appear that for some reason we were not able to stand up, not only for an age that are called children but for an age that is called innocent. These criteria in my judgment are not as thorough as I would like and not as extensive as I would like. There are some technical limitations to them, particularly on a weekend when we stand on the eve of a world conference being held in New York to recognize the plight of children around the

world. The descriptions thereof are well beyond the imagination of the majority of Canadians.

In the country of Brazil there exists today some 25 million street children. I remember that statistic with ease and with pain, because it is exactly the same number of street children as the total population of Canada located in one country. Street children are children who wander loose and alone without their parents.

The hon. member puts before us the whole notion that there is coming into this country the kind of material he described. From the speeches I have heard from others, I can only recognize that they have seen that material also and I accept it as fact. I have not seen it, but I do not doubt it. All I know is that if it fits the descriptions I have heard, it is not in a context which is appropriate that we have that kind of material within our society.

• (1450)

I suppose, to repeat, what I sense is that we would be better off—I say that quite genuinely—to have done a more thorough examination of the matter. I believe that there are other categories of the question of hatred that ought to be examined.

I also believe it would have been far more prudent for us as parliamentarians to have moved after the Supreme Court completed its deliberations with respect to the Keegstra case and laid before us all its recommendations.

Because of the evidence the hon. member has laid before us and because of the inability of this sector of society to be able to stand to protect themselves, it is appropriate for us as parliamentarians to accept the amendments that the hon. member wants to send forward to committee stage. Perhaps at that time we can expand on them. I am not sure to what extent he sees it, but I would presume that we should be able to expand in some detail and into different dimensions.

If in that process we can find even a much better bill that is different enough to change the character and nature of the bill, I believe that the hon. member for Glengarry—Prescott—Russell will have started an appropriate initiative. He will have forced officials to come forward with an appropriate total response.

If that leads to a different, fuller and more expanded piece of legislation than what is being proposed, so be it. Let's wish, at least as I sit down, that as they meet this weekend in New York we can become a planet that is more caring for the young and is more intently interested in those who are unable to protect themselves.

Then we can stand on the right side of right, particularly in this case, in the interests of children who are being perpetrated upon by unholy material which in the final analysis can do nothing other than make all of us as a society stand together and say: "We repulse such information perpetrated upon our young."

Mr. Charest: I rise on a point of order, Madam Speaker. After having consulted with colleagues in the House, especially with the member from Glengarry—Prescott—Russell and the House leader of the New Democratic Party, I think Your Honour would find unanimous consent in this House at this time, after a very trying week of debates for Parliament, especially on the eve of the world summit on youth as my colleague from Crowfoot and others have mentioned.

This would be a good opportunity for the House to offer its unanimous consent so that this subject matter could be sent to a legislative committee for study. We could take into consideration all the arguments that were brought before this House today and take into consideration all the elements that will be coming into play in the next few months. Then the House of Commons and the government together will deal with this issue in the most efficient manner as possible.

Mr. Boudria: Madam Speaker, I confirm that there has been such a discussion. As I understand it, you will require unanimous consent, first, to withdraw the bill and, second, to ask that the subject matter be referred to the appropriate parliamentary committee. Given that the House seems to be favourably disposed to that, I want to thank everybody even if they are not disposed to it.

I cannot presume that such consent has been achieved. We will have to you, Madam Speaker, to ask the House if it is so disposed. If such consent is achieved, I will thank hon. members in advance for their co-operation.

Mr. Riis: Madam Speaker, I too want to confirm that the discussions have occurred. This is a wonderful way to culminate a week. It has not been an easy week for anybody, but I cannot think of a more appropriate way to end it off than to withdraw the bill and send the subject matter to the appropriate committee. It advances the initiative taken by the hon. member for Glengarry—Prescott—Russell.

I want to say on behalf of the New Democratic Party that we are pleased with the element of co-operation we have seen for the first time this week, almost for the first time this year. Again I say to my colleagues in the House of Commons that this is a very positive initiative with which to end the week.

[*Translation*]

Hon. Jean Lapierre (Shefford): Madam Speaker, first I should like to set the record straight: they say everybody was consulted and there is general agreement, but I can tell you that such is not the case and that nobody in this House speaks for me. The fact is, given the obvious merit of this motion and exceptionally, I will co-operate with the members for Glengarry—Prescott—Russell and Sherbrooke precisely because we are talking about the future of our children. This, however, should not be taken as a precedent.

Some hon. members: Hear, hear.

[*English*]

Madam Deputy Speaker: The House has heard the terms of the motion. Is there unanimous consent for the motion?

Some hon. members: Agreed.

Order discharged and bill withdrawn.

Madam Deputy Speaker: Shall I call it three o'clock?

Mr. Boudria: Madam Speaker, perhaps as the sponsor of this bill, a bill turned motion now, I could take this opportunity to thank all colleagues for the support they have just given me.

All partisanship aside, which the Prime Minister and I may have occasionally, I want to wish him a successful weekend in New York City on behalf of the children of the world.

Some hon. members: Hear, hear.

[*Translation*]

Madam Deputy Speaker: It being three o'clock p.m. this House stands adjourned until Monday at 2 p.m., pursuant to order made earlier today.

The House adjourned at 2.57 p.m.

HOUSE OF COMMONS

Monday, October 1, 1990

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE SENATE

Hon. Bob Kaplan (York Centre): Mr. Speaker, I want to comment on the manner in which one of the Prime Minister's recent appointments to the other place, the Hon. Pat Carney, handled herself for openers.

She was asked by a journalist why she did not attend the initial ceremony. She replied that she was not going to drop everything to stand around with some people from the Italian community while they learned where the parliamentary bathroom is.

Her—

Mr. Speaker: At the moment, I think that that goes beyond the clear rules of this place and I must say I ask the hon. member to desist.

I am going to go on and, if the hon. member wants to discuss it with me afterward, I would certainly be prepared to do so.

* * *

THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in its first environmental report the World Bank makes an important point: that destroying the environment means destroying a country's economy. Therefore, natural resources must be used more efficiently. The World Bank is putting together a global environmental facility, a fund to be financed by industrialized countries for projects that would improve the environment in developing countries.

Apparently Canada questions the need for such a fund. Contributing to this important fund would be a step toward resolving the desperate situation of many in the third world, particularly children. It is hard to take the Prime Minister's words on erasing child poverty seriously, while the Government of Canada withholds support for the new fund.

* * *

CANADA POST CORPORATION

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, figures released earlier this summer indicate Canada Post operated with a profit of $149 million during the fiscal year 1989–1990.

While on the surface this is good news, many Canadians are becoming increasingly disturbed that the corporation is gaining its success at the expense of those least able to afford it.

For example, effective August 1, the cost of renting post office boxes for Canadians residing outside municipal boundaries has risen from $26 to $50, an increase of almost 100 per cent.

Canada Post offers one free mode of delivery to every Canadian, but for many who live along rural routes—the elderly and the disabled, in particular—the work associated with maintaining rural delivery especially during the winter months simply is not an option. Consequently, for those people renting post office boxes in town is the only means by which regular mail delivery can be assured.

I call upon the minister responsible for Canada Post to review this new fee schedule now.

* * *

BILL C–43

Mr. Jim Karpoff (Surrey North): Mr. Speaker, the Canadian Society of Obstetricians and Gynaecologists has released results of its survey showing that 200 doctors, nearly one-third of all doctors performing abortions, will stop if Bill C–43 becomes law.

These doctors have told the Minister of Justice that they cannot function under punitive criminal legislation where their professional judgment can be attacked by criminal charges.

Many Canadian women in all regions of Canada now face extreme difficulties in obtaining abortions. Doctors have said Bill C–43 will only make matters worse. How can the Minister of Justice still proceed to recriminalize abortion? How can the Minister of Health allow access to medical care including reproductive choice to be eroded?

It is not too late. We call upon the government to abandon the abortion bill.

* * *

NATIONAL FAMILY WEEK

Mr. Al Johnson (Calgary North): Mr. Speaker, strong families are the most fundamental support for children and children are the world's most precious resource.

The Prime Minister and all leaders who participated in the World Summit for Children are to be congratulated for focusing attention on the light of children. Canadians can be proud of the role our Prime Minister has played as co-chairman of this summit.

It is appropriate that during National Family Week, we should recognize the family as the most fundamental building block of this or any nation. If we, as a government and as a people, wish to ensure the future of our children, we must ensure the future of the family in our society.

Support for families is support for children.

* * *

INDIAN AFFAIRS

Mrs. Diane Marleau (Sudbury): Mr. Speaker, recent events, as well as those of the past summer, have once again shown the arrogance of this Conservative government and its complete disregard for the views and concerns of Canadians on issues of vital national concern.

The refusal of the government to recall Parliament this past summer to deal with the crisis at Kanesatake and Kahnawake, an issue of concern not only to aboriginal peoples but to all Canadians, is deplorable. It indicates the government's contempt for Parliament and our democratic traditions.

In fact, the Wasauksing First Nation of the riding of Parry Sound—Muskoka had to turn to me with its concerns when their own member of Parliament refused to listen to them. This is just one example among many of the arrogance of the Conservative Government.

Rest assured, Mr. Speaker, that the government will pay dearly in the next election for the lack of respect for the views of Canadians.

* * *

WORLD HABITAT DAY

Mr. Dave Worthy (Cariboo—Chilcotin): Mr. Speaker, today is World Habitat Day. As Canadians we must take time to reflect upon the ways in which we can help others, both here and abroad, in support of this United Nations effort.

In the developing world today, some 140,000 people will abandon their rural villages for an urban life, one that to them promises both employment and an improved quality of life. Unfortunately, the cities are unable to live up to their promises. A lack of homes forces the migrants into overcrowded squatters' settlements. For many nations the needs of these new arrivals go beyond the financial means of their governments.

Many countries have been successful and have had good experience in dealing with this crisis. The problem of shelter is a global one and therefore requires a united global effort. While most of these nations may not have the funds to help themselves, they do have the desire. We must couple this desire along with our knowledge and financial institutions to help the developing nations to help themselves.

* * *

[*Translation*]

JAMES BAY CREES

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, James Bay Crees have disowned George Erasmus. The spokesman for the Grand Council of Quebec Crees believes that Mr. Erasmus is acting irresponsibly when affirming that the fight of native people against the James Bay II project will lead to acts of violence.

Lawyer Roméo Saganash, Cree Grand Council vice president stated: "If this project breeds violence it will not be on the part of the Crees". He went on to say: "We have always been and we will always be pacifists. We have given very strict instructions, particularly to our youth. We have met with them and explained the Grand Council's position in clear terms, reminding them that we are not violent people".

Mr. Speaker, James Bay Crees have won and lost legal battles in the past, but never did they resort to arms as a means of pressure. They are now fighting against Hydro-Quebec's power developments by attempting first to make the public aware of the environmental impact of the project.

* * *

• (1410)

[*English*]

FORESTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr.Speaker, British Columbia's forests are in a crisis and this government is doing nothing to help us.

A high dollar, high interest rates, poor forestry practices, and the sellout of our forest to the U.S. government has created this crisis. Forest giant, Fletcher Challenge, has laid off 1,200 workers in the last year alone. Workers lose their jobs while a huge foreign company makes huge profits from our forests.

The federal Minister of Forestry sits silently, while the softwood lumber tariff allows the U.S. to run our forests. At the same time, he has failed to sign a forest agreement with B.C., despite his commitment to have signed one before the planting season this year.

The Conservatives and their Liberal friends have failed our farms, our forests, and our fish. It is time to change these policies. It is time for the New Democrats.

* * *

THE SENATE

Mr. Peter L. McCreath (South Shore): Mr. Speaker, it is written in *Proverbs* that without a shepherd, sheep are not a flock.

The Concise Oxford Dictionary offers the following definitions of the word "sheep":

> 1. wild or domesticated—
>
> —but otherwise—
>
> —timid gregarious woolly often horned ruminant of genus *Ovis*; 2. bashful or docile person; —member of minister's flock, parishioner—

Last evening, Liberal Leader Jean Chrétien is attributed to have said, in reference to Liberal members of the other place, and I quote: "They will do what I tell them to do." In view of his statement, can we conclude that Mr. Chrétien is suggesting yet another definition, "Liberal senator" be added to the current definitions of the word sheep?

Mr. Speaker: I think it is probably appropriate that I remind hon. members of something. Some members may think I should have intervened, but I was not quite sure where it was going.

As I had to intervene with another member a few minutes ago, I remind hon. members of the following rule:

> No Member shall speak disrespectfully of the Sovereign, nor of any of the Royal Family, nor of the Governor General or the person administering the Government of Canada; nor use offensive words against either House, or against any Member thereof.

That is the rule and I am going to ask all hon. members, especially given what is well known to Canadians as an issue of some importance to the country, that they keep that in mind in Members' Statements, Question Period, and in debate.

* * *

AGRICULTURE

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, in response to a world grain surplus, worsened by the sanctions against Iraq, the United States has increased its Export Enhancement Program subsidy for sales to remaining markets such as Algeria, to more than $43 a tonne from $28 a tonne in early August.

Algeria is a major Canadian market for Durum wheat. Canada's sales last year to Algeria totalled $125 million, approximately half the value of those we ship to Iraq. However, because of the increased subsidy offered by the United States, we could lose other markets similar to our reported loss of sales to the Philippines. The Philippines used to obtain one-third of its annual 1.2 million tonne of wheat requirements from Canada, but

this year it filled that order through the United States subsidized program, the Export Enhancement Program.

We now learn that in September the United States Senate has passed legislation in total violation of section 701.4 of the free trade agreement, with the intent to trump up justification for further increases in its Export Enhancement Program.

I call on the government now either to retaliate against this flagrant violation of the free trade agreement or to scrap it.

ORAL QUESTION PERIOD

[*English*]

THE SENATE

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Deputy Prime Minister. Before the Prime Minister and his government went ahead and packed the Senate with the eight additional senators for the purpose of getting the GST through and forcing it on Canadians, we urged the Prime Minister not to proceed until court challenges that were to be begun by various provinces had been dealt with by the courts.

The Prime Minister went ahead in any event. The court challenges are still there. There is a breech of section 51 of the Constitution because there are more senators than there are MPs in New Brunswick. Also, there is an inequitable representation even by divisions because the divisions do not include Newfoundland and the territories. Will the Deputy Prime Minister proceed to have the matter cleared up right away and refer this whole question to the Supreme Court of Canada without any delay? Does he not realize that if this is not done, anything the eight additional senators touch will be tainted irrevocably by this government's mishandling of the whole situation?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am very pleased to reply to the hon. Leader of the Opposition that the issues which he appears to raise with respect to section 51(a) are non issues. There is no question that I am now prepared to give a firm position on the part of the government that section 51(a) does not apply to appointments made under section 26, which are divisional appointments. Therefore, I would like to reassure him that his concerns are unfounded.

The only thing that taints what is happening in the Senate is their disregard for decades of constitutional convention about the supremacy of the House of Commons on fiscal management.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Minister of Justice with all her power has not yet replaced the courts of this country.

Some hon. members: Hear, hear.

Some hon. members: Right on.

Mr. Gray (Windsor West): The Minister of Justice has not stated any grounds for her answer. I challenge her once again to have this matter referred to the Supreme Court of Canada. I point out to her that if she looks at section 23(3) of the Constitution Act, it says in part that a senator shall own lands "within the province for which he is appointed of the value of $4,000."

Subsection (5) states: The senator, and I quote:

—shall be resident in the Province for which he is appointed.

The section does not say that it is enough if the lands are owned in the division for which he is appointed. It does not say it is enough if a senator is resident in the division for which he is appointed. This is a further indication that this government has proceeded improperly and that the taint of its actions will be removed only if there is a ruling of the Supreme Court of Canada. If it believes its position is right, why will it not get that approval of the court today?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, as the hon. member will recall from his own legal training, I am sure, there is a provision in statutory interpretation where the requirements or the circumstances relating to one part of a statute are applied and expressed *mutatis mutandis* to other circumstances to make them consistent with the meaning of the whole statute.

I think it is certainly clear that section 26 will be interpreted to require senators appointed as divisional senators to hold property in the division in which they are appointed. I would like to say to the hon. member that I have no intention as Minister of Justice of usurping the courts. It is unfortunate that the Senate of Canada now appears to be taking unto itself the preroga-

tive of usurping the people of Canada and their mandate granted through the election of 1988.

Hon. Herb Gray (Leader of the Opposition): The Minister of Justice is concerned with the views of the people of Canada. If that is the case, why will she and the government not listen to the people of Canada who say they do not want the GST.

[*Translation*]

Mr. Speaker, Statistics Canada announced today that the advanced composite index which points to expected economic trends is down for the sixth month in a row. According to Statistics Canada, "such a series of six decreases has always been followed by a recession".

So I am asking the Deputy Prime Minister why he is bent on imposing the GST when the statisticians of his own government are forecasting a recession. Why not admit this evidence and why does he insist on implementing the GST and thus worsen the recession created by his own policies?

• (1420)

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, possibly the hon. Leader of the Opposition would let the House in on why he and his party are supporting the Senate in holding back, for example, the unemployment insurance bill, which will provide for increased maternity benefits, which will provide for unemployment insurance benefits to be payable to those who are still in the labour force over age 65, which will also allow for about $500 million of increased moneys for training so that people who are out of a job can get some training to allow them to get back as more effective members of the labour force.

If the hon. member is so concerned about the leading indicators and the outlook for the economy, what he should be doing is seeking support from the people in the Senate to get on with the job of bringing in legislation which will help this economy.

Some hon. members: It's a bad bill.

* * *

GOODS AND SERVICES TAX

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, this weekend the Prime Minister presided over the vital world issue of children's rights. Among the world's goals for the year 2000 is universal access to basic education which, of course, endorses literacy.

Given the fact that books have never been taxed in Canada, that the Canadian government's own studies prove that taxing reading cuts access to learning and that Canadians have said do not tax reading, my question to the Minister of Finance is this. Can the minister explain this contradiction of endorsing children's right to education on the world stage on the one hand, while taxing children's reading at home?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, one of the most vital elements to improving our record on literacy is improving education. Education is not taxed under the GST. If libraries want to buy books, those books are not taxed.

We have put in place a broad based consumption tax which does not try to make decisions for individual people. It allows those decisions to be made by the people themselves. There is a low income goods and services tax credit to be paid by cheque four times a year which fully offsets the impact of the GST on low income people. In fact, those people who are earning less than $30,000 will be better off after the GST. In other words, they will be in a better position to spend more money on books, if that is what they so wish.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, it is too bad this minister does not recognize the regressivity of this tax, particularly on low income people and working families.

[*Translation*]

The federal government and the government of Quebec, where the illiteracy rate is one of the highest in this country, both claim that literacy is a priority. Once the GST kicks in in Quebec a book now selling for $22 will soon cost almost $31. Again my question is directed to the Minister of Finance: Why does he refuse to withdraw the GST right now before books and reading become the exclusive privilege of the wealthy?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, it really puzzles me as to why this hon. member continues to say that the GST is regressive.

Mrs. Finestone: It is.

Mr. Wilson (Etobicoke Centre): If she would take the smirk off her face, I would give her the answer.

The goods and services tax, together with the totally integrated GST credit, results in an impact on low income people that is not regressive, far from it, it reverses the regressive form of sales tax that we have in place today. That is one of the fundamental elements of the GST credits.

The hon. member is shaking her head as if she does not understand. I am sorry, but if she will come and spend some time with me, I will take her through this so that she will understand that the GST is not a regressive tax.

Let me just make one other point. In the context of the book publishing review, the policy review that my colleague, the Minister of Communications has under way, we are prepared to address all of these issues, but in a much more comprehensive way than my hon. friend is seeking to do right now.

* * *

THE SENATE

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is to the Minister of Justice.

She has assured the House that everything is fine in terms of the appointment of the eight senators, that everything is constitutional.

One of her predecessors as justice minister said the same thing in 1981. The then justice minister, Jean Chrétien, said that the 1981 package was fine, until the Supreme Court ruled otherwise.

In light of that precedent and in light of the fact that we now have legal experts such as the Dean of Law at Queen's University and her former colleague, the Attorney General of British Columbia, saying that this action is illegal and that Parliament itself might not be properly constituted, will she now change her mind, do the right thing, refer this to the Supreme Court and not make the same mistake that Jean Chrétien made in 1981?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am not going to take it to the Supreme Court because I think it is clear on the face of reading the Constitution that there is not a constitutional issue.

I have heard a lot of interesting debate, and there are certainly a lot of members of the legal profession who are strong supporters of the NDP who are providing it with political arguments, if not very good legal arguments.

I think that is fair game, but I would remind the hon. member of the legality of legislation passed in the Senate. I would remind the hon. member that just recently the election of a member of the House of Commons was declared to be invalid. That did not serve to invalidate everything that had been done by the House of Commons when that person sat here.

I admire the NDP for having enthusiastic supporters who are trying to give it legal arguments, but I am sorry. I know why it is looking for a smokescreen. It is trying to find some issue to hide behind the unconscionable position that it is taking in support of an unelected Senate in defiance of its own position, an unelected Senate which is up—

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I do not know what the minister is dreaming of.

I have not heard of the British Columbia Attorney General being an enthusiastic supporter of the NDP.

Mr. Speaker: Perhaps I can help the member and the minister.

If the member will put the question, I am sure the minister will try to answer it.

An hon. member: Are there any good Tory lawyers for hire?

Mr. Nystrom: In light of the fact that there is already a court challenge, in light of the fact that there are very serious constitutional people in this country saying: "What happened is it is wrong and unconstitutional", that Parliament itself might indeed be improperly constituted, I want to ask the minister very seriously: What is she afraid of? Why does she not end the confusion? Why does she not end the chaos and refer this, right now, to the Supreme Court?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I remind the hon. member that the current incumbent as Attorney General of British Columbia is not a lawyer.

All the participants and the decision to use section 26 had independent legal advice. I am confident that the position of the government is correct. The only thing that frightens me is the distressing reversal of the NDP's

very principled position over the years and its joining with the Liberals to support the usurpation of the power of the people of Canada.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, the minister is sounding more and more like Jean Chrétien from 1981.

In light of that, I want to go to the Deputy Prime Minister who is responsible for the government in the absence of the Prime Minister.

Since the government is afraid to make a reference to the Supreme Court of Canada, since the government is not going to rescind the nomination of those eight senators and since the government will not withdraw the GST, I wonder if the Deputy Prime Minister will make sure the government does the right constitutional thing and have the Prime Minister go to Government House, see Governor General Ray Hnatyshyn, ask him to dissolve Parliament and let the people of Canada decide.

• (1430)

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the last time the hon. member stood in this place and asked for that they did not like the result. They may not like the result when the election is called in due course this time.

* * *

GOODS AND SERVICES TAX

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, the Canadian Automobile Association has again joined the ranks of those condemning the stupidity of the government's GST.

The Minister of National Revenue has told the CAA's members that they do not have to pay the GST when they renew their 1991 membership. On the other hand, he has told the CAA it must pay GST on a portion of these memberships after January 1. This leaves the CAA with the horrendous cost of going back to 3.5 million members to collect anywhere from 50 cents to $2.40 in GST.

Will the Minister of Finance admit that the ramrod timetable of this government is causing havoc in the marketplace? Will he scrap the September 1 starting date or, indeed, will he scrap the GST altogether?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think we have a case here of selective amnesia by the hon. member.

If she would reflect on the fact that the price of an automobile will go down $700 or $800 for a $20,000 car as a result of the GST and not just focus on one side of the GST, she would realize that this is a very good tax as far as the automotive industry is concerned.

What we are seeing in the questions of the last few minutes is an attempt on the part of the Liberals to deflect the fact of what is going on in the Senate. I remind them of what is being said in editorial pages across the country: time to end the obstruction; the Liberal senators should call it quits; Liberal senators are not acting in the spirit of democracy; senators' shenanigans are intolerable; Senate gains, democracy loses; surgery needed to save—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member for Ottawa West on a further question.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, it appears to me and to all taxpayers of Canada that what the minister is trying to do is deflect attention from his tax to another place. We are not talking about a bill that 85 per cent of Canadians do not want. We are talking about directions coming directly from this government.

The minister says that from September 1 business has to advise its consumers that they will be charged taxes on services after January 1, if the GST becomes law.

Will the minister please tell us what law obliges businesses to do anything about the GST, or is the government now ruling by presidential decree?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, what we are talking about here is what is at stake in this country. We are talking about some of the fundamental principles of democracy.

What I might refer the hon. member to is a column by William Thorsell wherein he says: "We are all trustees of profoundly important democratic principles. As trustees, we simply cannot abandon those principles." What Mr. Thorsell is saying is that it is not just the issue of the day

that we are talking about, but we are talking about a fundamental issue that affects all of us in this House of Commons.

If the GST goes through and Canadians do not like it, they can vote this government out.

Some hon. members: They will.

Mr. Wilson (Etobicoke Centre): But, if the tactics of Senator MacEachen and the other Liberal senators are followed and they win the day, what can Canadians do with Mr. MacEachen? Nothing. They have no recourse. They have no way of expressing their point of view on what the position of the Senate should be because they are unelected.

That is the fundamental principle, and the questions that the Liberal Party is trying to pose there will not and cannot deflect from that fundamental principle.

* * *

[*Translation*]

BY-ELECTIONS IN THE RIDINGS OF YORK NORTH AND BEAUSÉJOUR

Mr. Maurice A. Dionne (Miramichi): Mr. Speaker, my question is directed to the Deputy Prime Minister.

When does he intend to call a by-election in the ridings of York North and Beauséjour?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Soon, Mr. Speaker.

Mr. Maurice A. Dionne (Miramichi): Mr. Speaker, my supplementary question is for the Deputy Prime Minister.

The Prime Minister has left the people of York North without an elected representative since May 29 last. Previously the Prime Minister has taunted the Liberals to get their leader elected. The MP for Beauséjour has resigned his seat believing that the Prime Minister was serious.

Will the Deputy Prime Minister now put his money where his mouth is and have the Prime Minister call an immediate election?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, we on this side of the House are anxious to get the leader of the Liberal Party into the Chamber because—

Some hon. members: Hear, hear.

Mr. Mazankowski: That is, if he can get here. We are getting a little sick and tired of the leadership that is being provided from the other place.

Some hon. members: Oh, oh.

* * *

CHILDREN'S RIGHTS

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, this past weekend the Prime Minister, during his speech at the children's summit, said: "And to the children, I invite you to listen carefully to what we say and in the coming years to hold us to our commitments. I hope none of us will be found wanting".

Would the Deputy Prime Minister tell us and the one in six children in Canada living in poverty just what this government's agenda or timetable is to meet and comply with the UN Convention on Children's Rights?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, I am delighted to have the opportunity to respond to this question. The summit, which was held under the leadership of the Prime Minister of Canada this weekend, was the most successful summit of its kind in the history of the world.

Some hon. members: Hear, hear.

Mr. Beatty: We are taking action as of now. I am pleased to be able to inform the House of Commons that consistent with recommendation No. 1 of Mr. Rix Rogers' report, the Prime Minister today asked me to co-ordinate activities within the government relating to children in response to the declaration on behalf of children at the United Nations. Second, and in response to recommendation No. 2 of Mr. Rix Rogers, I am announcing today the creation of a children's bureau within Health and Welfare Canada to assist us in doing that.

We are committed to full ratification of the convention. We will have that done before the end of next year. Our goal is to ensure that all legislation in Canada complies with the convention itself, which will enter into Canadian law.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I understand that the menu was very nice. The food banks would like to have had that kind of surplus. I also

understand that the statements the minister just made about what is going to happen are very nice.

The Prime Minister also stated in his speech: "Funding is important but it is not, in the end, the decisive factor in the war on child suffering. Political will is".

Would the minister explain the political will that gave us no child care program, clawbacks to family allowance, and a failure to act to protect children from child abuse to this point? Statements are not good enough. We would like to see some action. Is this the political will of which the Prime Minister speaks?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, there is an interesting contrast between the cynicism that is exhibited by hon. members opposite and the tremendous optimism that was shown in New York at the world's largest summit of its kind ever in the history of mankind. In the days—

Ms. Mitchell: How many years have we been asking for action?

Mr. Beatty: Mr. Speaker, they ask a question, but they do not allow me to answer.

In today's *The New York Times* Dr. Robert E. Black, the chairman of the Department of International Health at Johns Hopkins University School of Hygiene and Public Health, said it was: "a significant achievement, a great event, to bring all of these world leaders together to talk about a very important issue". Indeed it was, Mr. Speaker.

The hon. member asked about political will. It was indeed this government which showed the political will and the leadership to ensure that some 260,000 Canadian children have been able to escape from the low income cutoff since we came to office.

The Liberals talk. We want to see leadership on their part. Today the Liberal Senators are blocking about half a billion dollars in parental leave benefits and the unemployment insurance reforms that are currently sitting before the Senate.

Some hon. members: Hear, hear.

• (1440)

HAMILTON HARBOUR COMMISSION

Mr. Stan Keyes (Hamilton West): Mr. Speaker, last March I advised the Minister of Transport that Mr. Peter Lush, chairman of the Hamilton Harbour Commission, was in gross conflict of interest in that Mr. Peter Lush while chairman of the Hamilton Harbour Commission was also acting as a real estate broker in the sale of $10 million worth of property to the Hamilton Harbour Commission.

The minister promised to investigate. Mr. Lush promised to sever any business ties in the sale of the land.

Why did the Minister of Transport make the statement when, as I learned today, Mr. Lush was in fact paid $400,000 in commission?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, when my hon. friend raised this matter last March, the investigation was in fact carried out and at that time there was no suggestion that there was any conflict of interest. It was looked at very carefully.

My hon. friend has just brought another allegation to the floor of the House of Commons. I will investigate that one too.

Mr. Stan Keyes (Hamilton West): My supplementary question is for the Deputy Prime Minister, Mr. Speaker.

I warned the minister six months ago of this conflict. The government did nothing. In my possession is an internal company memo documenting the $400,000 payment to Mr. Lush who was appointed by the Tory government as chairman of the Hamilton Harbour Commission.

Will the Deputy Prime Minister respectfully suggest to the Prime Minister that he immediately remove Mr. Lush as chairman of the Hamilton Harbour Commission, that he relieve the Minister of Transport of his responsibilities, and that he call the RCMP in to investigate the sale of the land to—

Mr. Speaker: I patiently went through that question up until the last part. That is a clear allegation of criminal wrongdoing and it just is not appropriate in Question Period. The minister does not have to answer.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, it is a matter of public record that the Minister of Transport undertook to investigate the allegations, the warnings of the member for Hamilton West six months ago. It is a matter of public record that Mr. Lush, chairman of the Hamilton Harbour Commission, publicly declared that he was severing all business ties in the sale of land from J. I. Case to the Hamilton Harbour Commission.

I now quote from the comptroller's memo at J. I. Case: "Mr. Lush negotiated with Corporate Reality, Mr. Dishman, a fee of $400,000 as a consulting fee which was approved by Mr. Ashford. My staff did not know about it for forecast purposes. It was not included in the forecast. Please adjust accordingly."

That memo is dated August 28. The $400,000 was paid to Mr. Lush on August 3. We have spoken, both the member for Hamilton West and I, to the company's lawyer this morning and the payment was confirmed of $400,000.

Given these facts, will the Deputy Prime Minister move immediately to dismiss Mr. Lush—and these are facts—as chairman of the Hamilton Harbour Commission?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I learned a long time ago to relate facts to allegations.

That is an unfair allegation against a citizen of this country, made on the floor of the House of Commons where he or she cannot represent themselves. I thought better of the hon. member, but I will look into it.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, Mr. Lush in question was the owner of a reality company that was the exclusive listing agent for J. I. Case in the sale of $10 million of land to the Hamilton Harbour Commission. The same Mr. Lush was chairman and is chairman of the Hamilton Harbour Commission. Mr. Lush cannot be both the agent negotiating on behalf of the taxpayers of Canada and the agent selling on behalf of private interests.

These are facts. If the minister who promised to investigate six months still refused to move, I ask the Deputy Prime Minister: remove this minister today.

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I looked into my hon. friend's allegations last March and found them to be untrue. I will look into them today and I will bet the same answer stands.

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HUMAN RIGHTS

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my question is for the Deputy Prime Minister. The Prime Minister has known since February of this year that His Holiness the Dalai Lama, an internationally respected religious leader, advocate of non–violence, peace, and human rights and the 1989 winner of the Nobel peace prize, would be visiting Canada at this time to open the Canadian tribute to human rights monument.

Will the Deputy Prime Minister now recognize that the people of Canada feel a sense of embarrassment and anger that the Prime Minister has refused to see this respected religious leader and will the he now call upon the Prime Minister to meet with the Dalai Lama?

[*Translation*]

Hon. Monique Landry (Minister for External Relations): Mr. Speaker, we recognize the Dalai Lama as an eminent religious leader who has always been an ardent defender of values we hold dear, namely human rights and world peace. We are glad he has been able to come to Canada and share with many Canadians those fundamental values we respect. The Secretary of State met the Dalai Lama yesterday afternoon, because the government has a keen interest in the issues that are uppermost in his mind. We are pleased with the outcome of this meeting.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, it is not a matter of meeting with the Secretary of State. It is a matter of fundamental respect on the part of the Prime Minister of Canada. And now for my supplementary. Today, I intend to move, at the appropriate time, a motion that the House of Commons give the Dalai Lama a hearing. My question to the Deputy Prime Minister is this: will government members support this motion? Will they let the Dalai Lama be heard before the House of Commons?

Hon. Monique Landry (Minister for External Relations): Mr. Speaker, I think I was very clear about our

respect for this eminent religious leader and his international reputation as a winner of the Nobel Peace Prize.

As I said earlier, my colleague met the Dalai Lama yesterday afternoon, and I also know that tomorrow afternoon he will have a meeting with the Standing Committee of the House on External Affairs. I think parliamentarians will be delighted with this opportunity to meet him and hear what he has to say about human rights and maintaining those values we hold so dear.

* * *

FLOW-THROUGH SHARES

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Finance. Flow-through-share financing for the Quebec mining industry has dropped from $532 million in 1987 to probably less than $50 million this year.

My question is this: Will the federal government raise the level of flow-through shares from 100 to 133 per cent? If not, how does it intend to help junior mining companies?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I appreciate the interest that the hon. member has shown in the issue of flowthrough shares. I might say to him that the drop in mining exploration is not entirely related to this one issue. There is a very real problem in the mineral markets in the world today and this has caused, in large extent, the slowdown in mining exploration in Canada.

In the tax reform of 1987, we did recognize the importance of the mining industry. The mining sector itself has one of the lowest rates of taxation both for new investment as well as average effective tax. We also recognized, with some special provisions, the important role that prospectors play in the mining exploration process.

* * *

HUMAN RIGHTS

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is for the Acting Prime Minister. As was just mentioned, today we are honoured to have with us on Parliament Hill the Dalai Lama of Tibet, the winner of the 1989 Nobel peace prize and one of the world's great spiritual leaders.

When the Dalai Lama met with the Secretary of State yesterday, I understand he asked the Canadian government to support his five-point peace plan with China, which includes respect for the fundamental human rights and democratic freedoms of the Tibetan people. Would the minister tell us what reply the government gave to the Dalai Lama and is the government willing to support his five-point peace plan?

• (1450)

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I was very honoured and pleased to have the opportunity to meet yesterday with the Dalai Lama. It was a very moving and inspirational afternoon.

The member is correct. His Holiness did reiterate the five proposals that he has made on two separate occasions, I believe, in 1987 and 1988. I assured him that I would be relaying his interest and the dedicated manner in which he brought them forward to the members of my government.

We then proceeded to the unveiling of a tribute to human rights. It was a very moving afternoon. We had many Canadians participating in an examination of what our future vision of a world where human rights are not violated, can really be. I was thrilled to have the honour of representing the government on this occasion.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, the minister did not answer as to whether or not the government will support the five-point peace plan proposed by the Dalai Lama and in particular, a respect for the basic fundamental human rights of the Tibetan people.

[*Translation*]

Mr. Speaker, the five-point peace plan advocated by the Dalai Lama proposes as well a stop to the transfer of Chinese people to Tibet and the designation of Tibet as a peace and no-violence zone. Is the government prepared to accept the Dalai Lama's proposals? Is the government prepared to discuss them with the Chinese government at the earliest opportunity?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): The Dalai Lama did make his point, Mr. Speaker. He reiterated what the hon. member has just said. His Holiness certainly spoke with compassion, dignity and respect for mankind. He is fully aware of what we are trying to do in this country. I had an opportunity to enlighten him on our new initiatives. We also talked about next December's conference which will provide a forum to debate human rights throughout the world, including Canada.

* * *

[*English*]

WOMEN'S PROGRAMS

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, my question is for the Minister of Justice. A StatsCanada report released Thursday indicated that between 1988 and 1989 the number of sexual assaults had risen by 6 per cent.

The last budget cuts in funding for women's programs have left women support services spending their time scrounging for funds when they should be fighting violence and counselling victims.

When will the government reinstate crucially needed funds to fight this type of violence?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, we certainly share the concern about the rise in sexual assaults against women and children. Every effort must be taken by federal and provincial governments and local organizations.

I would like to say that it was this government that introduced the $40 million family violence program just a few years ago, $22 million of which has gone into Project Haven to provide the kind of support and shelters for women who seek safe places when they have become victims of violence.

I visited a number of these projects over the summer and they are providing excellent support. I know we are going to be able to continue our work in this direction.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, the Canadian Chiefs of Police have reported that violence is definitely on the increase as a result of forced program cuts caused by funding constraints.

I am well aware of Project Haven, but there are many preliminary programs that have to be put into place prior to Project Haven. Is this not proof enough that the funding should not only be fully reinstated but increased?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, the question raised by the hon. member is a very important one indeed.

I can indicate to the hon. member that the government is currently considering a range of initiatives, dealing particularly with the whole field of family violence involving child sexual abuse. We have the Rix Rogers report before us at the present time.

In addition to that, we are looking at the follow-on with regard to the family violence program. We are absolutely convinced that this is an initiative which is essential in our society. We will take every appropriate measure to do what we can to reduce this sort of violence in Canada.

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EMPLOYMENT EQUITY

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my question is for the Secretary of State.

The minister is aware that representatives of visible minorities, aboriginals, disabled and women's groups met as a national employment equity network this past weekend. We hope the government will provide a public response as soon as possible to its main positive recommendations for action that will improve employment equity in both the public and private sectors.

Since Secretary of State funding was promised and then refused late Friday afternoon—as a result many low-income people are having considerable hardship and must have their expenses covered—will the minister reconsider and provide funds for this important conference of employment equity target groups?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I was made aware of an application by 11 of the groups in the network on Thursday morning.

I might add that those 11 groups already receive $3 million of funding from the Secretary of State, over $2 million in core funding and almost $1 million in project funding.

It became an administrative decision. We fund thousands and thousands of projects, all of them very useful in promoting equality and social justice.

We cannot possibly fund everything that we are requested to fund. Unfortunately, this was one of those occasions where we had to say no. We felt it would still proceed within the $3 million already made available.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, saying no at five o'clock Friday to groups that have been promised additional funding for special projects when their general funding was cut seems to me quite irresponsible and does not show a commitment to employment equity on the part of this government.

There were two emergency resolutions which I understand were put forward in addition to the general resolutions that will come later. Will the government ensure that the planning for PS–2000, which will include consultation with employment equity target groups so that the hiring will be mandatory in the restructuring of the Public Service and be mandatory to include employment equity?

Also, will the minister investigate complaints that aboriginal employees in the Public Service are experiencing harassment?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I am very actively looking at this particular file concerning civil service 2000, and particularly the area of equity.

We have received reports from 10 different task forces. We have put out a preliminary report that is being looked at by the unions, and I can guarantee her that I am very preoccupied with this particular aspect. Certainly, I will be able to report on it shortly.

* * *

CHILDREN'S RIGHTS

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my question is for the Minister for External Relations.

As was mentioned before, this weekend at the summit for children the Prime Minister said that political will is a decisive factor in the war on child poverty. In contrast, the United Nations children's fund, one of the main organizers of the summit calculates that an additional $2.5 billion a year is needed to save millions of children's lives over the next decade.

I would like to know what additional financial resources this government is going to contribute to meet UNICEF goals for the next decade. Children cannot eat political will.

[*Translation*]

Hon. Monique Landry (Minister for External Relations): Mr. Speaker, the government acknowledges that the future of our planet depends on the children of the world. My colleague would know that for years now CIDA programs have given priority to the health and elementary level education of mothers and children. Over the last five years we have directly and indirectly allocated $1.8 billion to children.

My colleague probably knows that in 1970 only 5 per cent of children had been vaccinated against the six basic diseases and that the current rate is up to 70 to 75 per cent. Canada did more than its share by allocating $140 million in the past few years.

Surely my colleague will admit that this is a firm government commitment. We have programs and will continue to implement them while giving priority to Third World children.

• (1500)

[*English*]

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my supplementary question is directed to the Minister of National Health and Welfare.

We begin National Family Week, but the sad reality is that hundreds of thousands of children and their families in the country experience deplorable poverty and the mortality rate among our native Canadians is twice the national average.

The government is able to give us irreversible dates for such things as GST legislation implementation and the Meech Lake Accord. Is the government ready to announce today a specific date for the ratification of the

Convention on the Rights of the Child and a concrete timetable to eliminate our own shameful child statistics?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, the first point that needs to be made is that since 1984 when this government came to office, some 260,000 children have escaped from the low-income cut-offs. I believe that we have done well in Canada, but I believe that we can do better not as long as any child lives in poverty, it should be be acceptable in a civilized society.

I can indicate to the hon. member that our commitment is to move for ratification of the convention by the end of 1991. Today, the Prime Minister assigned to me responsibility for co-ordinating the government's response to the UN summit. I will be placing before my Cabinet colleagues proposals which will help us to move ahead on issues related to the health of children, the social well-being of children, child sexual abuse and a whole range of other issues that are of concern to every Canadian.

Most importantly, at the present time legislation we have stalled before the Senate of Canada which would significantly improve parental leave and the hon. member's party could be exceptionally helpful in stopping the blockade of those important reforms for Canadian parents.

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PRIVILEGE

THE SENATE

Mr. Speaker: I have a question of privilege from the hon. member for Yorkton—Melville. I might say to the hon. member that I appreciate the fact that he has basically stated his question of privilege in his letter to me. I have some difficulty in accepting it as a question of privilege. I will hear the hon. member very briefly.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I will be very brief. You are aware that there is now a court challenge about the way the Senators were appointed last week and that there are legal opinions that the appointment of the Senators may not be indeed legal or that Parliament itself might not be properly constituted.

My question of privilege is the following one, Mr. Speaker. In light of that uncertainty that we all know exists now in the country, I think there is confusion about what the roles of a member of Parliament may be. There is now confusion about what the role of a parliamentarian might be in this House and as a result of that, I think some of my privileges might be threatened as a member of Parliament.

I think there is uncertainty about the laws that we are going to pass, important laws that concern the Hibernia debate that is taking place later on today and important laws that we are all concerned about such as the environmental assessment law and so on.

I suggest to you, Mr. Speaker, that there is a precedent for this in our country. In Manitoba a few years ago in the Bilodeau case and the French language question, a private citizen challenged the legality of the Manitoba laws, and the court ruled that Manitoba laws were not legal. Those were laws that were passed in legislatures a long time ago, but they were deemed not to be legal by the courts of that particular day.

There is also a precedent in Saskatchewan where certain laws were deemed not to be legal—

Mr. Speaker: The hon. member may be quite correct in citing some past court decisions. I am prepared to hear the hon. parliamentary secretary if necessary, but perhaps I can assist him by dealing directly with the application that the hon. member has made.

There may or may not be a great debate going on in the country with respect to certain matters that are constitutional in their nature. First, it is not for the Speaker of the House to rule on constitutional matters. It is not for the Speaker of the House to try to interpret at any given time different legal opinions that may be being expressed across the country.

The hon. member, who certainly knows the history of our country and understands the issue of which he speaks, nonetheless has asked the Speaker to consider it a question of privilege. He has been very frank with the Chair. He said that certain things here might not be legal. He talks about uncertainty. He talks about confusion of the role on the part of members of Parliament and he also says that some of his privileges may be infringed.

I have to say to the hon. member, and to all other hon. members, that no matter how much this may be a subject of debate in the country—or even in here at an appropriate time—it does not meet the fundamental test of privilege which is something happening, somebody doing something, or some people doing something which makes it impossible or very much more difficult for any single hon. member here to carry on the obligations

which they were elected to do. That is the fundamental test.

I have to say that under these circumstances, whatever the arguments may be, it does not meet that test and I have to with of course great respect reject the hon. member's application.

REMARKS DURING STATEMENTS PURSUANT TO S. O. 31

Mr. Speaker: The hon. member for York Centre was interrupted by me earlier today when he was making a statement pursuant to S. O. 31 and I understand that he wishes to rise on a question of privilege and of course I will hear him.

Hon. Bob Kaplan (York Centre): Mr. Speaker, I begin by acknowledging the very large measure of responsibility that the Chair has for preserving order in the House in relation to S. O. 31s. But I insist, Mr. Speaker, that the statement that I had begun to make is an entirely proper one to be made in this place.

At the moment when you interrupted me, you may have anticipated, perhaps, that I was intending—if I can use the words of Standing Order 18—to use offensive words against a member of the other place, or that I was intending to reflect upon what was done in another place. Far from it, Mr. Speaker.

What I was doing was quoting one of the newly appointed Senators in the other place, the Hon. Pat Carney, and the words which were attributed to her by a journalist, showing the low regard that she has for members of the Italian community and I think—

Mr. Speaker: The hon. member is rising on a question of privilege. The complaint now is that I may well have cut the hon. member off before I would have if I had heard the hon. member in entirety.

Again, it is difficult to say that that is a question of privilege. It may have been an error on the part of the Chair. I am going to listen to the argument but, please, I tell the hon. member that I did stop him from what could be taken to be an attack on a member of the Senate. I have some difficulty on this rule and the hon. member knows.

I would ask the hon. member to refrain from the attack and pursue the question of privilege.

Mr. Kaplan: I will be very brief, Mr. Speaker.

I wanted simply to quote her and then I wanted to urge her to show greater respect for members of other communities and for other Senators. That was the entire burden of what I wanted to say. I would certainly not have used it to attack the Senate. Indeed, the reverse. I wanted to make some high-minded statements about the role that the Senate plays and hope that the hon. member would do that. I would have then called upon her and the Prime Minister to apologize for the statements that she made and, with respect, Mr. Speaker, I think that this is the place where that should be done.

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, on that same point, it was made very clear at the time that the hon. Senator did not make those statements. There were no quotes attributable to her. It was not a quoted statement by the minister, but in fact comments by a reporter in a paper. There were no quotation marks around it. There was no recording of that and she denies she ever said it.

I would respectfully suggest that the hon. member give the hon. senator the benefit of the doubt.

• (1510)

SPEAKER'S RULING

Mr. Speaker: I must first say that I do not find that it is a question of privilege. It may well have been that the Chair moved too quickly in this case. I did not hear it all because, of course, I interrupted the hon. member.

Again, this is one of the difficulties that in an electronic age the Chair is plagued with. It is extremely difficult for me to divine ahead of time what everybody is going to say. Sometimes, if I think I know where somebody is going and I feel it may be going too far, I run the risk, of course, of moving in perhaps too pre-emptory way. However, the hon. member has raised the matter. I will do the very best I can on such matters. It is not a question of privilege. It is a point of order.

I must say to the hon. member, and to all hon. members, that I will do the very best I can in these circumstances.

On the question of the other place, I have reminded hon. members today of what the rule is. Sometimes when certain issues are being discussed in the country and debated here, it may not be an easy rule to apply. I would

ask hon. members to do the very best they can to co-operate.

I have a further question of privilege from the hon. member for Bonaventure—Îles-de-la-Madeleine.

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM BILL

Mr. Darryl L. Gray (Bonaventure—Îles-de-la-Madeleine): Mr. Speaker, after listening to Question Period, I would like to ask whether the following is a point of order or a question of privilege.

With respect to Bill C-21 which is now before the Senate, in my riding, the Gaspé, the lower St. Lawrence, the Magdalen Islands and in fact throughout the Maritimes including Newfoundland, people have a problem with the 10 to 14-week requirement.

Mr. Speaker, very briefly, I would like to explain that as a result of unemployment insurance reform, 90 per cent—and the figures can be checked—in other words, the vast majority wants us to change this. We don't necessarily want to be stuck with supporting 10 weeks forever, but we are having a difficult time this year, with the bill being blocked in the Senate.

Mr. Speaker, I would like to ask you—-

Mr. Speaker: I am very sorry to have to interrupt the hon. member but this is not a question of privilege and probably not even a point of order. It certainly raises a point against the other place, but a debate on the subject is not appropriate at this time.

The hon. member raised a subject that is of course very important, especially to the hon. member, but there are other ways in which the hon. member and other members who might wish to do so can ask for clarification or make a statement on the issue.

AGREEMENTS IN THE HOUSE

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, last Friday, the Associate Minister of National Defence tabled a motion under Standing Order 78(3), stating it had been impossible to reach an agreement under Standing Orders 78(1) and (2).

In fact, it was impossible because the minister never got in touch with me, as a member of this House, to find out whether there was some way to reach an agreement.

I maintain that the minister acted against the spirit and the intent of the Standing Orders of this House and that consequently, the Chair should reject the notice out of hand, on the grounds of failure to respect the democratic freedoms of the members of this House, including the member from Mégantic—Compton—Stanstead.

Mr. Speaker: That is a very interesting point. However, perhaps the Chair may point out that several months ago, we had the same problem regarding the same Standing Order. I think I would have to say it is not up to the Chair to investigate all deliberations, conversations and meetings that took place among all members before the minister made her statement under the Standing Orders. What we have here is a grievance, not a point of order.

Does the hon. member have another point to raise?

Mr. Gérin: Your comments are well taken, Mr. Speaker. I would just like to add a few words and mention the serious problems that exist in the House at this time. As an independent, I have the same rights as any other member in this House. However, since you refuse to recognize our group as such, we are faced with a problem that will resurface every day. I suggest Mr. Speaker, that you—

[*English*]

SPEAKER'S RULING

Mr. Speaker: The hon. member may or may not have a complaint, but if the hon. member has a problem with respect to the House business and it is something over which I have jurisdiction, I would be very pleased to speak with the hon. member. But I think it is important for everyone in the country to realize—everybody who is watching and listening—if we go back over last week, the group from which the hon. member comes was recognized a number of times in Question Period with questions and also on statements. I have made it very clear that with the Speaker, there is a long and noble tradition of our system, that the Speaker must defend the interests of minorities.

Within this Chamber now, there is not just one minority, there are a number of minorities. I have to do

the very best I can to keep that in mind and to treat all hon. members in a fair and equal way, and I shall certainly try to do that.

If the hon. member is having difficulty in discussions with any party in the House, I invite him to seek out members of whatever party it is and to have discussions. If the hon. member has a complaint that, for whatever reason, he or others are not being allowed a fair chance to express themselves in this House, I invite the hon. member and any other member to come and see me, and I will deal with it as best I can.

The hon. member actually rose on a point of privilege. It is probably a point of order. I have explained that I had to deal with that matter many months ago. The hon. member has risen again and I have at least allowed him to say something which perhaps he ought to take up in some other way with ministers or with his colleagues.

I am going to proceed with Routine Proceedings.

ROUTINE PROCEEDINGS

[*English*]

INTERPARLIAMENTARY DELEGATION

PRESENTATION OF REPORT OF DELEGATION TO CONFERENCE ON THE TRANSITION TO DEMOCRACY IN CONTEMPORARY EUROPE

Ms. Barbara Greene (Don Valley North): Mr. Speaker, the Canadian parliamentary delegation that attended the conference on The Transition to Democracy in Contemporary Europe in Warsaw, Poland from May 29 to June 4, 1990, has the honour to present its report.

* * *

PETRO-CANADA PUBLIC PARTICIPATION ACT

MEASURE TO ENACT

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)) moved for leave to introduce Bill C-84, an act respecting the privatization of the national petroleum company of Canada.

Mr. Gauthier: Shame. Shame.

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

Some hon. members: Agreed.

Some hon. members: No.

• (1520)

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

Some hon. members: Yea.

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

Some hon. members: Nay.

Mr. Gauthier: Shame. Shame. No, absolutely not.

Mr. Cooper: Absolutely shocking.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 290*)

YEAS

Members

Andre	Atkinson
Beatty	Bernier
Bertrand	Bjornson
Blais	Blenkarn
Bosley	Bouchard (Roberval)
Bouchard (Lac-Saint-Jean)	Bourgault
Boyer	Brightwell
Browes	Campbell (Vancouver Centre)
Cardiff	Champagne (Champlain)
Charest	Clark (Brandon—Souris)
Cole	Collins
Cooper	Corbeil
Côté	Crosby (Halifax West)
Danis	DeBlois
de Cotret	Desjardins
Dick	Dobbie
Domm	Dorin
Duplessis	Epp
Fee	Feltham
Ferland	Fontaine
Fretz	Gérin
Gibeau	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Halliday
Harvey (Chicoutimi)	Hawkes
Hockin	Horner
Hudon	Hughes
Jelinek	Johnson
Jourdenais	Kempling
Koury	Landry
Lapierre	Larrivée
Layton	Leblanc (Longueuil)
Lewis	Littlechild
Loiselle	Malone
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	Monteith
Moore	Nicholson
Oberle	Plamondon
Plourde	Porter
Pronovost	Redway
Reid	Ricard
Richardson	Rocheleau
Roy-Arcelin	Saint-Julien
Scott (Hamilton—Wentworth)	Siddon

Sobeski
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vézina
Vincent
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—111
Soetens
Stevenson
Tétreault
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vien
Weiner
Winegard

NAYS

Members

Althouse
Axworthy (Winnipeg South Centre)
Barrett
Blackburn (Brant)
Blondin
Brewin
Callbeck
Copps
de Jong
Dionne
Finestone
Foster
Gaffney
Gauthier
Harb
Hopkins
Jordan
Karpoff
Kilger (Stormont—Dundas)
Laporte
MacDonald (Dartmouth)
MacWilliam
Marchi
McGuire
Milliken
Mitchell
Nault
Ouellet
Parker
Riis
Rodriguez
Simmons
Stewart
Tobin
Volpe—69
Anawak
Baker
Bélair
Blaikie
Boudria
Caccia
Catterall
Crawford
Dingwall
Ferguson
Flis
Fulton
Gardiner
Gray (Windsor West)
Harvey (Edmonton East)
Hovdebo
Kaplan
Keyes
Langan (Mission—Coquitlam)
Lee
MacLaren
Manley
Marleau
Mifflin
Mills
Murphy
Nystrom
Pagtakhan
Phinney
Robinson
Samson
Skelly (Comox—Alberni)
Stupich
Vanclief

[*Translation*]

The Acting Speaker (Mr. Paproski): I declare the motion carried.

• (1600)

[*English*]

Mr. McDermid moved that the bill be read the first time and printed.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the yeas have it.

And more than five members having risen:

The House divided on the motion, which was agreed to on the following division:

(*Division No. 291*)

YEAS

Members

Andre
Beatty
Bertrand
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Brightwell
Campbell (Vancouver Centre)
Champagne (Champlain)
Clark (Brandon—Souris)
Collins
Corbeil
Crosby (Halifax West)
DeBlois
Desjardins
Dobbie
Dorin
Epp
Feltham
Fontaine
Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)
Halliday
Hawkes
Holtmann
Hudon
Jelinek
Jourdenais
Koury
Langlois
Larrivée
Leblanc (Longueuil)
Littlechild
Malone
Mazankowski
McDermid
Monteith
Nicholson
Plamondon
Porter
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Tétreault
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vézina
Vincent
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Atkinson
Bernier
Bjornson
Blenkarn
Bouchard (Roberval)
Boyer
Browes
Cardiff
Charest
Cole
Cooper
Côté
Danis
de Cotret
Dick
Domm
Duplessis
Fee
Ferland
Fretz
Gibeau
Greene
Harvey (Chicoutimi)
Hockin
Horner
Hughes
Johnson
Kempling
Landry
Lapierre
Layton
Lewis
Loiselle
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Moore
Oberle
Plourde
Pronovost
Reid
Ricard
Rocheleau
Saint-Julien
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Venne
Vien
Weiner
Worthy—112

NAYS

Members

Althouse	Axworthy (Winnipeg South Centre)
Baker	Barrett
Bélair	Blaikie
Blondin	Boudria
Brewin	Caccia
Callbeck	Catterall
Copps	Crawford
de Jong	Dingwall
Dionne	Ferguson
Finestone	Flis
Fontana	Foster
Fulton	Gaffney
Gardiner	Gauthier
Gray (Windsor West)	Harb
Harvey (Edmonton East)	Hopkins
Hovdebo	Jordan
Kaplan	Karpoff
Keyes	Kilger (Stormont—Dundas)
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
Lee	MacDonald (Dartmouth)
MacLaren	MacWilliam
Manley	Marchi
Marleau	McGuire
Mifflin	Milliken
Mills	Mitchell
Murphy	Nault
Nystrom	Ouellet
Parker	Phinney
Riis	Robinson
Rodriguez	Rompkey
Samson	Simmons
Skelly (Comox—Alberni)	Stewart
Stupich	Tobin
Vanclief	Volpe
Walker—69	

• (1640)

The Acting Speaker (Mr. Paproski): I declare the motion carried.

Bill read the first time and ordered to be printed.

* * *

PENITENTIARY ACT

MEASURE TO AMEND

Mr. Peter Milliken (Kingston and the Islands) moved for leave to introduce Bill C-331, an act to amend the Penitentiary Act (visit to penitentiaries).

He said: Mr. Speaker, some years ago the Penitentiary Act was changed so as to deprive members of a right to visit at their pleasure in federal penitentiaries. This bill seeks to restore that right to members of Parliament, that is members of this House and members of the other place.

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

HOUSE OF COMMONS

VISIT OF DALAI LAMA

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I would like to seek the unanimous consent of the House to propose a motion inviting His Holiness the 14th Dalai Lama, an international respected religious leader and human rights and peace advocate, to address the House of Commons as he has addressed the European Parliament in the past.

The Acting Speaker (Mr. Paproski): Is there agreement?

Some hon. members: No.

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

OPPOSITION TO GOODS AND SERVICES TAX

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I welcome this opportunity to present in the House of Commons a petition signed by residents of Montreal who strenuously object to the GST and who ask this House, as they asked the hon. member for Mount Royal, to vote against the GST as soon as the bill comes before the House of Commons.

[*English*]

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I have a petition signed by many people in Mississauga, Markham, Toronto, Don Mills, Ajax and many other places across Ontario. These people are very concerned that magazines, books and newspapers will be taxed under the GST. This has never been done by a federal government since Confederation.

The petitioners state that the uninhibited dissemination of the printed word is a cornerstone of democracy, culture, education and a literate and productive society should not be affected by the GST. Therefore, these many people have re-affirmed their stand against the GST. A government is not interested in education that levies taxes against magazines, books and newspapers.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am pleased to present two petitions from people in Alberta and the city of Toronto with regard the government's plan to impose a tax on magazines, books and newspapers.

These people feel that we should reaffirm the historic principles embodied in tax free status for the printed word by retaining a zero rate in the GST legislation and regulations.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I would like to present to the House further petitions supporting the previous petitioners who are saying that since Confederation the government has not applied taxes to magazines, books and newspapers.

They humbly ask the government to go back to the drawing board and withdraw the GST tax from such items.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I rise on behalf of my colleague, the hon. member for Mount Royal. She has put together a petition with 37 signatures from people in Fredericton, Wainwright, Alberta and Toronto, Ontario. The concern of those who have signed the petition is that since Confederation the governments of Canada, whichever party, has not seen fit to apply any taxes to magazines, books and newspapers—the printed word—until now. It has been decided that the GST will apply to the printed word.

The petitioners see this as a tax on reading and they humbly call upon Parliament to reject this and to retain the zero rate in GST legislation regulations.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I too would like to present a petition, pursuant to Standing Order 36. This petition of 50 signatures has been obtained on the initiative of my colleague from Mount Royal. They pray to Parliament that the GST be withdrawn, particularly because a tax on books and the printed matter is a tax on literacy and therefore unconscionable in the history of Canada.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I am presenting a petition today signed by a number of residents from Vancouver, British Columbia. They are opposed to the goods and services tax and they ask, please, that the government open its heart and mind and go back to the drawing board because they are opposed to this tax, especially as it applies to reading material.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I rise pursuant to Standing Order 36. I too have the honour of presenting petitions from residents across Canada. They are objecting to the government placing a tax on reading materials.

As a former educator for almost 30 years, I find it horrifying that at a time when we wanted to increase literacy, here is a government that wants to tax the printed word.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I rise today to present a petition in the House of Commons signed by citizens of Mississauga, Scarborough, Aurora, Oakville, North York, Toronto, Brampton, and so on.

These people are sending a very clear message to the Minister of Finance who made that decision to tax books. They want to reaffirm the historic principles embodied in free tax status for the printed word by retaining a zero rate in the GST legislation and regulations.

Mr. Maurice Foster (Algoma): Mr. Speaker, I have the honour to present a petition with some 50 signatures. These citizens of Canada call for the maintenance of the historic principle embodied in the tax free status of the printed word by retaining the zero rate in the GST legislation and regulation. The petitioners call for the uninhibited dissemination of the printed word as a cornerstone of democracy, culture, education, and a literate and productive society. And they point out it will be negatively impacted by the GST.

• (1650)

Mr. Speaker, I have the honour to present these petitions.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I am pleased to present a petition on behalf of residents of Camrose and Stettler, Alberta, calling upon the government to recognize the integral role of the printed word in literacy education and free speech. The petitioners call upon the government to zero rate magazines, books, and newspapers in the GST legislation.

Mr. Rex Crawford (Kent): Mr. Speaker, I am honoured once again to rise in the House, pursuant to Standing Order 36, and to present five petitions from Canadians from across this beautiful country who are against the

GST; three petitions against taxing the printed word and two petitions against the GST and everything this dastardly tax stands for. All petitioners wish the bill withdrawn or axed.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, on behalf of the member for Mount Royal, I would like to submit several petitions collected in Edmonton, asking the Government of Canada and Parliament to relieve books and the printed word from the proposed general sales tax.

The Acting Speaker (Mr. Paproski): On a point of order, the hon. parliamentary secretary.

Mr. Cooper: Mr. Speaker, it seems to me that on more than one occasion I have heard members presenting petitions on behalf of the member for Mount Royal. If I am not mistaken, the member for Mount Royal is in the House and I am just curious about this procedure.

The Acting Speaker (Mr. Paproski): I will recognize the hon. member for Mount Royal.

Mrs. Finestone: Mr. Speaker, I would bring to my colleague's attention that it is passing strange that no one on the other side of this House has heard from anybody. We have just heard from tens of thousands of Canadians who find it totally unacceptable that you are taxing learning, you are taxing reading.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, I too rise under Standing Order 36 to present petitions on behalf of many Canadians from the Ottawa area and from Saskatchewan. They all deplore the negative impact of the GST on the cornerstones of democracy, culture, education, literacy, all foundations of a literate and productive society. All of these will be affected negatively by the imposition of the GST on the printed word, on textbooks and a variety of other printed matter.

The petitioners call on us to reaffirm the historic principles embodied in a tax free status for the printed word by retaining a zero rate under GST legislation and regulations, if not the withdrawal of the GST altogether.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, it is my honour to present a petition, primarily from residents of Mississauga pointing out that since Confederation, reading materials in this country have not been taxed and reminding Parliament that the uninhibited dissemination of the printed word is a cornerstone of democracy, culture, education, and a literate and productive society, and calling upon Parliament not to impose the GST.

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, pursuant to Standing Order 36, I rise to present this petition to the House on behalf of people of Edmonton, Alberta, and Mississauga, Ontario, who detest this tax on literature. They request there be no GST on the printed word.

Mr. Sergio Marchi (York West): Mr. Speaker, while millions of Canadians are protesting the GST which is currently going through the legislature, I humbly present this petition under the leadership of the member of Parliament for Mount Royal. She has seen fit to organize Canadians, quite easily I might add, to suggest to the government that the GST not be applied on the written word, namely, on magazines, books and newspapers, as this would slight the cultural attribute of this great country.

I submit, Your Honour, petitions from Richmond Hill, North York, Toronto, Scarborough, and Pickering.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have two sets of petitions. The first is a petition that was circulated in the riding of York North. These petitioners humbly pray that the government comes to its senses and does not proceed with the goods and services tax as planned.

The second set of petitions, Mr. Speaker, were placed in all Ottawa public libraries and were signed by those who should know that a productive and democratic culture is based on the printed word. The petitioners object strongly to the imposition of the GST on books. I will read the prayer, Mr. Speaker: "The undersigned, your petitioners, humbly pray and call upon Parliament to reaffirm the historic principles embodied in the tax free status for the printed word by retaining the zero rate in the GST legislation and regulations."

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, pursuant to Standing Order 36 I too have several petitions that are duly certified. They are signed by people from various communities all across Canada objecting to the 7 per cent GST on books. These people, like most Canadians, object to the regressiveness of this

tax. I do not think it is better illustrated anywhere in its regressiveness than when it is applied to books.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to present a petition also on the subject of the goods and services tax on books. These petitioners are opposed to this tax and call on the government to uphold the historic principle embodied in the tax free status for the printed word. Canada will be one of the very few countries in the world to tax books if this tax is imposed.

I note that this petition is signed by residents of the city of Mississauga who are represented in this House by among others, the hon. member for Mississauga South, who is on record as supporting this dreadful tax.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, first of all I have a petition on behalf of constituents from Lac La Jeune, Paul Lake, Red Lake, Savona, Chase, Westwold, Little Fort, Clearwater, Barrière, Logan Lake and Kamloops. The petitioners are pointing out their concern for the government's decision to proceed with the goods and services tax in spite of the overwhelming opposition to it. They are asking, even at this late hour, for the government to reconsider continuing with the imposition of the GST, as it is known.

VIA RAIL

Mr. Nelson A. Riis (Kamloops): On another matter, Mr. Speaker, again on behalf of constituents from Vancouver, Medicine Hat, Victoria, Oakville, Port Moody, Burnaby, Jasper, Winnipeg, Brantford, and even some communities in New Zealand—I guess they probably do not count though on the petition—are pointing out that Canada ought to be expanding their VIA Rail service as opposed to cutting back on it.

The petitioners are asking the government to reconsider this rather regressive move at a time when we should be moving people around Canada in the most environmentally friendly manner possible. They are asking a reconsideration of the decision to abandon much of VIA Rail.

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): On another matter, Mr. Speaker, and again to join with many others in the House this afternoon, I have a petition indicating that the government plans to tax reading. I think this is the only government in the world that taxes literature and children's story books, for example. The petitioners are saying that this is a rather peculiar policy to have at a time when we are trying to develop more literacy in the country and they are asking the government to reconsider applying a GST to reading material.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I have the honour of presenting petitions signed by hundreds of Canadians, including many of my constituents from Burnaby—Kingsway expressing their concern and their anger at this government's attempt to even at this point, despite the overwhelming opposition of Canadians, push through the goods and services tax. They urge the government reject the goods and services tax. They urge a meaningful reform of the taxation system so that there is an effective minimum tax on wealthy individuals and corporations. They demand that the government stop this proposal which will shift the tax burden on to ordinary Canadians through a regressive consumption tax instead of through real tax reform.

• (1700)

I am sure that they speak for literally millions of Canadians in urging the government to stop the GST. Axe the tax.

GUN CONTROL

Ms. Barbara Greene (Don Valley North): Mr. Speaker, I am presenting a petition with another 477 names in support of more gun control legislation.

The Metropolitan Toronto Police have documented a 48.4 per cent increase in violent crimes between 1984 and 1989. The use of guns has increased by 51.9 per cent. This trend is evident in other parts of Canada.

My constituents and I think that gun control legislation is essential.

GOODS AND SERVICES TAX

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I rise on behalf of residents of Delta, Langley, the south Fraser Valley, and other communities across Canada represented by my colleagues on the other side of the House. The petitioners bring to the attention of us all in the House the very serious concern about the imposition of the goods and services tax and the unfairness of that tax.

Pursuant to Standing Order 36, I would be happy to table this petition on behalf of my colleagues on the other side of the House.

VIA RAIL

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have a number of petitions to present to the House.

I should say I have just come back from a fascinating, extraordinary, and most moving ceremony this morning in Toronto just to be able to present these petitions.

First, these petitions deal with the cutbacks to VIA Rail which the government has carried forward. The petitions, which are signed by approximately 500 Canadians from right across the country, ask the government to reverse its position and to see to it that VIA Rail is in fact modernized and expanded, not cut.

CHILDREN'S RIGHTS

Mr. Steven W. Langdon (Essex—Windsor): Second, Mr. Speaker, I have a petition which comes from Corner Brook, Newfoundland which deals with children's rights. The petition mentions particularly the sixth of Canadian children living in poverty.

The petitioners pray that the government supports the Private Members' Motion No. 254 calling on the government to negotiate with the provinces to provide a comprehensive bill of rights for children.

GOODS AND SERVICES TAX

Mr. Steven W. Langdon (Essex—Windsor): Finally, Mr. Speaker, I have a set of petitions which come from all parts of the country with respect to the goods and services tax.

The petitioners reject very strongly as unfair the goods and services tax, and request the House of Commons to reject the goods and services tax and the government to withdraw it. They suggest that instead there should be a system of fair taxation put into effect in the country.

[*Translation*]

OPPOSITION TO GST ON PUBLICATIONS

Hon. Jean Lapierre (Shefford): Mr. Speaker, it is a privilege to table this petition on behalf of my colleague from Mount Royal, who collected hundreds of signatures in the Dundas area. Mr. Speaker, these people are very concerned about the tax on books and other publications, and they call on you to prevent the passage of this unfair tax, Mr. Speaker.

[*English*]

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I rise this afternoon to present a petition signed by many people in Ontario.

These people declare themselves to be opposed to the goods and services tax to the point where they call upon Parliament to reject the current proposals for a goods and services tax.

I should make it plain that this petition as written is addressed to Parliament.

Therefore, I think it reasonable to infer that these people, like millions of other Canadians, do not give two hoots if it is the Senate or the House that kills the GST.

Mr. John Brewin (Victoria): Mr. Speaker, I have the honour to present a petition, pursuant to Standing Order 36, which also calls upon Parliament to reject the goods and services tax.

This petition is signed primarily by people in Victoria and in the Victoria area, but also by people who have visited Victoria over the summer from all parts of Canada. I would call on the government to adhere to the petition.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I have petitions from residents of Ottawa, Nepean and Iroquois Falls in Ontario.

The petitioners note that the government is now trying to tax reading, haircuts, diapers, coffins, and home-heating fuels and they point out that what we need is an effective minimum tax on wealthy individuals and corporations, not the massive tax grab that is being proposed here. They say that what we should have is a tax proposal that will bring real tax reform, not this kind of reform.

Mr. Maurice A. Dionne (Miramichi): Mr. Speaker, I have the honour to present to the House of Commons petitions from residents of Quebec who are opposed to the goods and services tax, particularly as it applies to books, newspapers, and magazines which have never before been taxed in Canada.

These people humbly pray that the government will eventually come to its senses and do away with the goods and services tax.

[*Translation*]

OPPOSITION TO GST ON PUBLICATIONS

Mr. Louis Plamondon (Richelieu): Mr. Speaker, although I agree with the principle of the goods and services tax, I am in favour of exempting books and other publications. That is why I wish to table a petition from the riding of Mount Royal, asking that books and publications be exempted from this tax.

Mr. Gilles Rocheleau (Hull—Aylmer): Mr. Speaker, pursuant to Standing Order 36, I have the privilege of tabling petitions on behalf of the hon. member for Mount Royal, signed by residents of the National Capital region who strenuously object to the GST on books and publications.

Mr. Speaker, I may add that I have the honour of tabling this petition because the hon. member for Mount Royal heeded the advice of her leader and went on a cross-Canada tour this summer.

[*English*]

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I rise on a point of order. I am quite sure that I just heard the hon. member say that he was presenting a petition on behalf of the member for Mount Royal. I think the member for Mount Royal is a member of the Liberal Party which, I am sure, the people in Newfoundland would be really intrigued by right now.

The Acting Speaker (Mr. Paproski): I will recognize the hon. member for Richelieu on a point of order.

[*Translation*]

Mr. Louis Plamondon (Richelieu): Mr. Speaker, on a point of order. I would like to respond by saying that when the cause is noble, there is no place for political partisanship.

[*English*]

DETROIT CITY AIRPORT

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I, too, just as my colleague from Essex—Windsor, had to rush back here from an experience of pure joy in Toronto. However, I did not take an airplane. I was wafted back to Ottawa by the pure turbulence created by loud hosannas all across Ontario.

I have two petitions, which have been duly certified, from the people of the eastern portion of Windsor who ask for a remedy from Parliament with respect to the expansion of the Detroit city airport. It has created an outrageous frequency of low overflights over that portion of Windsor at heights as low as 1,000 feet without an appropriate response from government.

The petitioners ask the government to do something on behalf of those citizens to protect their environment and their quality of life.

• (1710)

[*Translation*]

OPPOSITION TO GST

Mr. Nic Leblanc (Longueuil): Mr. Speaker, this petition has been certified correct as to form and content, pursuant to Standing Order 36.

I support the GST, Mr. Speaker, but since citizens do not always have an opportunity to have their say in this House I am pleased to present this petition on behalf of the hon. member for Mount Royal.

Besides, I for one have always been in favour of taxing everything and compensating according to various sectors of economic activity. Therefore, Mr. Speaker, I am pleased to present this petition in the name of constituents of Mount Royal.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 313 and 321.

[*Text*]

LEGAL SERVICES—FBDB

Question No. 313—**Mr. Simmons:**

1. For (a) 1987 (b) 1988 (c) 1989, were legal services valued at more than $500 supplied to the Federal Business Development Bank and, if so, in each case, what were the nature and type of (i) security work (ii) litigation involved?

2. Were guidelines used for selecting legal services for the Federal Business Development Bank and, if so, did these require (a) the calling of tenders (b) the inviting of proposals (c) the selection of lawyers or firms at random?

3. Can the government provide an analysis of the cost of hiring outside legal services compared to maintaining an in-house legal division within the Federal Business Development Bank and, if so, what is it?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): I am informed by the Federal Business Development Bank (FBDB) and the Department of Justice as follows:

1. In fiscal 1986-87, 1987-88 and 1988-89 the number of loans and investments authorized totalled 5,704, 5,581 and 5,144 respectively. There were in excess of 400 litigation matters in progress in each of those fiscal years.

In general, security is taken on the assets of the business financed and may include realty mortgages and/or debentures and/or chattel mortgages/Personal Property Security Agreements and guarantees in common law jurisdictions and hypothèques and/or commercial pledges and guarantees in Quebec. Litigation matters generally involve realization proceedings relating to the security given in support of a loan including foreclosures, actions on convenants and guarantees and priority disputes.

For additional information, please refer to the answer to question #197 tabled on February 23, 1990.

2. FBDB instructs external legal counsel in accordance with the following policy:

Bank policy requires that "lawyers used by the Bank must have a good general reputation and known professional competence in the field in which their services are required, having particular regard to the quality of their work, promptness and the reasonableness of their fees".

Bank policy provides that the borrower may designate his/her own lawyer/notary on loans under $200,000 and, as well, the borrower's lawyer/notary is designated where he/she referred the loan and/or was actively involved in the negotiations for the loan. Lawyers/notaries who prepared the security on an initial loan are instructed on superseding or supplementary loans to effect cost savings to the borrower. Given the Bank's mandate to assist small and medium size business enterprises, in excess of 80 percent of these mandates are directed to lawyers/notaries designated by the borrower.

Litigation/realization, venture capital mandates and specialized corporate mandates are given to firms selected on the basis of perceived expertise/competence in the particular area of law involved.

3. FBDB seeks to employ the most cost effective method possible in the provision of legal services relating to its activities. While maintaining a nucleus of internal expertise, external resources are utilized to the maximum extent possible. Loans and investments are authorized to customers across Canada out of 78 Branches, the majority in rural areas. It is the policy of FBDB to instruct external legal counsel in the area where the borrower and/or security is located. The use of external legal counsel is most cost effective for the Bank and the borrower, who is responsible for the cost of security preparation. FBDB has been able to effect in-house staff reductions by placing reliance on external counsel. Legal fees relating to realization/litigation proceedings are, generally speaking, added to the loan/investment account and are recoverable from the borrower.

The Bank may engage external legal counsel for specific mandates because of the specific expertise/competence required in the particular area of law involved.

At this time, The Attorney General of Canada has no analysis comparing the costs of providing legal services to the FBDB in relation to litigious matters through agents as opposed to inside counsel.

JUSTICE CANADA EMPLOYEES

Question No. 321—**Mr. Robinson:**

1. Out of the total number of Justice Canada employees, are any located in Quebec (exclusive of the National Capital Region) and, if so, what number?

2. Out of the total number of Justice Canada employees (a) are any of them members of visible minorities and, if so, what number (b) are any of the Quebec employees (exclusive of the National Capital Region) members of visible minorities, and if so, what number?

3. Does Justice Canada have a departmental Advisory Committee for Visible Minorities and, if so (a) what is its composition (b) are any of the members of this Committee members of visible minorities and, if so, what number (c) is there community representation on this Committee and, if so, what representation?

4. In fiscal years (a) 1988-89 (b) 1989-90, were any federally-appointed Crown prosecutors members of visible minorities and, if so (i) throughout Canada (ii) in Quebec, what number?

5. In fiscal years (a) 1988–89 (b) 1989–90, were any federally-appointed judges (Superior Court or higher) members of visible minorities and, if so (i) throughout Canada (ii) in Quebec, what number?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): 1. As of June 25, 1990, the Department of Justice had 1,942 indeterminate and term employees. Of these, 138 were located in the Montreal Regional Office, which is the only Department of Justice location in Quebec exclusive of the National Capital Region.

2. (a) As of June 25, 1990, 44 employees of the Department of Justice had self-identified as members of visible minorities. This figure is based on voluntary self-identification and may not therefore accurately disclose the number of employees of the Department who are members of visible minorities.

(b) As of June 25, 1990, no employees of the Montreal Regional Office had self-identified as a member of a visible minority. This figure is based on voluntary self-identification and may not therefore accurately disclose the number of employees of the Montreal Regional Office who are members of visible minorities.

3. The Department of Justice has an Advisory Committee on Visible Minorities.

(a) The Advisory Committee on Visible Minorities consists of a president, who is also a member of the Department's Employment Equity Steering Committee, a secretary and ten members. All of the members, including the president and secretary, are employees of the Department.

(b) 8 members of the Committee have self-identified as members of visible minorities.

(c) See (a) and (b)

4. In fiscal years 1988–89 and 1989–90, none of the persons appointed to a criminal litigation position in the Department of Justice identified himself of herself as a member of a visible minority.

The Attorney General of Canada does not inquire whether lawyers in private practice are members of visible minorities before determining whether to appoint them as her legal agents. No information is available as to whether any of the persons appointed as legal agents of the Attorney General of Canada in fiscal years 1988–89 and 1989–90 were members of visible minorities.

5. The Minister of Justice does not inquire whether lawyers and judges are members of visible minorities before determining whether to recommend their appointment as judges. No information is available as to whether any of the persons appointment as judges by the Governor General in fiscal years 1988–89 and 1989–90 were members of visible minorities.

[*English*]

The Acting Speaker (Mr. Paproski): The questions as enumerated by the parliamentary secretary have been answered.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, if Question No. 285 could be made an Order for Return, the return would be tabled immediately.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House that Question No. 285 be deemed to have been made an Order for Return?

Some hon. members: Agreed.

[*Text*]

GOODS AND SERVICES TAX

Question No. 285—**Mrs. Catterall:**

1. In (a) the Department of Revenue (b) the Department of Finance (c) any other affected department, for any purpose relating to preparations for or implementation of the proposed Goods and Services Tax, have resources been engaged and, if so (i) what number and, in each case (ii) in what position (iii) on what level (iv) on what date?

2. Were they engaged (a) by hiring on a (i) full-time indeterminate (ii) part-time indeterminate (iii) short-term (iv) temporary (v) contract basis (b) as external consultants (c) by secondment and, if so, in each case, from which other department or agency?

3. For each function, what is (a) the (i) nature (ii) purpose of the work (b) the cost of the work, including all related costs (c) the location and costs of accommodation (d) the spending authority (e) the date of such authority?

[*Editor's Note: See Sessional Paper No. 342–Q–285*]

[*English*]

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

The Acting Speaker (Mr. Paproski): Shall the remaining questions stand?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): I am in receipt of a notice of motion under Standing Order 52 from the hon. member for Yorkton—Melville.

* * *

[*Translation*]

POINT OF ORDER

DISCUSSION ON A QUESTION OF PRIVILEGE

Mr. François Gérin (Mégantic—Compton—Stanstead): After last Wednesday's Oral Questions Period, Mr. Speaker, I rose on a question of privilege and the Speaker asked me to defer the debate and to advise hon. members and other parliamentary leaders as to when debate would resume.

I believe it would be convenient to resume debate tomorrow after Oral Questions Period.

[*English*]

The Acting Speaker (Mr. Paproski): I do not know why the hon. member is getting up at this time. We still have an application under S. O. 52 from the hon. member for Yorkton—Melville. His point has nothing to do with Orders of the Day.

I have to listen to the application under S. O. 52 from the hon. member for Yorkton—Melville. After that, if the hon. member would like to get up on a point of order, that is fine, but the hon. member for Yorkton—Melville has the floor.

* * *

MOTION TO ADJOURN UNDER S. O. 52

SENATE APPOINTMENTS

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, earlier today I gave you notice that I intended to rise under the provisions of Standing Order 52 to ask that you consider adjourning the House for the purpose of discussing a matter that I believe is of urgent and pressing necessity at this time, namely, the events surrounding the nomination of the eight additional senators last week. I think they have left the people of the country quite confused and uncertain about the propriety of that act as it pertains to the Parliament of Canada.

I believe that this undermines the House of Commons and that we are now working under a cloud of uncertainty and a cloud of confusion. I believe that this is a crisis at this time—

Mr. Speaker: I have been considering for some hours the application of the hon. member. I assure the hon. member that I have given it a great deal of consideration.

The point I am making at this moment is that applications for emergency debate should be brief, concise, and to the point. There is a reason for that. If the discussion strides into debate, under the Standing Orders, no other member in the Chamber can rise. That creates a situation in which one person has the floor, gets into debate, and there may be very grave differences of opinion as to what is being debated, but no other member can rise on the matter.

That is why we have the order and I know that the hon. member for Yorkton—Melville understands that. I would ask him to complete his remarks very briefly.

Mr. Nystrom: I had just completed my remarks, Mr. Speaker, as you were rising. I believe it is an urgent situation. There is a crisis in the land and the people want to see this issue before Parliament.

SPEAKER'S RULING

Mr. Speaker: Hon. members will remember that when the reform committee was dealing with the rules of this place, one of the recommendations was that a Speaker not give reasons when an application for an emergency debate was turned down. I have tried to follow that admonition most of the time. However, sometimes it is important that the public which is watching and listening understand something about what goes on in the Speaker's mind when trying to assess whether or not it is appropriate to adjourn all other business of the House and go into an emergency debate. One of the things that guides the Speaker is if there are any other avenues open to raise the issues which would be debated if there was an emergency debate.

The hon. member knows that the matter he raises has been the subject of comment in this House and in question period, and there will be further opportunities in the next number of days to raise the matter.

If an emergency debate is turned down, it does not mean that the matter is not an important matter. Many

matters here are important but they do not all, under the circumstances at any particular time, warrant adjourning the other business of the House to debate that matter.

I would ask the hon. member to understand that it would not be appropriate at this time to go ahead with the application. The hon. member does know that there are other avenues open to him to bring that matter to the House and, of course, to the government.

I thank the hon. member for giving me advance warning and especially the detail with which his letter dealt with the matter. It gave me a great deal of assistance and helped me to make the decision.

GOVERNMENT ORDERS

[*English*]

HIBERNIA DEVELOPMENT PROJECT ACT

ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-44

Hon. Jake Epp (Minister of Energy, Mines and Resources) moved:

That, in relation to Bill C-44, not more than one further sitting day shall be allotted to the consideration of the report stage and, one sitting day to the consideration of the third reading stage of the bill; and

That, fifteen minutes before the expiry of the time provided for government business on the day allotted to the report stage consideration and on the day allotted to the third reading stage consideration of the said bill, any proceedings before the House shall be interrupted, if required, for the purpose of this order and, in turn, every question necessary in order to dispose of the stage of the bill then under consideration shall be put forthwith and successively, without further debate or amendment.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I am delighted to have the opportunity to rise on this occasion to debate the motion. This is the first time I have been up to speak on the subject, and I am sure the hon. Minister of Energy, Mines and Resources would support my 10 minutes, now approximately down to nine and a half minutes.

This is a motion that hurts me to agree with, but because we are involved, not just in Newfoundland, but in Canada, the first point I really have to make is that this is a Canadian project first and foremost. It is seen and has been seen in the last few days of debate in the House as a project that primarily affects Newfoundland. In the sense that the gravity based structure is being built in my riding in Newfoundland, one of the modules will be built in my riding, and the oil is 200 miles southeast off Newfoundland, I suppose it could be looked at as a Newfoundland project.

• (1720)

Sixty-five per cent of this project will be achieved in Canada, which is more than double any project of this nature that has been done so far. I am making reference now to essentially the North Sea oil. We have made a lot of progress in that time.

Just for the record, here is what is going to happen. The design and construction of the Hibernia project, which is the largest energy development in Canadian history, will provide important new business opportunities, challenges and items for the skills of Canadians and take them to the leading edge of technology, not just in Newfoundland, but the whole of Canada.

The oil field is being developed by a consortium of oil companies led by Mobil Oil. I think this is well known. It has extensive backing from both the federal and provincial governments. We have been working on this since the Hon. Joey Smallwood was premier of Newfoundland. How many more premiers do we have to go through? How many more times do we have to sign this? How many more times do we have to negotiate?

I have a chronology here that would go on for a long, long time. The Year 1965 was when the first exploration permit was issued to Mobil Oil. In 1966, the first hole was drilled. In the period 1966 to 1978, the exploration started. It is now 1990. In 1988 Newfoundlanders were promised that the sun would shine and have not would be no more. Later on, Canada was promised that we get this project under way.

I said that the gravity base structure, which essentially is the concrete platform that will sit in about 250 feet of water, 200 miles off Newfoundland, will be constructed in Newfoundland, with one module.

For the benefit of those who are not instructed in the actual construction of this, essentially we have one blob of platform and five modules. There will be a process module, a mud module, a utility module, a service

quarters module and the module that will be built in Newfoundland will be the wellhead module.

The consortium estimated that 80 per cent to 90 per cent of the person-hours for the total project management and engineering design for the gravity base structure, top side and offshore, will take place in Canada. That is 90 per cent of that will take place in Canada.

Mr. Speaker, you have heard me speak on the benefits to Newfoundland and you have also heard me speak on the benefits to Canada. Let me tell you some of the things that is going to happen on a Canadian basis. The project itself is going to require more than 100,000 tonnes of cement, which can be supplied by plants in Newfoundland, Nova Scotia, New Brunswick and Quebec, almost 55,000 tonnes of reinforcing bar and prestress cable. Rod will also be needed. That can be supplied by companies in Central Canada. I and members in the House can look to our ridings to participate in this megaproject.

The equipment for the project is estimated to cost another $300 million. It includes expenditures for items such as the pressure vessels, the compressors, pumps, valves, motors, electrical units, blow out preventors, instrumentation and wellheads. I could go on, but I think I have made my point.

Most people in Newfoundland, and I was one of them for a while, believed that on September 14 that everything was over but the shouting, but it seems that there is still more shouting to be done. I am not one of the shouters. I am trying to argue from a logical viewpoint that we should get this bill under way and approved because for one thing, the hon. minister has essentially negotiated to borrow $95 million from the offshore development fund.

It is my understanding as of today that MacNamara Construction Company will start to build the four and one-half mile road in from the TransCanada Highway into Bull Arm. Pretty soon they will be starting on the camps and getting the project under way. In order to get a production at a certain time, we have to fall into what is called the weather window of opportunity because there are only about two months in the year that this structure can be towed out and launched on the ocean floor. The downstream production has to be backed up to the signing. I have spoken to the hon. minister and I have spoken in the House about how hard the hon. Minister of Energy, Mines and Resources has worked on this to get it under way by October 1. There is $95 million that we borrowed from a fund and that is not going to last for a long time at the rate of expenditure.

We on this side of the House are not very often in favour of motions of closure or time allocation or anything that would limit parliamentary debate, but how many times has this been debated and how many more times can we debate it? What is there to debate? If you want a debate to make the bill perfect, we will be debating from now until this House does not exist any more, because there is no such thing a perfection in a bill that requires this kind of negotiation. We have been at it since 1965. We are not about to make it much more perfect than it is now.

Sixty-five per cent of Canadian input, I think that is fantastic for a megaproject like this; $5.2 billion in the construction stage and $3.3 billion capital expenditure, $10 billion. That is a mega-megaproject. It is inconceivable just exactly how big that is. Those in certain parts of this House who would want to go back and renegotiate for 100 per cent Canadian content or who would like to go back and double dot the *i*s and double cross the *t*s, I have no time for that. If we wait for that, the oil will be in Hibernia from now to kingdom come and the only oil that we will get are the sample oils that we got from drilling the 160 or so wells. This cannot go on. We have to get moving on this bill.

An hon. member: How about the Senate, get moving on the Senate.

The Acting Speaker (Mr. Paproski): I would like to bring the House to order, please, because I would like to hear the hon. member for Bonavista—Trinity—Conception. The hon. member for Kingston and the Islands, the hon. member for York West and a few others are having a little conversation. If you don't mind, please to keep it down or go behind the curtain.

The hon. member for Bonavista—Trinity—Conception.

Mr. Mifflin: Mr. Speaker, I appreciate your intervention and I am sure this will be under control in very short order because my colleagues do support this bill and they

support the project both as a Newfoundland project and as a Canadian project.

I have to remind the House that the expenditures and the oil revenues will boost the economies in all parts of Canada. Newfoundland will benefit, there is no question about it, but the summary of what I have just said is that Hibernia will provide business opportunity to shipyards, equipment suppliers, cement producers and hundreds of other businesses throughout the country, not just those involved in the initial consortium but the downstream work that is going to follow is horrendous.

Canadian goods and services will account for 55 to 60 per cent of the project expenditure during construction and 65 per cent during operation. Most of the people employed during construction will be Canadian residents and it is expected that most workers during operation will be Canadian.

How anybody could delay, how anybody could speak against, how anybody would want to go back and reopen the books and renegotiate, how anybody would try to get another per cent—yes, it is motherhood, it is great. I would like 110 per cent Canadian but I am practical.

We have achieved what can be achieved in this document. There has been enough talk about it. I am just wrapping up, Mr. Speaker, with about 30 seconds to go. I would implore the House and I would implore my colleagues, indeed all members of the House of Commons to get this thing under way. Let us get the bill going, let us get the oil producing, let us pay off the $95 million that we borrowed from the offshore fund and let us get on with it.

The Acting Speaker (Mr. Paproski): Before I recognize the hon. member for St. John's East, it is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for South West Nova—Fisheries; the hon. member for Gatineau—La Lièvre—Tourism; the hon. member for Surrey North—Taxation.

• (1730)

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, when I spoke in this debate on Wednesday last, it was the first opportunity I had had in a while to speak in this House about Hibernia. Unfortunately I made the error of some politicians and allowed myself to get a little excited and allowed myself to get a little emotional perhaps.

I was surprised to hear members of the NDP suggesting that we should not be providing, as they put it, subsidies to the oil companies because of the fiscal situation of the government. Of course I accused them of being Tories of the worst order.

There were three points raised on that evening that I would like briefly to refer to. One is the question of subsidies, as it was put, to the oil companies. It is quite simple. If we want this project to proceed for the benefits to this country that my friend, the hon. member for Bonavista—Trinity—Conception, talked about, it is essential that we put some money into this project to give it a kick-start. It is essential that we contribute $1 billion to this project and ensure that other resources are available if they are necessary, not only so that we can see the development of Hibernia but, as a number of us have said before, to ensure the ongoing development and expansion of the oil and gas business off the east coast of this country for the benefit of Canadians.

Quite simply, if we are not prepared to put those resources forward we will not have a project, so none of us benefits, none of us can take advantage of this economic development project that hopefully will lead to the creation of employment and wealth in this country to make us stronger and more competitive.

Another comment that was made was that this project and the contribution that the Government of Canada was making to this project would be subsidized to subsidize the creation of Newfoundland companies that either today do not exist or that today Newfoundlanders and Labradorians do not have the skills to provide to a project like this. Therefore what we would see is government subsidized competition of currently existing companies.

Frankly, if any comment got me excited, that got excited the most. To suggest that Newfoundlanders and Labradorians do not have the technical or entrepreneurial capability to take advantage of a project like this is not only insulting but it is outright wrong.

We have a capacity in the province of Newfoundland and Labrador that unfortunately, because of our geography and because of our economy, we have not been able to take advantage of in the past. We have an engineering

capacity. We have a scientific capability. We have the ability to work with concrete and to work with steel. As I said in this House the other day, Newfoundlanders and Labradorians participated in the largest construction projects in North America and continue to be called upon first for their skills, their dedication, and their productivity.

Companies in Newfoundland and Labrador that do not have the capacity, that have not developed the capacity themselves over the last number of years, have had enough sense to go out and enter into joint ventures. With whom have they entered into joint ventures? Let me give you a little example, Mr. Speaker.

Last week after the announcement of the project agreement, there were two contracts awarded. One contract was worth $1.3 billion and that is for the project that my hon. friend, the hon. member for Bonavista—Trinity—Conception, talks about. That is a Newfoundland-led project, but in recognition that certain skills exist in Newfoundland and that we have certain capabilities but there are others that we need, a consortium was put together. Some 59 per cent of that consortium is Quebec based companies. There was another contract awarded worth somewhat over $300 million, and 85 per cent of the participation in that project is Quebec owned companies.

As we develop the Hibernia oil field and as we develop the fields around it, we will see more and more involvement of Newfoundland companies with companies from all across this country. This will enable us to bring together the skills, the knowledge, and the capability that we have not only to develop the oil and gas business but to move off into other ventures, to take the technological knowledge, the transfer of capacity, and export that around the world in the oil and gas business and to utilize it in many other industries for which there is similar need and like necessity.

My time is short. The third thing that got me a little upset and concerns me greatly is the lack of recognition in this place that if something is good for Newfoundland and Labrador, it is good for this country. Newfoundlanders and Labradorians are as much a part of this country as anybody else and have been for over 40 years and, I would suggest, will be as long as this country continues to exist. The thought that just because it might be good for Newfoundland does not mean that it is good for somebody else is absolutely despicable and should be unacceptable in any forum in this country. Our friends from British Columbia should not be so touchy. To quote a friend of mine, if the shoe fits—

I am delighted to hear my friend from Bonavista—Trinity—Conception talk about the need to move this legislation forward and the need to get on with this motion that limits time and gets this in place. We need to tie up the loose ends and the pressure that exists on the Canada-Newfoundland offshore agreement.

I was intrigued by the number of the hon. member's colleagues who were presenting petitions this afternoon. I was intrigued that there was absolutely no co-operation on the motions. I was very intrigued that we made it past five o'clock, so we lose another day. I would suggest that my Newfoundland colleagues across the way ensure that they talk to the remainder of their colleagues to ensure that this does move through and that the obstruction that we saw today does not continue, because this project is vital to this country. One part of this country that will benefit most from it is Newfoundland and Labrador but not at the exclusion of the other Atlantic provinces, not at the exclusion of any province in this country.

We have an opportunity here for all of us. Newfoundland has an economy that can only provide so much and take so much. The concept of a $5.2 billion project in an economy like Newfoundland and Labrador, all we have to do is think about the capacity of that economy to bear such a project. It has to be of benefit of all Canadians by sheer logic, but all Canadians can maximize their benefit wherever they live, as individuals, as corporate groups or anything else like that, by seizing the opportunities that are provided by the contribution of the government and the people of Canada in terms of this grant or loan guarantee. The sooner we vote on this and get it passed, the better off all this country will be.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it seems like a nightmare is occurring on the floor of the House of Commons.

I cannot believe that what I am hearing are people actually expressing their views. I hear a representative of the Conservative government saying that we must go out now and we must bribe and entice these poor multinational oil companies to come into our waters and start

developing. How much bribery money do we need to entice these people into this project. Is $10 million enough? No, no. What about $100 million? No, No. What about $1,000 million to these poor multinationals called Gulf, Chevron, and Mobil Oil? Is $1,000 million enough? No, that is not enough. What about $2,000 million? Is that enough? No, that is still not enough. What about $2,700 million? "Aha", he said, "that is enough".

• (1740)

We have the government saying: "We are going to commit the government to spend $2,700 million of taxpayers' money on this project". And the people are saying: "Is this the best way to spend that money?"

Way back when is interesting; I thought I would look up the record because the minister responsible for this project came to us in December 1989 saying "we have to get this legislation moving", so it was introduced at second reading. Then it evaporated for months and months and months. There was not a word from the minister of energy, not a single word. Then in June he came in and said: "Listen, we have to get going on this second reading", so we set aside one day. That was it; that was all then.

Here we come in and rush, rush, rush; we have to get this thing through now in the next couple of days. How much time has been spent in this House to discuss how we should spend $2.7 billion of taxpayers' money? Do you know, Mr. Speaker, how long we have taken?

On November 7, we spent two minutes. On December 18, 1989, we spent 61 minutes. On February 9, 1990, we spent 130 minutes. On June 7, 1989, we spent 148 minutes.

Then it went to committee, this huge thick bill went to committee for study. Do you know how long, Mr. Speaker, the Conservative Party allowed it to be studied in committee? One day, one single day, and this is $2.7 billion of taxpayers' money and it cannot be frittered away without proper discussion and debate in committee. One day, and then they rush it through.

Then we come back to the report of the committee to the House. How long do we spend on that, four or five days? We spent one minute—60 seconds and that is all. The committee report was presented to the House in one minute and then at report stage we spent 103 minutes. Now the government says that is enough, that it cannot stand any more debate on this topic. We have actually spent 800 minutes, including voting, on a $2.7 billion taxpayers' expenditure.

No wonder the people of Canada do not trust this government. That is $2.7 billion, $2,000 million plus $700 million, and it says: "Let's rush this through".

We have some questions we want to ask. We have not heard satisfactory responses. As a matter of fact, we have not heard any of the responses at all.

When the minister of energy first proposed this legislation he said it would make a major contribution toward the regional source of supply of oil for Atlantic Canada. When I read that, coming from the hon. minister, it sounds to me that the oil from Hibernia will be going to refineries in Atlantic Canada. He says: "A major contribution toward a regional source of supply of oil for Atlantic Canada".

Not a drop of this oil is going for refining in Atlantic Canada. It is going down to the United States. Every single drop of this oil for refining will not touch a single refinery in Canada. That is what some people are saying. Will we have a chance to examine that? Oh, no, we do not have time.

What business are we in? Is it our job to facilitate the development of our energy resources for Mobil Oil refineries in California, in Texas, or on the east coast of the United States. These are important questions that must be asked, but the government said: "Oh, no, we have the majority. We are the four-year elected dictators. We can do whatever we want. We want to ignore the House of Commons".

Quite frankly we are saying that this is the reason the people of Canada have lost complete faith in this government. This is the reason 85 per cent of the people of Canada say: "We do not want anything to do with this government in the future". The minister of energy says to the people of Canada that the government is going to invest $2.7 billion of their money so that it can provide a major contribution to the regional source of supply of oil for Atlantic Canada and then changes his mind so that we are now part of a continental energy security program. We are using our taxpayers' money to develop our reserves for the North American market.

Is this what Canadians want their hard-pressed tax dollars to do? The government says we do not have any money for child care. But when Mobil Oil wants $100 million or $500 million, or when Chevron wants a half a billion dollars, then we have lots of money, and we do not want to debate it in the House of Commons. We say that is wrong, undemocratic and flies in the face of the parliamentary system in Canada. No, this has come as a surprise to us. Of course, it does.

Here is a government that is prepared to stack the Senate, to knowingly violate the Constitution of Canada simply to be able to jamb their goods and services tax down the throats of every single Canadian. Eighty-five per cent of Canadians say they do not want this tax, they do not need this tax, they cannot afford this tax. It is the wrong tax at the wrong time hitting the wrong people. But, does this government listen? No, it knows best. It is the "Father Knows Best" parliamentary system. Our Prime Minister knows what is best for Canadians. It knows that Canadians need to entice the multinational oil companies to our east coast to the tune of $2.7 billion. For that there is all kinds of money. For child care there is no money.

I listened to my hon. friend from Newfoundland. If he is so interested in Newfoundland then his motive is probably legitimate, that he is concerned about the people there, as we all are. Why then did he cut back transfer payments to Newfoundland? Why did he change the Unemployment Insurance Act against the people of Newfoundland? Why is he taking step after step after step that makes the life of Newfoundlanders more difficult today than it was two years ago and four years ago if he is so concerned? What has the government done to the fishery?

Let me quote the Premier of Newfoundland. Premier Clyde Wells is quoted in the *The Financial Post* as saying that the number of permanent jobs generated by Hibernia would be the size of the workforce of two fish plants. That is $2.7 billion for two fish plants' employment. That is what we are talking about. This is outrageous! The Premier of Newfoundland says that this is a very expensive job-creation program, and it will cost millions and millions of dollars to create a single job. Who will benefit in the long term? Will Canadian firms? No. Will Canadian refineries? No. Will Canadian employees in the oil business benefit? With a handful of exceptions, no.

Mr. Speaker, when we say this time allocation is inappropriate, what we are saying is that we want to find ways and means to provide jobs for those people in Newfoundland and throughout Atlantic Canada that will be permanent and long-lasting, not the kind of employment opportunities that will have the one time only construction aspect of this project and not be there in perpetuity. I think that the people of Newfoundland want jobs, not only for the short term but, indeed, for the long term.

[*Translation*]

Mr. Gilles Rocheleau (Hull—Aylmer): Mr. Speaker, I think we are witnessing here today something very important that we could describe as an absolutely incredible machination where the Bloc Quebecois is effectively becoming the official opposition in this House with regard to the Hibernia project.

Mr. Speaker, at the moment there is no Liberal Party member from Quebec in the House, only one Conservative member from Quebec as compared with six representatives of the Bloc Quebecois. Mr. Speaker, we are not against the Hibernia project as such, but we resent the fact that once more Quebec is being shortchanged. And particularly when we see the official opposition agreeing with a closure motion. This is the first time in all my political life that I see the official opposition, namely the Liberals, agreeing with a closure motion.

Mr. Speaker, the Bloc Quebecois, through the hon. member for Richelieu, clearly put forward an amendment in this House last week at the report stage.

• (1750)

An amendment whereby Bil C-44 would include and confirm the Canadian content! The Separatists which they say we are are standing up for Canadians and trying to look after their interests by urging the federal government to set the amount of Canadian content in the legislation. Mr. Speaker, it is the world upside down!

Recently, the Newfoundland Premier, Mr. Clyde Wells was reported as saying that this was a routine matter, that the federal government was ready to go ahead with Hibernia, and that the official opposition was in agreement. Today, I realize that Mr. Wells was right when he said that. I understand also that last June, the hon. member for Bona Vista—Trinity—Conception told

the House that he expected this bill to be read the third time by the summer recess. We all know that for reasons I need not explain, the government deemed advisable not to introduce this bill in the House at that time.

As a last resort, I directed a question to the minister. I cannot elaborate on this, Mr. Speaker, but the House will remember that the fact the Meech Lake Accord was killed last June is one of the reasons why the government did not proceed with Bill C-44, because the Tory members of the Quebec caucus were determined to scuttle the bill. Since then, Mr. Speaker, we have not heard a peep out of the Quebec Tory members. They are completely out of it, out of the House. A while ago, I could see the Technology Minister trying to keep his Quebec troups in line by telling them to vote in favour of this bill, a very good bill.

If this bill was really that good, Mr. Speaker, the morning papers would not be filled with paid advertising stating that the bill concerning Hibernia had to be amended to give Quebec its fair share. Outside the House, I heard some Tory members from Quebec insisting that the SNC had obtained a contract worth $360 million— This is a contract awarded on the international market, Mr. Speaker. It is not a contract for Quebec firms, it was awarded on the international market.

We accept the fact that a module was guaranteed to Newfoundland, Mr. Speaker, but we ask that the other four modules be offered on the domestic market first. If our domestic market is unwilling or unable to meet the challenge, this contract should then be offered on the foreign market. Moreover, Mr. Speaker, we know from opinion polls that the credibility of this government is being seriously questioned, but we find it hard to believe that the official opposition should be going along. Mr. Speaker, the Minister of Energy, Mines and Resources who signed this agreement said the other day in the House that he was not prepared to renegotiate it once more. Yesterday, during the Question Period, he even went so far as saying that it would be stupid, childish and that he would not reopen the negotiations.

Mr. Speaker, Canadians are being railroaded, pure and simple. Although the Canadian government is going to invest not less than $2.7 billion in this project, Canadians are not even sure to benefit from the spinoffs. That is incredible, but true, Mr. Speaker, especially in view of the fact that there was no Persian Gulf crisis at the time it was negotiated. And who says that the price of oil will not increase to $50 or $60 a barrel. We know that the price is currently between $38 and $48 a barrel. On the other hand, under the terms of the agreement, if the price should fall below $25 a barrel, the government would have to make up the difference. If the price exceeds $25 to the barrel, the U.S. oil companies like Mobil Oil will reap handsome benefits on the market.

Mr. Speaker, Newfoundland claims to have been ripped off in the Churchill Falls project. The whole affair has even been referred to the Supreme Court where it was decided that the agreement signed by Quebec and Newfoundland was quite legitimate. Now, not only Newfoundland is being had with this agreement but the whole country. And that is why we became in this House the Official Opposition because the Official Opposition is hands in hands with the Governement and I bet the NDP will in the end vote for the bill. After winning Ontario, it now has an eye on the Maritimes. We want to make sure that the superior interests of Quebec are protected in this House, but at the same time, we wish to protect the interests of Canada since we are still part of the Constitution as it now stands.

Mr. Speaker, the Minister of Energy, Mines and Resources stated a few days ago that the Hibernia oil will benefit mostly American interests. Considering the accrued debt and the deficits we are talking about, can we, again, make such an effort and for whom? For our American neighbours? I would not want to enter into the free trade debate which has been going on for the last two years. But as far as Hibernia is concerned, I hope that the governement will come to realize, the next few minutes, that it is making a blatant mistake and it is all the more true since the Senate is shut down, Mr. Speaker. And because of whom? The Liberals. So, why steamroll a bill while the Senate is shut down? Would it not be because the Conservative Government wants to pass this bill now in order to force the liberals to re-open the Senate? It is incredible, inconceivable, I would say diabolical to go to such an extent to pass that kind of legislation!

I thank you again, Mr. Speaker, and I hope that they will see the light!

[*English*]

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, we have the bloc. Their heads are going to be on the block before this is over.

The Bloc Quebecois state there is not enough construction work going to Quebec. As well, we have the NDP saying that it wants to know where the oil is going to go to be refined. People who have examined these questions must be really confused as to what they are talking about.

The companies that are constructing the infrastructure are Concrete Products Limited, 3.5 per cent Newfoundland; Doris Engineering of Paris, France, 7.5 per cent; Janin Construction of Montreal, 29.66 per cent; Atlas Construction of Montreal, 29.66 per cent. Then, there is McNamara Construction of Newfoundland at 29.66 per cent. That is a bit deceptive unless you examine who these people are.

For example, Atlas Construction is a subsidiary of one of the largest construction firms in Quebec called Atlas-Gest Incorporated. It is a subsidiary of the Paris based Dumez, one of France's largest construction firms.

• (1800)

When you go to the topside design, you have B&L Consultants of Newfoundland with 70 employees; SNC Group of Montreal, 4,000 employees; Monenco of Montreal at 1,000—

The Acting Speaker (Mr. Paproski): The hon. member for Shefford is rising on a point of order.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, I would remind my colleague from Newfoundland that it may be French but it is not necessarily from Quebec.

Mr. Bouchard (Lac-Saint-Jean): France is a foreign country!

[*English*]

The Acting Speaker (Mr. Paproski): That is not a point of order. It is a point of debate.

The hon. member for Gander—Grand Falls.

Mr. Baker: No, Mr. Speaker, it is not even a point of debate. I do not know what it is a point of.

Monenco of Montreal has 1,000 employees and then there are two other smaller firms, a Houston based firm called Brown & Root and a company called Aker Engineering of Norway. Monenco was formerly Montreal Engineering.

Here is the point, Mr. Speaker. In looking at all of the offshore construction in the world, one finds these same names that are here. You find Doris Engineering of Paris, France. They are the experts in the platforms make up only 7.5 per cent of the deal. The same Montreal firms are connected with every large construction undertaking in the world. The company that is associated with Atlas Construction of Montreal, Dumez, is one of the companies building the French half of the English Channel tunnel.

It is the same companies doing these large construction projects. No matter how you cut it, Mr. Speaker, you could have almost predicted the names of these companies before the contracts were let.

The other point raised by the NDP members is an interesting one. They say that none of this oil is going to be refined in Canada. Away back in 1987, we passed legislation in the House that deal with exactly that. It was decided by this chamber and the Newfoundland legislature and it is perhaps the most backward step that could ever be taken by legislatures, the Parliament of Canada being a legislature. It defined where the Government of Canada and the Government of Newfoundland could force an oil company to bring oil to refine if the companies had not entered into a contract to sell the oil. In other words, if the company had a contract to sell it to Venezuela, it would go to Venezuela. The only way the Government of Newfoundland can interfere is if the Government of Newfoundland—under the existing legislation that the NDP now claims they do not know anything about—says: "All right, we have what is called legally a shortfall of petroleum deliveries in the province."

But one mistake was made in the legislation and that is it did not guarantee to any industry in the Province of Newfoundland oil from the offshore, not one single industry. That is why that legislation should be brought back into the House of Commons and amended to

include refineries or possible petrochemical industries in the Province of Newfoundland.

The NDP now has a motion before the House trying to delay passage of this legislation, wanting to know where the oil is going to go after we had dealt with it for three years in this chamber under a Bill called the Canada–Newfoundland Atlantic Accord Implementation Act.

Mr. Harvey (Edmonton East): Mr. Speaker, I rise on a point of order. I think if you will check the Orders of the Day, you will find that the NDP has no motion on any Order Paper pertaining to anything having to do with this bill at the moment, thank you very much.

Mr. Baker: Mr. Speaker, the amendment I am referring to is on the Order Paper. It is Motion No. 3. It was put there on Wednesday, September 26. It is moved by a Mr. Riis and it talks about the quantities and percentage of oil production which are exported or unrefined or in semi-refined states.

The legislation that was passed by this Chamber back in 1987 was bad legislation. It was terrible legislation. It is legislation that should be brought back in and changed, but it is legislation that some of these objectors voted for. That is the incredible part.

The legislation was proclaimed on April 4, 1987 and our refining capacity in Newfoundland went through the pipes four months later, so there was the error. Beyond that, there is an even greater error that says for all time, all petroleum resources offshore in Canada will go to wherever the companies want it to go unless there is a shortage of supply that can be proven by the Newfoundland Government and agreed to by the federal government. Then it would go to arbitration if the companies still object. But if the bids were what they call "commercially acceptable", then the companies would have to deliver oil to "the existing feedstock requirements to industrial capacities that were operating on the time that this act came into force". That restricts it to refineries in New Brunswick, Nova Scotia, and Prince Edward Island. That is the law of Canada today.

The hon. minister is adding two words, "and Quebec." There is no reference to the province of Quebec in that legislation that was passed three years ago and neither should there be. Should there have been any reference to Quebec? No. Should there have been reference to any other province if Newfoundland was not guaranteed some oil? No. Shame on any member from the Bloc Quebecois who would suggest that. That is an outrageous suggestion and an insult to every single Newfoundlander.

I would also suggest in closing, as you are motioning to me that I should be finished, that for the last two weeks, we have had tents in the hon. member's riding of Bonavista—Trinity—Conception. We have had many dozens of tents out in the wilderness where this road is going to be built after the announcement of the Minister of Energy, Mines and Resources. People are living in tents waiting for the start of the construction which the Bloc Quebecois wants to stop so that they claim more people in the province of Quebec can get hired.

Both these motions of the NDP and the Bloc Quebecois should be thrown out because they are not worth the paper they are written on.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to have an opportunity to participate in this debate for a few minutes.

Coming from the province of Alberta, we of course, have a strong identification with things relating to oil, the industry, and the importance of it. We recognize just how important the development of a project such as Hibernia can be to a people.

I come from an area where we have a fair amount of oil and gas activity and, in fact, in my riding we have one of the projects that we are all hopeful, with the changes in oil prices right now, may well see some change in activity. Of course, I am referring to the Shell project in the town of Peace River. That particular project deals with putting steam into the ground and removing the oil through a process that is costly and complicated.

• (1810)

As a result of that, we know just how difficult it is to proceed with the development of some of these larger oil projects that are very costly. They produce oil that is very expensive, particularly over the last few years when most of us have seen oil prices dropping dramatically and, as a result, it was just not economically viable to proceed with the more expensive oil.

Therefore, for me to identify with the people of Newfoundland is not difficult. I understand the sense of urgency and the sense of importance which they attach to this project. For a long time they have wanted an opportunity to develop their economy and to demonstrate the kinds of skills and abilities that they have within their population.

So, it is a bill that has important to us and a bill that all of us want very much to see proceed. I am quite disappointed that, through the processes of presenting petitions and forcing votes on first reading of a bill, the Opposition has managed to delay the proceedings of the House on Bill C-44. Of course, that does have a direct impact on the people of Newfoundland, because we know that delays can be costly and, at a time when things like oil and oil prices are so volatile because of the situation in the Middle East, all of us are very much concerned about what is going on. With that in mind, pursuant to Standing Order 26(1), I move:

> That this House continue to sit to complete the business now before it.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): The House has heard the terms of the motion moved by the hon. Parliamentary Secretary to the Leader of the Government in the House of Commons. Will those members who object to the motion please rise in their places.

And more than 15 members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 26(2), the motion is deemed to have been withdrawn.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, the motion being debated at the moment is one that would cut off debate on Bill C-44. Bill C-44 is that bill that neither creates nor particularly furthers the Hibernia project; Bill C-44 is that bill which provides for federal investment in the Hibernia project.

Before dealing briefly with the merits of the investment structure outlined in Bill C-44, I would like to note that we are again debating whether or not to continue debate at all. We are debating a government motion to turn off the lights on the debate on Hibernia.

The government says this has to be done. "It is a dirty job but someone has to do it, the government claims", because all kinds of time has been wasted on it and if time continues to be wasted on it, then the project itself may be in peril.

I used to work in Edmonton with a small group of people. We worked for Grant Notley. One of them had a colourful metaphor that she applied to certain qualities and classes of argument. She referred to this class of argument with the metaphor "*el toro* pooh-pooh".

The arguments we have been hearing with regard to the wastage of time from the government, the arguments we have been hearing about the frailty of the project—the project itself being destroyed if we take more than a day to debate Bill C-44—bring to mind that colourful metaphor, el toro pooh-pooh.

An hon. member: Unparliamentary.

Mr. Harvey (Edmonton East): I have checked in Beauchesne. It is not ruled out.

In total, two minutes were spent on introduction and first reading of Bill C-44. That was on November 7, 1989, eleven months ago. Second reading got under way on December 18 when 61 minutes, an hour and a bit, were spent. Then it was dropped. Not because of the opposition, the opposition was not standing around saying "by gosh, you bring back Hibernia and we will make your life hell". No, the government just sort of dropped it as if it exited into the ether with not so much as a thought following it until February 9 when we spent two hours on it on second reading. We were then up to the horrendous total of three hours in second reading debate on a bill which, when passed, will see the authorization of an expenditure of federal public funds up to in excess of $3 billion.

This was not to be all because that perfidious opposition demanded yet further discussion of Bill C-44. So, on June 7—from February 9 to March, to April, to May, to June 7, four months later, again at the sole discretion of the government—the bill was brought back once more and debated for about two and a half hours, at which time it was passed after a total of five and a half hours of debate; hardly tortuous. The entire second reading was spread by the government over more than half a year, then it passed. Then it went to committee. Would you like to know what horrible, gruesome delay the opposition imposed on this bill in committee? I can tell you. I was there. We whistled it through in a day.

Mr. Reid: That's how much you worried about the debate.

Mr. Harvey (Edmonton East): One day. The reason for that was because I can tell a done deal when I see one. I was simply unwilling to waste my time hearing a hallelujah chorus come before the committee, praising the deal to the skies and offering no critical assessment whatsoever. One day in committee, and that, by the way, was very quickly after second reading concluded. That was merely five days later. A day after that it was reported to this House by the chair of the committee. There after June 13, it languished, orphaned—

The Acting Speaker (Mr. Paproski): The hon. member for Ontario on a point of order.

Mr. Soetens: Mr. Speaker, I would like to point out to the hon. member who has just spoken, he was absolutely right that while he was in committee there were no objections raised, including by the member who has just spoken.

Mr. Harvey (Edmonton East): Mr. Speaker, that was not entirely accurate. In fact, I attempted to propose several amendments to alter the bill, all of which of course were defeated.

Again, questions of accuracy do not bear close inspection in this House very often. In any event, we get to September 26 of this year and the bill is brought forward for report stage. A total of one hour and 43 minutes was spent on it at report stage. Two minutes at first reading and introduction, five and a half hours at second reading, six hours in committee, one minute to report it to the House and one hour and 40 minutes so far in report stage.

• (1820)

Is this unacceptable to this government? Does this cause it to bring in time allocation?

This is a government that demands that the legislative process move with the speed of Mercury. Our legislative process is not designed to do that. It is designed that we may consider the contents of a bill carefully at numerous steps. It is a prudent system, especially when it is proposed to allot in excess of $3 billion in federal public taxpayers' money.

It is money that will have to be made up, perhaps by the GST. It is proposed that $3 billion be invested. Given the debate to date, we have been okaying that money at a rate in excess of $4 million a minute. More than $66,000 a second.

This can hardly be deemed dragging our heels. If I was able to drag my heels like this at home, I would be a wealthy man. I can guarantee you, Mr. Speaker, I am not that.

The government tells you that it must pass this legislation and the only way it can achieve that is over the prostrate corpse of the opposition, that the opposition has been obstructionist. El toro pooh-pooh.

Further, it tells you, Mr. Speaker, that this has got to be done because if it is not done, the project will collapse. In the committee, the minister admitted that the progress of the project at this point into the next year is utterly independent of whatever may happen in this House. There is much more than enough discretionary funding available to the government, the minister and the pools there now to cause the slightest ripple of worry until sometime next year.

The reason it is bringing in time allocation is because it fears the truth about this project: the squandering of public funds irresponsibly and to insufficient end.

[*Translation*]

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, I would like to say to Quebecers back home who are watching the proceedings on TV that I am an independent member of the Bloc québécois. I belong to the Bloc Québécois to serve the interests of Quebec here in the House of Commons and, if at all possible, Mr. Speaker, to convince my fellow citizens to accept or at least better appreciate the fact that we are moving rather quickly towards Quebec sovereignty. It is important that one and all understand that. In this bill—

Mr. Langlois: I am not so sure about that.

Mr. Gérin: No, no, no! I see a Quebec Conservative member in the House. Maybe the others have gone to bed. Yet this is an important bill—

Mrs. Landry: I am here.

Mr. Gérin: There is also a minister in the House.

Mr. Speaker, I wonder how these Quebec Conservative members can applaud their government's imposing closure or lowering the boom after only a few hours of

debate on a bill which entails expenditures in excess of $6 billion.

We will try to explain to the people of Quebec—they are quick on the uptake—that we have had a debate on an issue which will cost $1 billion an hour. The member for Manicouagan was on that committee. I think he spoke for about 90 seconds, yet today he is in favour of cutting off debate. I can hardly wait to see how Quebec Conservatives vote on this motion because for once the people of Quebec would like to be told how much of these billions of their tax dollars spent by the federal government they can expect to get back. That is interesting, Mr. Speaker, and I see some members nodding in agreement. Interesting indeed!

I refer you to what was said by the Minister of Energy, Mr. Jake Epp, when he appeared before the committee on June 12, 1990, not long ago, and testified as follows: "But may I say, Mr. Chairman, that obviously we would like to have more industrial benefits, for instance, in the shipyards of eastern Canada, and the industrial benefits that will flow from that. May I say I have been speaking about this issue with our colleague, Benoît Bouchard, as to what we could be doing. We have been presenting this to the consortium and that is why we have not, quite frankly, finalized all the industrial benefits. There is also, apart from the super-modules, the matter of possible ancillary shipbuilding needed for servicing".

So, on June 12, 1990, Benoît Bouchard, the political leader for Quebec—Quebec meaning what is still left of the Conservatives that come from Quebec—said: "We don't know what will be in it for Canada. We don't know what will be in it for Quebec. That has not yet been negotiated. No agreement has been reached. We are still in the dark". Today, we tabled a very modest amendment. We wanted Canadian companies to be first in line to tender for these contracts worth several billion dollars. The government's answer is— Benoît Bouchard may come to the House to speak. He hasn't spoken in the House for a long time. He may come here himself to tell us that no, we don't want to say that; we don't want to put this in the bill. Even worse, they are going to muzzle the members of the Bloc Quebecois. They won't let members speak. They won't let the Conservative members from Quebec speak to this issue, because if the government gave us just two days in the House, the Bloc Quebecois would probably be able to convince all Quebecers that here in Canada we are being shafted with this kind of project. Unfortunately, we will be gagged after only a few hours of debate in the House. I've got them right here.

Canadians who are listening know how many meaningless speeches they can hear on a single day about equally meaningless legislation, sometimes involving amounts of as little as $2,000 or $3,000. Here, we are talking about $6 billion. This is all the time that was allocated to that, and few members were heard. On December 18, 1989, the minister did not even introduce the Bill himself in the House. God knows where he was. It is Parliamentary Secretary who introduced the Bill, but he was himself very brief. A mere fifteen minutes. That day, an hour was spent for the introduction of the Bill.

On February 9, 1990, there were four speakers—by the way, the minister was absent again—and two hours were spent examining the Bill. On June 7, the Bill was referred to the legislative committee and the committee—on which sat Mr. Langlois from the Quebec Conservative Party, but who did not say more than two words—met for less than two hours. Imagine, to take less than two hours to examine a $6 billion project. That is incredible!

At that time, the Minister had said, in his testimony: "I know nothing. It is ongoing. We do not know. We have no idea". He was unable to answer most questions, except to say that the people of Newfoundland would be happy to receive a lot of money from Canada. I am sure they would!

On June 13, 1990, the report was presented to the House. On September 26, 1990, we came back and discussed the bill for two hours. During those two hours, two members of the Bloc Quebecois took the floor, two members from Quebec rose to state that only Canadian firms should bid.

Mr. Speaker, after that, the government decided to gag us. If they think they can stop us from taking the floor in this House! If they think they can stop Quebecers worthy of that name from speaking in the House of Commons, they better think again!

I see I have two minutes left. That is fine, for I will have a chance to speak again tomorrow on this issue, and the day after. I will speak as long as I have things to say in this House.

• (1830)

Mr. Speaker, we have had fourteen speakers altogether on this bill, including the Minister for International Trade from Newfoundland who also put in his two-cents worth, when he said that we absolutely had to help Newfoundland, and that in any case it was the right time to do it, on June 7, 1990. You may remember that Clyde Wells was in Ottawa, talking about other things at the time.

Mr. Speaker, in his speech last year, the parliamentary secretary said that the project might have as much as 45 per cent Canadian content. Today, faced with the objections of the Bloc Quebecois, they are suddenly talking about as much as 60 per cent. We don't believe that. We don't believe the Minister of Energy, Mines and Resources when he says that. We don't believe the Minister from Newfoundland. They fooled Canadians so often, we can't believe them any more. Let them put it in the bill! When it's in the bill, when it really says Canadians will have the right to tender on all projects in this six or seven billion dollar megaproject, when Canadians have that right in the bill, then I can say I did my duty as a Quebecer and as a Canadian. During the remainder of our term. Then I will be able to say yes to this bill. Meanwhile, as the member for Mégantic—Compton—Stanstead and with the other members of the Bloc québécois, we intend to vote against this bill unless it can be amended as proposed.

I ask the Conservative members from Quebec, and my time is almost up: Talk to Benoît Bouchard about the statement he made recently! Remind him of what happened in late June, 1990!

[*English*]

The Acting Speaker (Mr. Paproski): I regret that the hon. member's time has expired.

[*Translation*]

Mr. Charles A. Langlois (Manicouagan): Mr. Speaker, I rise on a point of order. I just want to say that in his speach, the hon. member for Mégantic—Compton—Stanstead continuously called hon. members by their names while the practice in this House is to call members by the name of their riding. I would like to see the hon. member who has been here for a while show more respect for our Standing Orders.

[*English*]

The Acting Speaker (Mr. Paproski): I know the hon. member will address the minister by his title or the hon. member by his constituency. The hon. member has 30 seconds left in his debate.

[*Translation*]

Mr. Gérin: Mr. Speaker, I want my colleague who was a member of the committee to know that I am sorry and that I understand very well why he would not want to see his name associated with such a situation. If I were him, I would feel the same way. I would be ashamed, back in Quebec, to make such a statement. He is perfectly right, Mr. Speaker, and I would ask you to strike his name from my speech, like, he will be stricken from the political map after the next election, unless he comes to his senses pretty soon.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, it would like to say a few words in French, having been impressed by the address of the member who just spoke. He told us he was here to represent the interests of Quebec and of Quebecers. It must however be understood that the members who are sitting to my left, the group of independents who want to be called the Bloc québécois, are not the only ones to champion the cause of Quebecers, in Canada—

Some hon. members: Who else?

Some hon. members: Where are the other ones?

M. Volpe: —because members are elected to represent all Canadians.

Some hon. members: Right on!

Some hon. members: Ah, ah!

Mr. Volpe: So, if my colleague insists on draping himself in the flag of only one province while arguing at the same time that his group wants to represent the interests of all Canadians in this project—

This makes us wonder when in fact he is telling the truth: is it when he speaks for Quebecers only, or when he stands for all Canadians. When he says that for now he is still a Canadian, and as such, wants to protect everyone's interest, he is trying to confuse us. He wants to send one message to Quebecers, to those listening in

Quebec who are of the same party, who share the same ideas, but at the same time he wants to leave the impression he still represents Canadians. He says he was elected as a representative of all Canadiens, not only Quebecers but Canadians who live in Quebec and in all the other provinces. So, Mr. Speaker, I am surprised that member insists on introducing procedural points into the debate. Because, if my memory serves me well, that same member along with some of his colleagues, used to be part of the gouvernement's caucus, a few months ago. And at that time in this Parliament the guillotine was used 13 times to bring an end to the discussion of some on bills.

Mr. Lewis: Incredible!

Mr. Volpe: The Minister says it is incredible and so it is! And more incredible still, Mr. Speaker, while we are discussing a bill which should be a matter of interest to all Canadians, we hear from a member who, again, was a member of the government's caucus a few months ago, when the object of this bill was developed.

So, the honourable member and his independent colleagues from Quebec, who previously agreed with this bill, now say: "No, things have changed." So, what are they saying now: "No. The bill we agreed on before now must be changed."

[*English*]

I do not think we can continue to debate procedures and the discussion of closure when what we should be talking about is the substance of this bill. It has been clear through some of the debates we have heard over the course of the afternoon, brief though they have been, that the NDP to my left and the bloc of independents from Quebec are not in favour of this bill. They cannot hide that kind of attitude.

We cannot talk about procedures or amendments in the hope of trying to confuse the viewing public. Canadians at large, that they are against this bill. I ask myself why? It can only be because they do not want to look at the way that we are thinking about diversifying the economy of our regions. This is particularly relevant to Newfoundland.

If it is the intention of hon. members to my left to say out in the open that they do not want to diversify the economy of Newfoundland, let them stand up and so say. That is not what we should be doing. I would have thought that if they were interested in a meaningful debate on substance they would have asked some significant questions. For example, is this Hibernia project economically viable and capable of making appropriate returns for Newfoundland? I would have been interested in hearing that; so, I dare say, would all Newfoundlanders.

Could federal money, for example, be used more effectively for creation of other types of industries in Newfoundland? Let me hear them say that. We have not heard any of that at all. What are we talking about when we are talking about where we are putting our moneys—

An hon. member: Why are you talking as if you don't know anything?

Mr. Volpe: We have not heard anything about how to best allocate federal moneys. We have not heard any of that from my colleagues to the left. In fact when my colleague from Quebec says he is here to defend the interests of Quebec, I did not hear him mention that there are many estimates that talk about $1.5 billion. That is spelled with a *b*. In French it is *milliards. Encore une fois*, $1.5 billion in contracts to the province of Quebec.

• (1840)

[*Translation*]

Who knows who stands for Quebec's interests! One must understand that 1.5 billion $ will be spent in Quebec.

[*English*]

I do not know why they would be against that. I am not sure that anybody else here would have been against it. Quite frankly, there is $1.5 billion being spent in Quebec and only $770 million expected to be spent in Newfoundland. I would have expected my colleagues from Newfoundland to be upset about that but they are not. They must be good Canadians, great Canadians.

Some hon. members: Oh, oh.

Mr. Volpe: I see my colleagues to my left are really interested in hearing some of the other facts that they have ignored all the way along. Quite frankly one needs to note that Hibernia is expected to account for 12 per

cent of Canadian light and medium oil production by the year 2000. I think that is a valuable undertaking.

Also what should be kept in mind is that all estimates indicate that we are to have 10,000 person-year jobs in Newfoundland or 50 per cent of the total of the project is employment. Only 70 per cent of all the Canadian jobs is expected to be created under this project, so the benefits are going to be distributed not only throughout the maritimes but I dare say through all the adjacent provinces as well. This includes, I might add for those whose geography is falling by the wayside, the province of Quebec.

If we are to talk about substance and about whether or note we want this bill, what we should be doing is directing our attention at criticizing the bill itself, clause by clause, on each point of substance in the debates. We should be talking about whether or not this is the best deal.

Quite frankly what I have heard all along is that because it is not the best deal for Newfoundland, it is not a good deal for any part of Canada at all. The fact of the matter is that it is a good deal for Newfoundland, for maritime Canada. It is a program to diversify the economy of depressed regions in Canada.

I might remind the House that Newfoundland currently has the highest unemployment rate in the country. A good portion of that unemployment rate is structural. It is nothing else. Until we change the structure of the economy in provinces like Newfoundland, we have a very poor hope of trying to buttress the employment rate.

If we are to be talking about those items in this bill which say that we cannot have this because it is not the best deal and therefore we do not want anything but the best deal, then let them say that. However, if there are movements in the direction of creating long-term employment and creating an environment whereby the structure of that province and the provinces adjacent can look toward a different type of industrial economy, I think we owe it to the people of Newfoundland to say that we support that bill.

If they do not want to support it, let them be honest. Let them stand in their places and say: We from the bloc Quebecois, we from the bloc NDP do not want this bill for the province of Newfoundland and for maritime Canada. Let them have the courage to say that.

[*Translation*]

Mr. Charles A. Langlois (Manicouagan): Mr. President, I had no intention to get involved in this discussion, but after hearing the comments expressed earlier by my honourable colleague for Mégantic—Compton—Stanstead, I have decided to say a few words in order to clarify certain matters.

I must say, Mr. President, that when I worked with the Legislative Committee responsible for the review of bill C-44, my colleague blamed me for speaking too little or too briefly. I must remind him that I was the only member on that Committee who requested that witnesses be heard by the Committee, and indeed, the object of having witnesses appear before the Committee was to bring out—

Mr. Gérin: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Paproski): The Hon. Member for Mégantic—Compton—Stanstead rises on a point of order.

Mr. Gérin: I think that there is a provision under our Standing Orders whereby, whenever the House deals with a Bill, the Minister who introduced the Bill is under the obligation to be present, or at least two ministers must be present in the House, because I suggest there is no point—

[*English*]

The Acting Speaker (Mr. Paproski): On time allocation, there are two ministers in the House. In fact, there are three present. Debate, the hon. member for Manicouagan.

[*Translation*]

Mr. Charles A. Langlois (Manicouagan): Thank you, Mr. Speaker. As I was saying, calling witnesses would have made it possible for committee members to assess the opportunities for economic spinoffs from the Hibernia project not only for Quebec, but for Eastern Canada as a whole.

I should also like to comment on the remarks the Hon. Member for Edmonton East made when he blamed the committee for too quick a study. May I remind my hon. friend that he was one of those committee members who recommended that the committee should proceed quick-

ly, that it should carry out and complete its clause-by-clause study as quickly as possible.

Apparently, they claim that Hibernia will not yield the economic spinoffs people expected and will not contribute to the energy security of our country. They seem to overlook the fact that beyond energy security, there is the need to use some of our natural resources, so that, by selling this commodity, we may improve our balance of payment.

Together with the Committee on Energy, Mines and Resources, Mr. Speaker, I have just returned from a tour of Northern Alberta where I had the opportunity to see for myself our huge tar sand deposits which represent a major source of energy for Canada. Hibernia will make it possible, not only for Newfoundland, but for Eastern Canada as a whole to develop an expertise which does not exist there, to master new technics and help Newfoundland, Maritime and Quebec people develop new techniques and participate in the realization of a major project which is important for Eastern Canada.

Thus I must tell you that as a Member of Parliament for Quebec and unlike my friends from the Bloc Québécois, I support the Hibernia Project and I hope that this House will be able to pass it as soon as possible since it holds extraordinary benefits for Quebec. Remember that when the project was announced, one single province was going to benefit from it and was promised fall-outs, and that province was Quebec. Right away, engineering and construction companies were identified as possible beneficiaries; Hibernia guaranteed them work and activities. Why then try to stall the business of the House? Why all those amendments that would delay the passage of that bill? By delaying this bill, Mr. Speaker, all we are doing is damaging the economy of Eastern Canada.

Therefore, I would like to simply ask my collegues of the Bloc Québécois and of the NDP to support this bill, to proceed as fast as possible, to let all members speak freely on this matter, so that the Hibernia Project can be carried out for the well-being of Newfoundlanders, but also for the people of the Maritimes and Quebec.

That being said, I will give other members the opportunity to speak, now that my position is clear.

I would like to remind my collegue, the member for Mégantic—Compton—Stanstead not to worry of what might happen to me during the next election. I can take care of that very well. My constituents of the riding of Manicouagan know full well where lie their best interests. I would worry more in his place than mine. Thank you, Mr. Speaker.

[*English*]

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I am happy to join in this debate, though the points I would like to make are a little different from the points that I hear from my Liberal and Conservative colleagues and now from my colleagues in the Bloc Quebecois.

As I sit here listening to this debate I am reminded somewhat of the movie, the *Ship of Fools*. We are debating the so-called spin-off benefits of a technology that we should be encouraging rather than debating how much we should subsidize. There is a bit of schizophrenia here. All members are concerned about the greenhouse effect. We have heard much talk about the greenhouse effect. It was a big issue in the Liberal leadership debate. But on the other hand, what are we doing? We are quite willing to continue subsidizing the oil industry.

• (1850)

Clearly, we are a ship of fools—

Mr. MacDonald (Dartmouth): Are you against Hibernia?

Mr. de Jong: Yes, I am against Hibernia, and I am against every other oil megaproject. I think it is about time that we stopped subsidizing the oil industry. In fact, might I suggest that instead of subsidizing the oil industry we start placing a special tax on oil and gasoline in terms of how much they pollute. And the more a substance pollutes, the more it should—

Some hon. members: Oh, oh.

The Acting Speaker (Mr. Paproski): Order, please. Would the hon. member please take his seat?

I would like to hear the hon. member. There is still another nine minutes left before seven o'clock. Could I have just a little bit of order? Thank you. The hon. member for Regina—Qu'Appelle.

Mr. de Jong: Thank you very much, Mr. Speaker.

This weekend I noted in the popular press that the state of California has come out with some pretty new and stringent regulations regarding emissions from automobiles. If I may quote from a newspaper article:

> The new rules require carmakers to start selling cleaner vehicles starting in 1994 in the smoggy Los Angeles basin and 1997 statewide. By 2003, all cars sold in the state must emit at least 70-per-cent fewer hydrocarbons and other smog-forming chemicals than in the 1993 models.

That is not much time. California represents around 11 per cent of the consuming public in the United States.

I suggest to you, Mr. Speaker, that the economics of this project do not make sense. I suggest that the concern about the greenhouse effect will speed up the development of alternate forms of energy. If California takes the lead in the next decade to two, we are not going to see the amount of gasoline used in cars. I suggest that the pay-back period of Hibernia will be such that we will never get back what we are sinking into it now.

In conclusion, I wish to repeat that it seems to me what is happening in this House is that we are indeed a ship of fools, debating about economic spin-offs and benefits for which later generations are going to curse us.

[*Translation*]

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, a man with your experience in Parliament should understand our astonishment as we, from the Bloc Québécois, witness what is happening here today. It was only last week that our group made its debut in Parliament.

During the first few days, we made a list of the matters about to be raised on the floor that would be of critical importance both for Canada and for Quebec. Among those, was Hibernia. Wednesday morning, we saw the notice in the Order Paper and knew that we would have an opportunity to discuss the project and the bill. We all knew that several questions remained unanswered in June, after the parliamentary committee sat. I was a government member and others were members of the government too. The project was announced a little while ago, but the figures quoted were unverified. The week before, the Minister of Energy, Mines and Resources made a statement, announcing that the project would benefit the Americans, not the Canadians. There are still many important questions to be answered.

At the time, Mr. Speaker, we figured: "That is no big deal! We are members of Parliament. We will go back to the House and ask the real questions that this bill raises. So, we started by introducing an amendment dealing specifically with the spinoffs for Canada. Everybody told us that the project itself had to produce interesting spinoffs for Canada. We have no problem with that, Mr. Speaker. But then, when we saw the legislation and the confusion in the remarks made by the ministers who spoke on the bill, we introduced an amendment to force the promoters of this project to limit the bidding to Canadian firms at first, for the first round.

There are, amongst others, the five big modules of this project. We are told that one of the modules would be assigned specifically to Newfoundland. Under the circumstances, it is reasonable that Newfoundland be responsible for one of the platforms, or modules. As for the rest of the project, since it is a Canadien project, we have moved an amendment to bring about a vote in the House to amend the bill. We do not wish to block the project, to delay it, or to kill it outright, but to have it brought about in a way that is favourable to the economy and in the interests of both Canada and Quebec. What do we see? We discuss the matter for about two hours. It is the beginning of the session, the beginning of the year. Everything was going smoothly; there was no filibuster; we respected the Standing Orders and waited to be recognized before exercising our right to speak. After just two hours, we are being cut off. We are being told that enough has been said and that we cannot discuss the subject any further.

That is what we do not understand, Mr. Speaker, because this bill pertains to capital matters. We only want the right to discuss them in the House. The debate is essentially about closure. Our arguments should have been limited to this procedure, but everybody, government as well as opposition have raised arguments relating to the content of the bill. It ensues that many basic issues have not been mentioned, debated and or resolved.

What about fundamental issues like the technological future of Canada, to name only one? Will Canada always submit to policies dictated by foreign companies? Will Canada show, once and for all the will to invest in its own future? Will Canada, Quebec and all the other provinces ensure that from now on the high-tech mega projects

will be realized by Canadians, for Canadians, in the interests of all Canadians, not only here in Canada, but also in foreign countries? Will we be a people forever dependent on other people's interests? Canadian money will—

Ms. Sheila Copps (Hamilton East): On a point of order, Mr. Speaker.

I have just listened to the lovely rhetoric of the new leader of the Bloc Quebecois. Perhaps I am mistaken, but it seems to me that when he was Minister of Environment in the Conservative government he supported the Hibernia project.

Mr. Bouchard (Lac-Saint-Jean): Mr. Speaker, with regard to the environment, everybody knows but nobody mentioned it except the hon. member a moment ago, that no other project has ever undergone as many environmental studies before being brought forward. When I was Minister of Environment and a very strict minister as that because many criticisms were levelled at me in economic circles, I have attested, and I can reaffirm it now that in that project everything has been done to protect the environnment.

We do not criticize the legislation from the environmental point of view. What we criticize and find unacceptable are the conditions under which the project is to be economically and technologically realized. Certainly, Mr. Speaker— I would like to conclude my remarks, with your permission.

Ms. Sheila Copps (Hamilton East): On the same point of order, perhaps, Mr. Speaker. I find it a bit confusing because at the time he was a minister, he was unconditionally for the project. Is he mixed up or what?

Mr. Bouchard (Lac-Saint-Jean): Mr. Speaker, although we are close to adjournment time, I would like to make another point.

Essentially, in the battle to be recognized we in the Bloc Quebecois are fighting a very important battle for parliamentary democracy, for the interests we represent in Quebec and for the future of Quebec. We know quite well that the right we claim must be won little by little. We will patiently fight day after day. We will patiently bring the House toward full recognition of the Bloc Quebecois. That being said, we will not accept any attempt at muzzling members one at a time, we will condemn it, contest it and immediately repudiate it. And that is what was done today. An attempt to muzzle one by one—

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I listened with interest to the Bloc Quebecois just now on what needed to go to Quebec. It seems to me the deal that was signed helps Quebec immensely. It helps less so the maritime provinces, such as Nova Scotia, New Brunswick and P.E.I. who would be looking for the work.

• (1900)

However, last May 8 I rose in the House and, just after he had tabled his amendments to the Fisheries Act, I asked the minister about the penalties that he was planning to bring in at that time. The question was about the fines up to $1 million for harmful alteration, destruction or disruption of fish habitat.

I asked on that day in particular because I knew there were 42 foreign boats fishing in what was called the silver hake box, while our own fishermen were not able to fish in that area at that time because of the spawning ground rules. The odd part is that they were fishing right beside the spawning grounds. They are allowed a by-catch of the traditional fish in the spawning grounds.

It just seems that the government—and I am looking forward to hearing more about these amendments as they come into play—was hitting at the people who are least able to pay the penalties, our own Canadians, when we have foreigners out there fishing and overfishing, yet we cannot impare the same type of penalties on them.

I know the Minister for International Trade signed an agreement with the Americans whereby they would look to have a uniform system as a guide to prosecuting Americans in our waters. I know the American system and I have seen how it works. That agreement is only worth the ink on that paper, because I cannot see the eastern seaboard American states agreeing very rapidly

to an agreement that will prosecute their fishermen who are fishing in our waters.

The government says it looks all the time for a level playing-field in the fishery. On the same day, I asked the Minister for International Trade about the $130 million subsidy that was going to help the offshore in the Northern cod. I asked that day that the penalties be the same right across the board for the foreigners in the offshore and the inshore—anyone who is caught in violation within our waters. The $130 million did not represent level playing-field, as far as I am concerned.

I have been waiting since last June, when I questioned the minister and his officials on two separate occasions, for the guidelines on the $10 million available for new markets so I could send them to my constituents. I have not seen them.

It is just like a month ago when they introduced a subsidy program that any fisherman in our area would love to have given to them. It means free fish, fish by foreigners to be landed at plants, and these plants to be guaranteed loans by both governments. They then turn around and say: "We are playing on a level playing-field."

What about those who have the most influence, whether it is foreigners with the Minister for International Trade for other reasons, or whether it is the offshore with the Minister of Fisheries? Even on the day that he announced the amendments to the Fisheries Act I do not think that he was saying clearly which way it was going to hit fishermen. Who was going to have to pay more? Was it going to be the companies who can afford to pay for their offshore trawlers who may be in violation or the individuals? Or was it just another way for this minister to say we have to cut back our catching capacity in the inshore. Certainly that is the way it was reviewed by the inshore fishermen in the area that I come from. It was just one more way.

Yet, there are many things on a daily basis that I see this Minister of Fisheries closing his eyes to. He should be looking to see whether or not there are things going on within the fishery, both offshore and inshore, that should be questioned or looked at. This government in particular does not look at what is good for the majority of Canadians. It looks at what is good for the few and to satisfy on any occasion the big companies in Canada, even the international ones.

I am looking forward to seeing what these particular guidelines are, but I am particularly looking forward to seeing this minister in this new session come up with what I consider a level playing-field. That means, that for once, he has to start looking at the inshore.

I will sum up by saying that it is time that the government and this minister start looking at the millions of Canadians who are so dependent on every day employment and labour in the fisheries in Canada and not just the big companies.

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, as is the procedure in the late show, I will respond to the question that was referred for further debate. That is the question of the silver hake box, which as you know, Mr. Speaker, is really a small mesh gear area where all small mesh gear fishing takes place with the exception of redfish and shrimp. Fishing activities restricted to this area include silver hake, squid, and argentine.

The silver hake box was identified in the 1970s as an area where the use of small mesh gear would have minimal effect on traditional groundfish and pelagic fisheries. This zone lies approximately 100 miles off the coast of Nova Scotia and includes an area stretching from east of Sable Island to the Fundian Channel and from the edge of the Continental Shelf to the 200-mile boundary.

The silver hake has been harvested in 1990 by foreign vessels from the Soviet Union, Cuba, Japan, and Bulgaria.

By-catches of cod, haddock, and pollock are minimal in the silver hake fishery. In 1989, these amounted to 3,300 tonnes of which 2,400 tonnes was pollock. As part of the 1990 bilaterals with Cuba and the Soviet Union, negotiations have been ongoing. To date, several hundred tonnes of by-catch have been landed by U.S.S.R. vessels for Canadian processing.

Canadian fishing activities were approved for 1990. These were confined to inshore operations less than 65 feet. As well, a successful experimental fishery on Emerald Basin using MG vessels less than 65 feet has been completed.

With the exception of the inshore Emerald Basin experimental fishery, all fishing activities are within the small mesh gear zone, commonly referred to as the silver

hake box. This area does not overlap the haddock nursery closure area on Emerald and Western Bank and therefore there are no foreign activities in areas closed to Canadians.

The silver hake fishery is prosecuted in deep water on the edge of the Continental Shelf and therefore damaging to productive fishing habitat is minimal. Canadian observers are on board all foreign vessels and monitor all fishing activities.

The haddock nursery area was introduced in 1987 in an attempt to protect the excessive harvest of juvenile haddock by otter trawl vessels. The closure is landward of the silver hake box and covers an area of 5,000 square miles on Emerald and Western Banks which lie to the west of Sable Island. The outer boundary of this nursery area is proximate to the inner boundary of the silver hake box.

The Acting Speaker (Mr. Paproski): The hon. member's time has expired. The hon. member for Gatineau—La Lièvre.

[*Translation*]

TOURISM

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, this debate is extended because of a question I had asked in this House, last April. I had then asked the Minister how he intended to address the issue of rebates for tourists from other countries.

Indeed, I will not repeat the minister's answer, but he had indicated that along with Ministers of Finance and the Standing Commitee of the House on Finance, he had initiated action to solve that issue. The travel wholesalers had some problems because it was a very complex matter and they would be at a disadvantage compared with the so called package deals for tourists from abroad.

• (1910)

In the second part of my question, Mr. Speaker, I had asked the minister how come according to the wholesalers whatever rebate system he would promote, it would in no way help to solve their problem.

So, as the months went by the wholesalers insisted that the rebate system for tourists from abroad, especially those from United States, Mr. Speaker, would give an undue advantage to the wholesalers of United States coming to Canada.

They informed the minister many times that there was a problem. The minister imagines, of course, that he has solved the problem. But obviously, the problem is still there. When I asked the question, I was not a mind reader, but I realized the minister insisted that the refunds would really solve the wholesalers' problem.

Indeed, it was in April and I knew the tourist season in Canada would peak in May, June, July and August. Now, we are at the beginning of October and the evidence is overwhelming. M. Speaker, tourism has indeed substantially declined in Canada. There has been more complaints from the wholesalers that one of the reasons tourism has dropped was because there are so many rumours about the new GST— Imagine, it has not yet come into effect and it is already creating problems!

Consequently, I wanted to further inform the minister. There is always time to make changes. What kind of changes could he make? I do not know. But I would be very happy if his parliamentary secretary, here in the House, could advise his minister that, indeed, maybe the time has come to look at ways to improve the rebate system so that it would be acceptable to the wholesalers.

But as I am speaking to you, Mr. Speaker, the new leader of our Party, as you know, the Hon. Jean Chrétien, has given me new responsibilities that do not come under tourism anymore. The new member—let's say since 1988—the member from Broadview—Greenwood, is indeed for the Official Opposition critic for tourism.

Unfortunately, given the Standing Orders, he would have liked to make his maiden speech, not as a new member of this House, but as our critic for tourism. He will develop his ideas and will convey them in the next few years. I do not want to elaborate too much on this issue, I simply want to ask the hon. member responsible for tourism tonight, who will answer for the minister, if he would ask the minister for information, since this question is very important for the tourism industry in Canada, which will become in the future our greatest industry. We have to take whatever time it takes to ensure the tour operators, who bring a lot of tourists into Canada, fully understand the issue and to work with them to find a solution that will promote tourism in our country, since it is probably our major export industry.

Now, I want to thank you, Mr. Speaker, for the time you allotted me. I am sure the hon. Member standing in tonight for the minister will inform him of my concerns on this issue.

[*English*]

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, first of all, if I might, I would like to congratulate my hon. friend opposite on his new appointment. On behalf of the minister and my colleagues, I wish him well. Certainly, we welcome his colleague from Broadview—Greenwood on his new responsibilities for tourism. To get to the point at hand, before undertaking any major policy initiative, the federal government must examine the impact on the tourism industry. This was certainly the case when the government undertook its recent overhaul of the taxation system. The proposed goods and services tax will strengthen Canada's ability to compete with our developed country trading partners.

Canadian business will no longer be obliged to pay the hidden manufacturers' sales tax. Registered businesses will be eligible for a refundable tax credit for GST paid on all business purchases. This means that the effective rate of federal sales taxation on products or services purchased as part of a business enterprise will be nil. This is not presently the case. Many businesses, including those in the tourism industry, currently pay the hidden 13.5 per cent manufacturers' sales tax when they purchase certain goods.

Under the goods and services tax, it is estimated that for some tourism businesses, the input tax credit will result in operating savings of 2 to 4 per cent. In 1989, the $25 billion we earned in tourism revenues was credited with generating direct employment for more than 630,000 Canadians. Today, there are some 60,000 Canadian businesses which derive all or a substantial portion of the revenue from tourism. Under the GST, this vital industry, which in 1989 ranked third among Canadian exporters after automobiles and auto parts, is expected to continue to grow.

All evidence suggests that foreign visitors will continue to view Canada as a desired vacation destination. We are going to have a GST rebate for international visitors that extends to both accommodation and purchases. We are the only country to offer a rebate to international travellers for accommodation. Except for transporter air services to the continental United States, inbound and outbound international passenger transportation will be zero rated. The rebate program will be accessible and visible. Visitors will be permitted four claims per year. The government is also implementing a program for foreign visitors to collect their rebates at the point of departure through duty free shops.

Other measures include simplifying the administrative aspects of tour packages, as my hon. colleague referred, and conventions where accommodation is offered as part of an over-all, all-inclusive package of services offered at a set price. In these cases, a visitor will be entitled to claim the actual tax paid on accommodation if this could be broken out or the visitor will be offered a flat rebate amount of $5 per night. I am pleased to report that, as recommended by the Standing Committee on Finance, wholesalers and tour operators, as well as corporate and convention planners in some instances, will now be able to claim a rebate for the GST paid on the accommodation portion of their Canadian packages.

The threshold for the rebate has also been reduced from $25 to $20. The lower threshold brings the total eligible expenditure for individual tourists back in line with that originally proposed in the light of the reduction of the GST rate from 9 per cent to 7 per cent. My time is up.

TAXATION

Mr. Jim Karpoff (Surrey North): Mr. Speaker, last spring I had the opportunity to ask the Minister of Finance why seniors were being required to pay the clawback on their old age pensions when the legislation had not passed all parts of the legislative stages. I trust there is going to be at least a government member in the House to answer.

Mr. Vincent: Not to worry.

Mr. Karpoff: Not to worry. I am sure that their answer will be better than the one of the Minister of Finance. At that time the Minister of Finance said that it was perfectly all right, that if they did not wish to pay, they did not have to. However, that is not what has happened to old age pensioners. Old age pensioners who chose not to fill in the information about the clawback, simply filed their income tax returns and were entitled to refunds

had the ministry of finance complete their income tax return and deduct the clawback from their refund.

Pensioners are concerned about the clawback for a number of reasons. It is being forced on them without the passage of legislation.

• (1920)

Also, they are concerned because it is the beginning of the erosion of universal programs. Government is saying that people with an income over $50,000 are no longer entitled to old age security, even if they have worked all their lives for this type of social security program. They paid taxes so that they could have it.

Now they are beginning to wonder if the government is saying this about old age pensions: "Why not next year health care?" We simply say: "People over a certain income level no longer get free health care or education." Then where do we go? We end up with a two-tiered system. One system for education, for health care, for pensions for people on low incomes and those for the wealthy.

We see what is happening in the United States when you get into two tiered systems instead of social security programs.

Pensioners are also saying to me that they are concerned about the clawback because, again, it is part of an unfair tax system, that this government is choosing to tax seniors at a 100 per cent rate on certain income pensions while, at the same time, it has reduced the corporate income tax in this country from 36 per cent to 28 per cent. And, 60,000 comfortable corporations paid no tax.

In fact, many of the large corporations not only paid no tax, but they got tax credits. We have people like Brascade and Brascan, $263 million and no tax. Also, they happen to have donated $50,000 to the Tories. People like Standard Trusco, $13 million, no tax. They happened to donate $15,000 to the Tories.

The good friend of both Tories and Liberals, Tridel, the friend of both of the old line parties, $72 million. They happened to donate $29 million to the Tories and I think $80 million to the Liberals. Seniors are saying: "What is happening to the fairness of our tax system?"

Now they are asking me: "Why is the government insisting on proceeding with the most unfair tax of all, the GST?" They said to me over the weekend: "What is happening in Ottawa?" "Why do we have a spectacle of a Tory government packing the Senate in order to get the GST through? An unfair tax."

At the same time, they are saying: "We do not believe the Liberals. They are two-faced about it. Their critic quit because he supported the GST. They refused to give any alternatives to the GST. Their new leader filly-fallied around for months to make up his mind. He had the opportunity to kill the GST in June, July, August, September but no, he deliberately waited until he knew that the Prime Minister was going to pack the Senate."

They are saying: "Plague on both the Houses of the old line parties. They are in cahoots for unfair taxes." The clawback is just part of this unfair tax system. But, seniors have been saying to me repeatedly: "We do not mind paying our fair share. We do not mind shouldering the burden evenly. The time has come that the big corporations paid their fair share." The time has come that the old line parties—be honest with us—the Tories and the Liberals level with the public as to what their intentions are.

If they have alternatives, put them on the table so that people can look at them. If their intent is to stop unfair taxation, do it when they have the opportunity and not simply mark time until that opportunity is lost.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I must confess that the remarks of the hon. member for Surrey North have left me utterly disappointed and surprised. The member for Surrey North is arguing against a piece of legislation under which people with an income of $75,000 or more would have to pay their fair share of taxes. We are not talking about low-income Canadians, Mr. Speaker, but about people aged 65 or more whose net income is $75,000. The government has decided that such people must carry their fair share of the tax burden.

Mr. Speaker, I let the member express his views, he should do the same thing. I can hear him trying to confuse Canadians by saying that companies do not pay taxes. Not true, Mr. Speaker, all Canadian companies pay their fair share of taxes. The hon. member forgets to mention that every year a number of companies report losses which keep piling up and must be deducted from taxable income. Other companies are entitled to claim depreciation. These are the only deductions. The member may say they do not pay taxes but that is not true at all, Mr. Speaker. I am disappointed that the member for Surrey North, for whom I had a lot of respect, should make such claims and try to confuse Canadians.

With respect to Bill C–28, I am saddened by the hon. member: his party supports a bunch of unelected senators who are doing their best to belittle Canadian democracy and disregard the rights of duly elected members of the House of Commons. Mr. Speaker, the Liberal senators are sitting on Bill C–28, just as they are sitting on the GST legislation and all the other bills. These non–elected parliamentarians, led by a non–elected leader, have the nerve to contradict the will of the Canadian people expressed in 1988, Mr. Speaker, which was to elect a majority progressive conservative government. If the senators want to get into the political arena, let them run in the riding of Trois–Rivières or Surrey North. Then I will respect what they say. Then I will respect the position they take on legislation.

As long as there is only one elected House, that House will decide. No senator has the right to play games with the democracy of this country. I will not mention all the editorials that agree with my position, Mr. Speaker. I am talking here about a fundamental principle that was clearly expressed by the people in the riding of Trois–Rivières on the weekend. They said: The senators should pass legislation that was passed in the House!

Mr. Speaker, I see that my time has expired. Thank you very much.

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 11 a.m, pursuant to Standing Order 24(1).

The House adjourned at 7.27 p.m.

HOUSE OF COMMONS

Tuesday, October 2, 1990

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

INTERPARLIAMENTARY DELEGATIONS

TABLING OF REPORT OF CANADIAN GROUP OF INTERPARLIAMENTARY UNION

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to table in the House, in both official languages, the report of the Canadian group of the Interparliamentary Union. This is the report of the official delegation that represented Canada at the interparliamentary conference on disarmament held in Bonn, in the Federal Republic of Germany, from May 21 to May 25, 1990.

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

* * *

HOUSE OF COMMONS

MOTION TO APPOINT ASSISTANT DEPUTY CHAIRMAN OF COMMITTEES OF THE WHOLE HOUSE

Hon. Pierre H. Cadieux (Solicitor General of Canada): After consultations, Mr. Speaker, I move, seconded by the hon. members for Ottawa—Vanier and Kamloops:

> That Mr. DeBlois, member for the electoral riding of Beauport—Montmorency—Orléans, be appointed Assistant Deputy Chairman of Committees of the Whole House.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I want to confirm that the Opposition has been consulted by—

Mr. Lapierre: Only the Official Opposition.

Mr. Gauthier: —the government. I heard the member for Shefford say "the Official Opposition", Mr. Speaker. There is only one Opposition in this House, and it is ours.

Some hon. members: Oh, oh!

Mr. Gauthier: Mr. Speaker, I might remind our vociferous independent colleagues that tradition is such that Opposition members support any appointment to the Chair or to the chairmanship of Committees of the Whole.

We are therefore very—

Mr. Boudria: You have to be familiar with the Standing Orders!

Mr. Gauthier: —pleased to support the motion to appoint Mr. Charles DeBlois Deputy Chairman of Committees of the Whole. We know he is a diligent worker and that, even though he sits on the government benches, he will be impartial when occupying the Chair. For the time being and until notice to the contrary is given he can count on our full co-operation.

Some hon. members: Hear, hear.

[*English*]

Mr. Nelson A. Riis (Kamloops): Mr. Speaker I, too, want to lend my remarks to those of the opposition House Leader, in terms of saying that, yes, consultations have taken place, that we in the New Democratic Party also support the position, and that we assume that the tradition of non-partisanship will continue while he is conducting business on behalf of the House.

I wish to say we are looking forward to working with the hon. member and wish him well.

[*Translation*]

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, as an independent member who has yet to be recognized by this House as a member of the Bloc québécois, the member for Mégantic—Compton—Stanstead was not consulted and, of course, cannot give his approval.

Mr. Louis Plamondon (Richelieu): On the same grounds mentioned by my hon. colleague, Mr. Speaker, I cannot give my consent.

[*English*]

The Acting Speaker (Mr. Paproski): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the yeas have it.

And more than five members having risen:

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

The House divided on the motion, which was agreed to on the following division:

(*Division No. 292*)

YEAS

Members

Angus	Atkinson
Barrett	Blaikie
Boudria	Cadieux
Comuzzi	Cooper
Crosby (Halifax West)	de Jong
Dingwall	Edwards
Fee	Feltham
Fontana	Friesen
Gauthier	Gray (Windsor West)
Hawkes	Larrivée
Layton	Littlechild
MacAulay	MacDougall (Timiskaming)
Milliken	Nicholson
Oberle	Pagtakhan
Pickard	Reid
Riis	Robitaille
Saint-Julien	Samson
Simmons	Tétreault
Turner (Halton—Peel)	Venne
Vézina—39	

NAYS

Members

Duceppe	Lapierre
Leblanc (Longueuil)	Rocheleau—4

• (1110)

The Acting Speaker (Mr. Paproski): I declare the motion carried.

Motion agreed to.

[*Translation*]

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, I was present in the House and I abstained from voting because I was not consulted, as is customary in the House on these matters.

Mr. Louis Plamondon (Richelieu): Mr. Speaker, for the same reasons given by my hon. colleague, I did not vote, although I was in the House. However, I have every respect for the member who was appointed and he will have my full support. This is a matter of principle. I have nothing against the hon. member but against the fact we were not consulted.

* * *

[*English*]

PETITIONS

BILL C-21

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, it is my duty and privilege to rise under Standing Order 36 to present a petition from 61 of my constituents in Plate Cove East and Plate Cove West.

This petition is against the unemployment insurance system overhaul being done by the government through Bill C-21. They are terribly concerned about the difficulty being caused by this bill. With the lack of the variable entrance requirement, in a lot of cases they cannot qualify for unemployment insurance and have a bleak winter ahead of them.

They humbly pray and call upon Parliament to reintroduce the variable entrance requirement and to overhaul the unemployment insurance business in a much more meaningful manner.

GOODS AND SERVICES TAX

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have a number of petitions here, signed by the great constituents of the riding of Glengarry—Prescott—Russell.

These great constituents of Glengarry—Prescott—Russell have asked me to table in the House a petition against the government's proposed goods and services

tax, which in a recent magazine cartoon was called recently the good Samaritan tax or the GST.

Several hundred petitioners from a number of communities in my riding, such as Hawkesbury, Vankleek Hill, L'Original, Plantagenet and all those other wonderful places that I have the opportunity to represent in this House, have asked me to table this petition calling upon the government, while there is still time, to abandon its foolish plan to impose a goods and services tax on practically everything.

Mr. Joe Fontana (London East): Mr. Speaker, pursuant to Standing Order 36, it is my duty to present to Parliament this petition calling upon the government to rescind the GST and especially to lambaste this government for taxing education. In light of what the Prime Minister said at the United Nations and what the minister of health said about the bureau for children, perhaps he might start by scrapping the GST as it relates to education.

[*Translation*]

MINERS

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, under Standing Order 36, I wish to table a petition from the Syndicat des Métallos (FTQ) of Malartic, in the Abitibi area, which since 1965 has been asking that the status of miner be legally recognized by the Government of Quebec; that the Unemployment Insurance Act be amended to provide for complementary unemployment insurance benefits when a mine is shut down; and that the Unemployment Insurance Act be amended to provide that relocation allowances will cover all costs incurred for a worker laid off after a mine is shut down.

[*English*]

GOODS AND SERVICES TAX

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, pursuant to Standing Order 36, I wish to present this petition to the House. It concerns the opposition Canadians from coast to coast have with regard to the GST, and in particular the opposition Canadians have with regard to the tax which will be put on books.

This petition hopes to reaffirm the historic principles embodied in a tax-free status of the printed word by retaining the zero rate in the GST legislation and regulations.

These four petitions are from individuals from across the country including the great province of Alberta and, of course, the great city of Edmonton, Alberta.

• (1120)

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is indeed an honour to have an opportunity to rise today to present petitions pursuant to Standing Order 36.

Petitioners from Kamloops, Logan Lake, Chase, Clearwater, Little Fort, Savona and a variety of other communities, who are still very concerned that the government seems to be determined to proceed with its very unpopular goods and services tax, point out a long list of reasons why they oppose this proposed tax.

The petitioners call upon the Liberal dominated Senate to do whatever it needs to do to ensure that it never becomes a reality in our country.

Mr. Speaker, on another issue, again the petitioners from Kamloops, British Columbia and from Chase, British Columbia point out that the government has decided now to do something that has never been done before, that is to tax reading.

The petitioners find that this is an odd thing to do in light of the government's concern regarding the high levels of illiteracy in the country.

The petitioners are calling upon the government to smarten up and simply stop this idea of taxing literature in Canada.

VIA RAIL

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on another matter, again unrelated petitioners from Kamloops point out that they believe that in a time of increasing oil prices and recognizing that the passenger rail service is the most environmentally friendly way to move large numbers of people. They are calling upon the government now to do what most progressive countries in the world have done.

The petitioners want the government to expand their VIA Rail system, invest in new equipment and enable people to use this as a way to move from one part of

Canada to another, rather than do the regressive act of cutting back on VIA Rail service in the country.

GOODS AND SERVICES TAX

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I have the honour today to present a petition on behalf of many people from across this country, and particularly from some of my friends in Thunder Bay, who want to impress upon the government to do away with the goods and services tax as proposed.

More so, the petitioners want to do away with the goods and services tax if it should go through on the cultural and educational tools needed in this country by our children.

If it is going to be the year of the child, as I heard, let us put our money where our mouth is and let us not tax those tools of education that are needed by the children in this country.

* * *

QUESTION ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, Question No. 327 will be answered today.

[*Text*]

STATE DINNER IN HONOUR OF NELSON MANDELA

Question No. 327—**Mr. Kaplan:**

1. With 1800 guests invited to the state dinner in Toronto on June 18, 1990 in honour of Nelson Mandela, why were no Toronto Liberal or New Democratic Members of Parliament invited and every Toronto Conservative Member invited and given tickets to be allocated to supporters?

2. Is this official event, paid for by Canadian taxpayers, an attempt to bolster the fortunes of the Conservative Party and, if so, will the Prime Minister so inform Mr. Mandela?

Mr. Leonard Gustafson (Parliamentary Secretary to Prime Minister): 1. Twenty one Liberal and NDP Members of Parliament were invited to attend the official government dinner in honour of Nelson Mandela.

2. No. The dinner was held to honour Nelson Mandela, a leader who has dedicated his life to the cause of a free and democratic South Africa. The reception included Canadians from all walks of life; from Parliamentarians belonging to different political parties, to representatives of various ethnocultural and community groups to leaders of the academic, arts, religious, business, journalism, science, trade union, and local and provincial government community.

[*English*]

Mr. Speaker: The question as enumerated by the parliamentary secretary has been answered.

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

Mr. Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

HIBERNIA DEVELOPMENT PROJECT ACT

ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-44

The House resumed from Monday, October 1, consideration of the motion of Mr. Epp:

That, in relation to Bill C-44, not more than one further sitting day shall be allotted to the consideration of the report stage and, one sitting day to the consideration of the third reading stage of the bill; and

That, fifteen minutes before the expiry of the time provided for government business on the day allotted to the report stage consideration and on the day allotted to the third reading stage consideration of the said bill, any proceedings before the House shall be interrupted, if required, for the purpose of this order and, in turn, every question necessary in order to dispose of the stage of the bill then under consideration shall be put forthwith and successively, without further debate or amendment.

The Acting Speaker (Mr. Paproski): The hon. member for Lac-Saint-Jean had four minutes left. Since he is not in the House, I will have to recognize the hon. member for Burin—St. George's.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have been following this particular debate with great attention because, of course, it is an issue that very deeply affects Newfoundland and is of great interest to most people in Newfoundland.

Let us be kind. This debate has not been without its virtues. Like all debates, we have learned a few things. I am sure you will agree, Mr. Speaker, that you and I have learned the following: We have learned that the NDP has discovered economic viability.

The NDP, whose principal credo is that the state should give everybody a free ride, now spits out the term "government subsidy" like it is some kind of a new strain of malaria. It has discovered economic viability.

The NDP, which has made no secret of its belief that all businessmen and businesswomen should be taken out, drawn and quartered, now stumbles almost fluently over something called the bottom line. To say it differently, the president of the temperance society is keeping us still. I say to the NDP: you cannot talk out of both sides of your mouth all the time.

I see my good friend from Halton—Peel. He is recovering well from the pressure he was under to continue as chairman of the committee. Everybody was terribly upset. Tell them they will get over it. I have been telling them, hang in there, our fearless fighter from Halton—Peel has new causes to fight, he does not have time to be chairman of the piddly little committee of the House of Commons. I have been fighting for him.

The Acting Speaker (Mr. Paproski): Could I have a little order please. The hon. member for Burin—St. George's has the floor. It is only 11.25 a.m.. Wait until about three or four o'clock this afternoon.

Mr. Simmons: My good friend, the Minister of Supply and Services, says talk about Hibernia. I am sorry, I say to him, if we were completely over his head that time. I was pointing out to him, to the House and to the public that the NDP, in attacking this very good bill, and the minister and I agree that it is a very good bill, the have your cake and eat it too NDP crowd suddenly discovered economic viability. They were suddenly beating their breasts for the poor big businesses out there which might not be able to make it all by themselves. They were suddenly making a brief that somehow we should not be dipping in to the public treasury, no matter how good the calls. They were suddenly doing an about-face. That is off the bill, I apologize to the minister and I will not say another word about it.

I was talking about the things we have learned so far in this debate, and this debate is far from over. I invite all of you to stick around because it is going to get better. Here is the second thing. It is not like my friend from B.C. to be nasty like that. He has had his nasty pills. Audrey got them all in a room, and told him to say things he does not believe in again. I have also learned that the bloc—the new heads on the blocks—

[*Translation*]

People who are heading towards the guillotine.

[*English*]

—the bloc has discovered Canada. They have discovered that they are fighting for Canada. Every one of them is Captain Canada.

Joey Smallwood, the former premier of Newfoundland, as premier arranged in 1966 to have a plaque put on the floor of the ocean where Hibernia is, claiming the oil for Newfoundland. All this nonsense about who did what to whom last week is about 24 years too late because Smallwood did that a long time before you were out of your cradle. Putting a plaque on the floor of the ocean claiming oil for Newfoundland was actually done. In 1966 a diver went down in do it. There is a plaque down there saying the oil is ours.

That says two things: one, that somebody had to go down and do it and, two, that Smallwood was aware as early as 1966 that there was oil there, 24 years before today. But I digress. The bloc has discovered Canada. It was Joey Smallwood who used to quote that line or two from the famous Methodist hymn as follows: "While the light holds forth to burn, the vilest sinner may return." In other words, for my friends who are behind me in many respects,—

[*Translation*]

As the prodigal son found out, it is never too late to go home.

[*English*]

As the prodigal son found out, it is never too late to come home. To say it one more way, where is home? It is Canada—that is home—as the bloc discovered last week when it finally put down a motion here, the only merit of which is that it recognizes something it tried to deny the existence of up until now.

• (1130)

They are fighting for Canada. They do not want more benefits in Quebec. No, no. Let the record show that it is not Quebec in this motion. They want them in Canada. They want them in British Columbia, Alberta, and Ontario. That is my idea of a true unselfish Canadian.

What they wouldn't do for the folks in Prince George, I say to the minister. His heart must be touched that this bunch of fearless fighters are out there fighting for people up in Bulkley Valley. It is exciting, isn't it? My wife comes from that valley. It will tickle the cockles of her heart when she knows these people are really just separatists in disguise. They were fighting for the Annapolis Valley all the while, as well as Bulkley Valley and the other valleys and hills in this great and beautiful country. The Ottawa Valley, God knows, needs some people fighting for it. To say it one more way as we are still talking about the bloc—

Mr. Lapierre: Do you support the amendment?

Mr. Simmons: Mr. Speaker, that gentleman has actually spoken more since he has been back there than he did all the while he was down here with us. Did you notice that, Mr. Speaker? He has finally found his tongue. If he could only find his head—

Some hon. members: Oh, oh.

Mr. Simmons: To say it one more way, the fearless fighters for Bulkley Valley, Annapolis, the Codroy Valley in Newfoundland, and all those other places—

Mr. Boudria: And the Ottawa Valley.

Mr. Simmons: The Ottawa Valley and the Bow Valley. I must not forget the Bow Valley near Calgary. To say it one more way for them, the arsonist has become chief of the fire brigade.

Now that we have dealt with the new kids, the new heads on the block, now that we have dealt with the "have your cake and eat it too" New Democratic Party, let us come to the question of closure. Closure is put in the rules for a very good reason. Its beauty is that it must be used sparingly, very rarely, only in the most extreme of circumstances.

I can understand the anger and the frustration of my good friend, the minister of energy, when he yields to the suggestion that maybe closure would be a weapon to be used here to try and beat down the closet Canadians who call themselves separatists. I understand that, but I want to say to the minister of energy that maybe there was another way. I say to him that if his problem is the new heads on the block, then that is a problem we can deal with very quickly in this House, because this House by its very nature is for people who believe in Canada. That is what it is all about.

I will vote for a motion any day at all that runs this crowd clean out of this place once and for good. I will go for that motion because they do not belong here. They do not belong here, Mr. Speaker. If he wants to get this bill—

The Acting Speaker (Mr. Paproski): The hon. member's time has expired. On debate, the hon. member for Richelieu has the floor.

Mr. Simmons: By leave, Mr. Speaker.

The Acting Speaker (Mr. Paproski): Is there unanimous consent to hear the hon. member for Burin—St. George's?

Some hon. members: Yes.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): I do not think there is unanimous consent. Is the hon. member for Esquimalt—Juan de Fuca rising on debate?

Mr. Barrett: Yes, Mr. Speaker.

The Acting Speaker (Mr. Paproski): The hon. member for Esquimalt—Juan de Fuca has the floor on debate.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I wish to speak to this debate on the basis of some comments by my good friend from Newfoundland and some comments about other members in this House.

My good friend speaks about the business aspects of this deal. He condemns my colleagues, suggesting that we would hang, draw, and quarter business persons who are involved in the great enterprises here in Canada.

An hon. member: Who said that?

Mr. Barrett: My dear friend is obviously one of those great corporate social workers who hands out welfare in the billions of dollars. If this deal is so good and this government is so business attuned, and if that group over there of handout artists wants to present itself as an alternative to the Canadian people as a government then it should take an equity position for the taxpayers of this country who are putting up the money for this operation.

Some hon. members: Hear, hear.

Mr. Barrett: If you are such clever business people, then you know very well that when you hand out money for nothing you get nothing in return. Only the Liberals and Conservatives—and Lord knows where those guys are because they are all over the ball park—hand out money with no return whatsoever for the Canadian taxpayers who are footing the bill.

An hon. member: Shame on them.

Mr. Barrett: It is $2.7 billion, and they call it smart business to give it away. If you have any brains at all, any sense of social responsibility, you will say that the first profits from that operation come back to the people of Canada who put the money up.

Some hon. members: Hear, hear.

Mr. Barrett: I challenge any one of those oddballs over there who believes in this corporate welfare bum system to come to Newfoundland with me and we will debate it publicly. I believe the people of Newfoundland should have the right to say where the first profits should go. I believe the premier of Newfoundland has a right to suggest that if the Canadian taxpayers are putting up the money, there should be integrated in the indigenous economy of that island a complex of petrochemical industries involved with that resource. However, what are these yahoos doing?

Mr. Nystrom: Ross Reid.

Mr. Barrett: They are setting about by giving $2.7 billion of Canadian taxpayers' money to an oil company so that they can ship the oil to the United States and the Americans get the benefit of our subsidy to those international oil companies. Who owns the Government of Canada? It is the oil companies. They can suck up to this government and walk away with $2.7 billion without any obligation whatsoever to the taxpayers. The member from Newfoundland has the gall to come into this House and suggest that this is good business. It is dumb-bell business.

You find more ways of giving away money than any other government I ever heard of and that group over there wants to emulate them.

An hon. member: That is right.

Mr. Barrett: If that money is to be shared by the people of Canada then let the job stay here in Canada.

Some hon. members: Hear, hear.

Mr. Barrett: We are not in business of raising taxes here in Canada to buy jobs in the United States. Do you think you are elected to run George Bush's economy? What kind of dumb-bell outfit are you anyway? You want to reduce the deficit by $2.7 billion, and you hand it over to the international oil companies. You embarrass me. You shame this country. You shame the unemployed people of the country.

The Acting Speaker (Mr. Paproski): The hon. member for Glengarry—Prescott—Russell on a point of order.

Mr. Boudria: Mr. Speaker, which one of us has the floor? Two of us are rising.

The Acting Speaker (Mr. Paproski): The hon. member for Glengarry—Prescott—Russell on a pint of order.

Mr. Boudria: I was going to get to that once my colleague sat down to give me the floor.

I am sure the member meant no disrespect, but when one refers to you in a condescending way in this House, assuming that "you" means the Speaker, that message is aimed that way. I am sure that my colleague did not mean any disrespect for the Speaker. Perhaps, then, he should address the government as the hon. members across or the government rather than you, because you should only be used in reference to the Chair.

The Acting Speaker (Mr. Paproski): Knowing the hon. member I was not offended, but anyway the hon. member for Esquimalt—Juan de Fuca has the floor.

Some hon. members: Hear, hear.

Mr. Barrett: I can call the government dumb-bells, can I not?

Some hon. members: Sure.

Mr. Barrett: Yes.

An hon. member: He called you a yahoo.

Mr. Barrett: No. If the shoe fits, Mr. Member, wear it. I cannot be responsible for that. I called the government dumb-bells. I called the Official Opposition yahoos. They both support giving away taxpayers' money. They are giving away taxpayers' money to the international oil companies. How do you want to describe that? As a

generous Christmas present? As some kind of benevolent charity organization?

• (1140)

The native people of this country have had their lousy little budget cut for running newspapers. The women of this country cannot even get funding for battered women's services, but when the oil companies come begging they cough up $2.7 billion and they call it a good business deal. Mr. Speaker, how would you describe that? I describe it as dumb-bell.

What about the rest of the people of this country who are putting up the money? Mr. Speaker, do you think that this is the kind of thing that they can go and defend in their ridings by going back and saying: "Guess what we have done. We are going to pass the GST and we are going to use the money to give it to the oil companies. Aren't you all happy? Applaud the government for giving away money to the oil companies"? I can see it now. The Minister of Finance will say: "This is our first step toward reducing the deficit of the oil companies".

They are moving the oil to the United States. The jobs will be in the United States. The Canadian taxpayer will pay for it. The indigenous people of this country get nothing. The ordinary working people of this country get nothing. Newfoundland does not get an integrated economy. All that member could speak about was a plaque on the bottom of the floor saying this is what we got.

The Acting Speaker (Mr. Paproski): On a point of order, the hon. member for Labrador.

Mr. Rompkey: Just as a matter of interest and for the edification of the hon. member—perhaps other hon. members, but certainly this one—I would just like to tell him that the correct pronunciation of the island and therefore the province too is Newfoundland. It rhymes with understand, which probably now you do.

The Acting Speaker (Mr. Paproski): The hon. member for Esquimalt—Juan de Fuca has one minute remaining.

Mr. Barrett: Mr. Speaker, I do not see that on the Order Paper. That is a spurious point of order. The member is attempting to interrupt my intelligent discourse that is embarrassing the government and the opposition.

The simple matter is that both the Liberals and the Conservatives are going to hand over $2.7 billion to the oil companies with no return whatsoever. Whether I speak in English or in French, whether people pay the taxes in English or in French, they are not paying their taxes to fatten the oil companies of this country.

What about some legislative action to ensure that the oil stays here in Canada, goes to Come-By-Chance in Newfoundland and that the Newfoundland Come-By-Chance refinery provides jobs for people in Newfoundland? They will not care whether the cheques come in French or English. They just want a paycheque. If they are going to hand the money out, hand it back to Canadians.

I want to just conclude my remarks—

The Acting Speaker (Mr. Paproski): You have just concluded.

It being 11.44 a.m., the two hours provided for the consideration of the motion now before the House, under the provisions of Standing Order 78(3), have expired. Accordingly, under the terms of the standing order, it is my duty to interrupt the proceedings and put every question necessary to dispose of the motion. The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the yeas have it.

And more that five members having risen:

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

The House divided on the motion, which was agreed to on the following division:

(*Division No. 293*)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Beatty	Bernier
Bertrand	Bjornson

Blenkarn	Bosley
Bouchard (Roberval)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Casey
Chadwick	Charest
Clark (Brandon—Souris)	Cole
Collins	Cooper
Corbeil	Corbett
Côté	Crosbie (St. John's West)
Crosby (Halifax West)	de Cotret
Desjardins	Dick
Domm	Dorin
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Hockin
Holtmann	Horner
Horning	Hudon
Hughes	Jacques
Jelinek	Johnson
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Lewis	Littlechild
Loiselle	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming)
MacKay	Martin (Lincoln)
Masse	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	McKnight
Monteith	Moore
Mulroney	Nicholson
Oberle	Plourde
Porter	Pronovost
Reid	Reimer
Ricard	Richardson
Robitaille	Saint-Julien
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Siddon
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Tétreault
Thacker	Thompson
Thorkelson	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Valcourt	Van de Walle
Vankoughnet	Venne
Vézina	Vien
Vincent	Weiner
Wenman	White
Wilbee	Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)	Winegard
Worthy—123	

NAYS

Members

Allmand	Althouse
Anawak	Angus
Assad	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)	Barrett
Bélair	Bellemare
Boudria	Callbeck
Campbell (South West Nova)	Catterall
Clancy	Comuzzi
Copps	Crawford
Dingwall	Dionne
Duceppe	Ferguson
Fisher	Flis
Fontana	Fulton
Gaffney	Gagliano
Gardiner	Gauthier
Gérin	Gray (Windsor West)
Guarnieri	Harvard
Harvey (Edmonton East)	Hopkins
Hovdebo	Kaplan
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kindy
Langan (Mission—Coquitlam)	Lapierre
Leblanc (Longueuil)	Lee
MacAulay	MacDonald (Dartmouth)
MacLaren	MacLellan
Maheu	Manley
Martin (Lasalle—Émard)	McCurdy
McGuire	Mifflin
Mills	Murphy
Nunziata	Nystrom
Pickard	Plamondon
Proud	Rideout
Riis	Robinson
Rocheleau	Rompkey
Samson	Simmons
Skelly (Comox—Alberni)	Stewart
Stupich	Tobin
Vanclief	Walker
Whittaker—77	

• (1210)

The Acting Speaker (Mr. Paproski): I declare the motion carried.

Motion agreed to.

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Paproski): The Minister, on a point of order.

Mr. Blais: Mr. Speaker, I simply wanted to inform the House that I was held up by traffic. I was unable to vote because I arrived late. However, if I had voted, I would have voted for the government, Mr. Speaker.

GOVERNMENT ORDERS

[*English*]

FISHERIES ACT

MEASURE TO AMEND

The House resumed from Tuesday, June 19, consideration of the motion of Mr. Valcourt that Bill C-74, an act to amend the Fisheries Act and to amend the Criminal Code in consequence thereof, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

The Acting Speaker (Mr. Paproski): The hon. member for Ottawa—Vanier on a point of order.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the standing practice of the House has been that the opposition is consulted and apprised of the work called before the House of Commons for debate.

The *Projected Order of Business* today states that the item to be called after we had dealt with the time allocation motion would be Bill C-73. I just heard the clerk say Bill C-74, which is a totally different bill. I would like to have some explanation from the government as to why it changes these things without notice.

I know the *Order Paper* states: "subject to change without notice," but I just wondered if it really has gone out of its mind and is trying to play games with members of Parliament.

Mr. Andre: No, Mr. Speaker. As I have indicated in the House on a number of occasions, most recently last Thursday in answer to the usual question about House business, this institution works a lot better when we can solve and agree to the agenda and so on.

We did have an agenda. I laid it out last Thursday and intended to follow it. It was thrown off track by a motion of concurrence by the New Democrats on Friday which lost us a day, something we were led to believe would not happen and which came as a surprise. Of course, it was thrown off yesterday by a totally unnecessary double vote on first reading of a bill and then by an excessive number of petitions in order to delay and make it impossible to proceed.

I agree with the House leader of the Liberal Party that this institution does not function very well when there are surprises coming at each other from each side of the House.

We will be meeting this afternoon at a House leaders' meeting—our regular meeting. I am quite prepared to sit down, talk about an agenda and stick to it. If the hon. House leader of the Liberal Party would like to re-establish our practice, I look forward to doing that.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I think it is important that we recognize what the government House leader has just said. That is, last week when the House leaders met, he laid out an agenda for the House of Commons.

I think we have to tell the government House leader that it is not he alone who decides what happens in the House of Commons. We have a number of political parties. We have a number of independents.

Some hon. members: Order.

The Acting Speaker (Mr. Paproski): I think we should get on with debate. The hon. member for Ottawa—Vanier.

Mr. Gauthier: Well, Mr. Speaker, I think that if the government—

The Acting Speaker (Mr. Paproski): The hon. member for Gander—Grand Falls wants to get on with the debate, but I will listen to the hon. member for Ottawa—Vanier.

Mr. Gauthier: We have to make one thing very clear, Mr. Speaker. With all due respect, if the government is going to punish the opposition for using the rights that opposition members have to oppose legislation, then that is a new ball game. If vengeance and retribution is what the government wants, it will get it.

The spirit of this House today is such that it is not to be told to think that the government House leader is going to take it out on the opposition because yesterday we used the rules of the House to oppose the introduction of a bill. We will continue to fight the privatization of Petro-Canada, whether he likes it or not.

Some hon. members: Hear, hear.

Mr. Gauthier: Furthermore, I am going to tell the government House leader that this debate on Bill C-44 was started on June 16 last. We never heard about it since. He brought it forward today as a surprise to us, with no notice, nothing. He has done it before. The House leader is well known for his little tricks. We will be done with that, Mr. Speaker. We want to operate within the rules of this House and we do not want to be criticized for using those rules.

Some hon. members: Hear, hear.

Mr. Andre: The hon. House leader of the Liberal Party has said that they are free to use the rules of the House. Of course, they are. But he expressed outrage at our use of the rules of the House as somehow being unfair.

The New Democratic Party House leader indicated that the rules of the game were that we were to lay out the schedule for the week, but that they had no obligation to indicate to us their intention to use a day of government time last Friday, as they did.

The House leader of the Liberal Party said he is opposed to the PetroCan privatization bill and that is fine, but the deliberate use of votes, delays—

Mr. Gauthier: Those are the rules of the House.

Mr. Andre: The hon. member says it is the rules of the House.

The deliberate use of votes, petitions and so on to prevent the schedule to proceed in an orderly fashion is regrettable because it makes life uncomfortable for both sides of the House. I do not see how the hon. House leader can get so outraged at our use of the rules of the House, while claiming he can do the same.

I again repeat that we serve the people of Canada better when we talk about these things. Every other legislative body in the world works with some form of usual channels. That has been our regular Tuesday afternoon meeting. We can meet and discuss the agenda for the week and operate however this House wants to operate. We do not have control of the House. We are forced to use the rules. All I ask is that the rules be used in an appropriate manner to serve the needs of Canadian public.

• (1220)

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, the remarks by the government House Leader are—I would not use the word intentionally because that would be a distortion of the facts—indeed somewhat misleading, in this sense: a motion for concurrence was put forward by the third party. I did not hear any objections coming from members opposite, particularly the House leader for the government or, indeed, his parliamentary secretary or, indeed, any minister of the Crown opposite. There was not a word of opposition. There was not one scintilla of a sentence put forward to express their disappointment or their disapproval as to what my colleagues in the New Democratic Party had done.

Second, with regard to the two votes which were exercised by the Official Opposition in terms of the introduction and first reading of the Petro-Canada bill, members should know, both on this side as well as members opposite, that there has not been a practice in this House that on every bill which is introduced are there votes at first reading stage, but this particular bill is of such significance and importance to our party and to the people we represent that we wanted to register a very sincere and a very forceful protest with regard to the actions of the government. Mr. Speaker, if that is in any way contrary to the rules, I would hope that in your adjudication you would bring that to my attention and to the attention of my colleagues. But let it be understood, Mr. Speaker, that the government, by the incompetence of the House leader of the governing party, will now run the risk that on each and every bill, on each and every motion, and on everything that it wishes to do, we will have now to resort to numerous tactics in order to get the government back to the bargaining table to deal fairly and within the traditions of this House.

An hon. member: Parliamentary war.

Mr. Dingwall: I find it totally unacceptable that the government House Leader would demonstrate those kinds of practices, as he has done here today.

An hon. member: Shame.

Mr. Dingwall: Shame.

Mr. Riis: Mr. Speaker, in an effort to conduct the business of the House as effectively and as efficiently as possible, consultations took place earlier today and, based on the *Projected Order of Business*, the government indicated that we would be debating Bill C-73, once we had concluded the business regarding Bill C-44. That is what the government said and that is what the Order Paper suggests will be the order and we assume that the government can be taken at its word, that when it says that that is what is going to happen, that that is going to be. Mr. Speaker, from now on, are we to conclude that what the government tells us earlier in the day will be the business may not be the business and that what the Order Paper tells us will be the business of the day, may not be the business? In other words, this is a government that cannot be trusted.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I do not wish to delay the point of order very long, but I do think it is necessary to make a couple of comments.

As one of those individuals who is involved daily and, in fact, hourly in the negotiations that go on to make this House run smoothly, I think all hon. members will know that my personal philosophy is that when members sit down to talk about their various agendas and concerns we somehow, together, negotiate a process that is acceptable to all of us in the House. That is the best way for the House of Commons to run. It is the best, in terms of ministers' use of their time and members' use of their time and, as a result of that, I think it is a better tone for the House.

Unfortunately, Mr. Speaker, what has been happening, over the last few days is that we have laid out what we had proposed as an agenda. We had discussed it with the Opposition. It was not set down as an edict from on high. In fact, I can personally say that on Friday I was very much left with the impression that we would proceed with the legislation that was put forward and discussed at the House leaders' meetings as well as discussions I had had with members privately. I had the same impression for yesterday. The House Leader has made a point, and he has made it on more than one occasion, that any time people are going to play a game, it is necessary that they all play by the same rules. Unfortunately in the analogy that he has used, what so often has been happening—it certainly has been demonstrated in the last couple of days—is that we as a government are supposed to play all our cards. Then the opposition will pick and choose which cards it wishes to play.

At best, I am a very amateur poker player. But I can tell you that any time I play poker I keep my cards to myself, unless there is some sort of arrangement made with the others. In fact, what happened is that yesterday and the day before, on Friday, essentially there were discussions going on, and the understanding changed. It was within the rules. I do not object to that. I have no problems with that.

If the members wish to play by the rules, we can play by the rules. What has happened here today is that the government has operated perfectly within the rules, but we have also tried to make a point. I think we have effectively made that point.

The point is this. We are quite happy to sit down any time, discuss, negotiate and co-operate. I think we have developed a track record along those lines. Certainly, I have.

The point is this. We are prepared to do that. However, if it is only one side that is going to constantly be faced with the situation where it is to play by a certain set of rules and the others are not, then we want to announce very clearly that that kind of game will not work for any of us.

What we are best to do is to sit down, discuss, negotiate, and we have done it. The hon. members say: "Forget it". I wanted to make the offer. It is there.

The Acting Speaker (Mr. Paproski): The Chair is the servant of the House. We would be more than delighted to help the cause here.

We have now placed Bill C-74 on the table for debate. Therefore, I am calling for debate on Bill C-74. I am calling the hon. member for Gander—Grand Falls on debate.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, this bill which is presently before the House for second reading, debate in principle, is brought here by the Government of Canada because we have a serious problem in the fishery. That is why the bill is here.

This is a bill to impose penalties, mainly on Canadians, to send them to jail, to seize their property if they violate fishing regulations by the Government of Canada. That is what the purpose of the legislation is before us today.

We have a problem in the fishery and the Government of Canada is saying: "We are going to crack down on people who do not follow the rules in Canada". That would be fine and dandy. I would not have any objection to that at all if the Government of Canada were not bending over backward and giving away the entire fishing resource to foreign nations inside our 200 mile zone.

The parliamentary secretary is now saying: "Shame." Right now as I speak, there are 14 Canadians aboard 14 factory freezer trawlers belonging to the Soviet Union within our 200 mile zone off the northeast coast of Newfoundland in my riding.

There are three Japanese factory freezer trawlers with three Canadians aboard their vessels fishing within Canada's 200 mile zone. These 17 factory freezer trawlers that are floating fish plants are not little vessels 100 feet long. These are gigantic 300, 400 and 500 footers.

These are floating factories. That is why they are called factory freezer trawlers.

I mentioned the Canadians aboard these vessels because if it were not for those Canadians, I would not know that those foreign vessels were there. There was no public disclosure by the Government of Canada that 14 Soviet factory freezer trawlers would be fishing today in zone 3K and that there are three Japanese factory freezer trawlers fishing in zone 3K just off the coast, with Canadian fishermen looking out at these gigantic vessels. They can see them from their front door.

• (1230)

The Government of Canada brings legislation into the House of Commons. I do not suppose we can disagree with it. If a Newfoundlander or a Nova Scotian or a Quebecer or a New Brunswicker or a Prince Edward Islander or a British Columbian went out and violated an agreement—say he took something out of the water that he was not supposed to take—if he had a net out for codfish and a salmon came along and got caught in the leaders, which usually happens, and he takes that salmon aboard his vessel, if he does not throw it overboard dead, if he keeps it, then he can be charged under these new regulations with stiffer fines.

Fishermen are beginning to wise up to these licences that are granted by the Government of Canada. These foreign nations walk into an office in Halifax, Nova Scotia or St. John's, Newfoundland and over the counter they are given a licence for their vessel. They do not pay for it on the spot like Canadians do. They are billed later in the mail. They go out there in those massive vessels and destroy the fishing resource of Canada, using gear and machinery that is foreign to us because we have never got to the stage where we would have a gigantic vessel with gigantic gear all operated by computers in a control room, just like something out of outer space, this incredible machinery operated by these foreign nations. They go out and take a large net. By their computer on a screen there in front of them, they can tell if that is a capelin or a codfish or a salmon. They can tell all the different types of fish by their computer in front of them and where then to put the big, gigantic net out. There are rollers on the bottom. When it hits a piece of rock on the bottom of the ocean, why that automatically goes up above that rock and goes on. It is an incredible technology. We do not have it.

There is only one factory freezer trawler or maybe there are two in Canada today owned by Canadians that I know of. I believe there are two licences, because we believe as Canadians that that is not the way to go. We believe, which is correct, that the best fish you can take out of the ocean is a fish that is caught by a fishermen in a small boat. He takes the fish over the side, bleeds it, and brings into shore for processing. That is the best fish you can take out of the ocean, Mr. Speaker. That is the best fish you can eat.

I would not eat, as a Newfoundlander, or somebody who knows something about the fishery, some of the fish that come out of these gigantic vessels. They are taken in, squashed altogether, almost like mush, cut and split by machines, frozen into big blocks, thawed out again, put into packages and sold to you. When compared to a codfish, or any type of fish that is caught by a fisherman in a small boat, with hook and line over the side or bait, those are the two best fish. A trap is when you have the fish alive and in an enclosed area; not gill-nets because gill-nets drown fish.

The point is that we have up to about 70 or 80 factory freezer trawler licences issued to foreign nations so far this year to fish as the Soviets are fishing capelin in 3-K. The Japanese are fishing redfish and ocean perch. They fish what we call turbot, which is a flatfish. It is all licensed by Canada now, all handed out over the counter by the Government of Canada. They fish turbot, which is a big flatfish. The only difference between a turbot and a different flatfish is that his eye is further up around his forehead. In other words, the normal flatfish has both eyes and the top of the turbot has one more or less in the centre, just so that you will understand the difference between a turbot and a normal flounder, Mr. Speaker.

Here they are getting licences for this fish. Why? The Government of Canada says that it is an underutilized species. If they were to say that on a wharf in eastern Canada, they would be thrown over the wharf. Fishermen rely on capelin. We had new regulations this year that limited entry into that fishery and that saw full-time fishermen thrown out of the fishery because the Govern-

ment of Canada brought in new regulations that there must now be three crew members and no new entrants.

They had a quota in 3K less than the Soviet Union has today in 3K licensed by the Government of Canada. The Government of Canada says but, you know, the Soviets are catching fish that are not spawning. Think that logic through, Mr. Speaker. What is the difference between catching a fish before it spawns, after it spawns, or while it spawns? If you catch the fish it cannot spawn, can it. Then the logic is used that turbot is underutilized. The entire what we call longliner fleet off the east coast of Canada has lived on turbot for years and decades. That is all they fish. Then the Government of Canada says: "Well, these big vessels are out in deep water". I know of a vessel in my riding that fishes 600 fathoms. You might be able to find deeper oceans around Europe somewhere, but we have always fished 400–450 fathoms with gill–nets for turbot. The Government of Canada does not know that. This year, for the first time in our history, we had allocations given to Bulgaria to fish mackerel in what is called 4VN which is around Cape Breton Island.

An hon. member: Hear, hear.

Mr. Baker: The hon. member from Cape Breton who just said "hear, hear" should listen to this one very carefully because it was not a good decision by the Government of Canada. Mackerel spawn in the Gulf of St. Lawrence, around the coast of New Brunswick and the south shore of Quebec. For the first time we allowed foreign nations to come in with factory freezer trawler licences using these gigantic vessels to catch mackerel.

Canadians want to sell mackerel. Why should we bring in Bulgaria to catch mackerel? The Government of Canada says: "Well, we have come up with a deal. They can catch 5,000 tonnes of mackerel if they bring the next 1,000 tonnes ashore to be processed. Go out and catch another 5,000 tonnes and keep it for yourself. The next thousand tonnes, you bring ashore to be processed".

An hon. member: Shame.

Mr. Baker: Today there are four Canadian companies including Fisheries Products International that have hired the Norwegians. There are six Norwegian factory freezer trawlers today on the east coast of Canada catching fish, even in 2J. The term 2J probably does not mean much to you, Mr. Speaker, but 2J is a zone on the southern Labrador coast that goes out for 200 miles. The other Canadian companies have been given permission now to fish their quota, to fish their Canadian quota, utilizing foreign vessels for the first time in our history this year. It was granted the other day, again without a public announcement, without public disclosure to the people of Canada, but we know it because there are observers aboard. These six Norwegian vessels will go up and catch turbot that is up in O, right at the top, and then 2G and 2H in the Hamilton Banks spawning area, and then down into 2J in northern Newfoundland.

• (1240)

We had all these problems of the northern cod, all of the fish plants that closed in eastern Canada because the northern cod stock was in serious trouble. For every single licence granted to those foreign nations today to catch turbot they have an approved by–catch of 10 and 15 per cent of cod.

That means they will put down the gigantic net to catch this flatfish. As you know, codfish operate in the same area as the flatfish, just above the bottom. If you were out jigging a codfish you would put the jigger right down to the bottom and then you would haul it in three lines. That is how far they operate above the bottom of the ocean.

They put out the net to catch the turbot and they bring it in. I have seen the licences. I have copies of the licences. I am not supposed to have them but, my goodness, when you have a government issuing licences like that they are sure to get to me eventually or to some member of the House. One Soviet licence I was looking at the other day had a 30 per cent by–catch approved under it.

In other words, for all of that underutilized species that is granted to those foreign nations they can catch 10 per cent or 15 per cent cod in with their catch. When the observer comes ashore in two weeks and says "they are catching 30 per cent by–catch; it is over the by–catch level," the government moves them two or three miles to the north, south, east, or west, and they keep doing it again.

The totality of the problem is this. We have more foreign vessels fishing inside Canada's 200–mile zone under what we call the offshore quota than we have

Canadian vessels licensed to fish inside Canada's 200-mile zone for what we call the offshore quota. Let me run that by you again, Mr. Speaker. We have more foreign factory freezer trawler licences issued in Canadian waters than we have of all the licences for all the ships that take part in the offshore quota in Canada.

These were the very vessels that served Canso, Nova Scotia and the south coast of Newfoundland. This was the reason for the closure of these fish plants. There was a cut in the offshore quota.

Mr. Speaker, if you look at it today and you see that there are more foreign licenses than Canadian licenses inside the 200-mile zone, then you ask: "Why do we have a 200-mile zone?" There is no such thing as foreign overfishing. It is just foreign fishing. They are not overfishing; they are fishing their quotas given by the Government of Canada.

Some hon. members: Shame.

Mr. Baker: How did they get the quotas? Some of them, I mentioned at the beginning, were not disclosed publicly, not announced under the groundfish plan like the 14 Russian factory freezer trawlers today that we can see off the coast of Newfoundland. I will tell you how they got them, Mr. Speaker. They got them through deals that were made. The Government of Canada told me the other day that it had given the Soviet Union 3,000 tonnes of cod in 3N and 3O. It has asked the Soviet Union to give it back 2,000 tonnes, and in exchange it would give 20,000 tonnes of capelin in 3K and another 20,000 of something else off Nova Scotia with an approved buy catch of 10 per cent.

In other words, the Government of Canada one day gives the Soviet Union a quota of 3,000 tonnes and the next day turns around and says it will give 50,000 tonnes of something else if the Soviet Union will give us back 2,000 of the 3,000. This was not announced publicly.

Nobody would know anything about this situation today if it were not for people who are working in this country who have been looking at this situation too long and saying: "We're not going to put up with it. This is ridiculous". We would not know today that Canadian companies—perhaps it has never been mentioned publicly but I am going to do it—including Fisheries Products International have been given permission to utilize foreign vessels to catch their quotas of turbot. This is the catch that we live on on the east coast of Canada.

Mr. Speaker, I see you indicating that I have only a minute left.

There is an expression in the rural areas of Newfoundland that states that right is right and wrong is no man's right. It is wrong for the Government of Canada to issue all of these licences today for foreign nations to fish inside of our 200-mile zone, then turn around in this Chamber and introduce legislation of increased penalties for Canadians because they are catching too many fish over their quota. That is wrong. Right is right and wrong is no man's right.

The Government of Canada has to face the facts if it wants to cure the fishing problems in this nation today. It will have to cancel all foreign licences within our 200-mile zone. If it does not, there will not be a fish left in the ocean. If it does, as the government decided the other day, allow Canadian companies to hire foreign vessels to catch their quotas, then we will not have a fisherman left in this country before long.

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, unfortunately I only have ten minutes to comment on a number of the points my fellow Newfoundlander made. He obviously shares the concern of the government over the fishery. As usual, we have had a huge array of pieces of information, pieces of fact, pieces of observation, woven together to create a picture, but the problem we face is that a lot of the very critical information, unfortunately did not make it on to the floor of the House.

I wish to address a couple of things very quickly, if I may. First, the Coastal Fisheries Protection Act provides for the same level, or in some cases higher levels, of fines for offences by foreign fishing vessels against the Canadian fishery. That act is already in place. We have substantially increased our surveillance. We spent a fortune increasing our surveillance. We have observer coverage and it will be increased. All foreign vessels carry observers so there is no question that vessels not carrying a Canadian flag who break the law stand a very good chance of being caught.

What my hon. friend talked about is the number of foreign vessels fishing inside Canadian waters. It is important to remember when my friend asks: "where did we get the 200-mile limit? Why have it?" that this

country under the former Liberal government decided it was important that we have a 200–mile limit. It was right. That economic zone is designed to protect the resources of the coastal country, but it only happens by consensus, and the basis of that consensus is that the resources not utilized are to be made available to other countries. If we don't or won't or can't catch the fish that is out there, it is incumbent upon us as our part of the deal to provide it to other countries. So when my friend talks about Norwegian vessels fishing turbot, he is absolutely right. It is important to recognize that that turbot is caught, as the hon. member has said, for instance, in 2GH.

The quota for Canadians in 1989 was 11,000 tonnes. Canadians caught 18 tonnes. Therefore, we are making it available to another country to catch that quota for us and we can put it through, as is the case in many of these instances, into Canadian fish plants. In this way, Canadian fish plant workers will have a job. Otherwise they would not be working, because as is clear by some of these quota numbers, the fishery is very tenuous. We do not have the equipment or are not willing to make the investment until we know more about it.

The hon. member talks about cod out of zone O. I stand to be corrected, but no cod was taken in some of those zones during the last three or four years despite a humongous quota. If it is fish that can be made available to Canadian fishermen, it will be. But if we can make a deal so that Canadian quotas can be caught by vessels that we do not have, and landed in Canadian plants, I say do it. The plant workers that I know would like to work. We do not want to make the fish available to others. It should be here for Canadians.

Mr. Speaker, surely I have a couple of minutes?

The Acting Speaker (Mr. Paproski): There are a couple of other questioners too. If the hon. member would put a question, I would appreciate it. If there is time, I will come back for a supplementary. Would the hon. member like to put the question?

Mr. Reid: I am really here, Mr. Speaker, to make a comment. I know that my hon. friend will respond, he always does.

Mr. Baker: Mr. Speaker, Canadians are not allowed to fish inside the 200–mile zone of any other country in the world. We are not allowed to send our vessels to the coast of the Soviet Union. They have quotas inside of our zone. We do not have any inside theirs. We are not allowed. We would be arrested if we went inside any zone of any other country in the world.

The hon. member talks about having fish in a zone that is not caught. First of all, we have to realize that the scientists have not been very accurate in what stocks are where. Second, fish do not respect lines. They swim. They do not swim along the ocean and all of a sudden come to a line that says, "2G", then back up, turn around and say, "I cannot go across that line. Go down here and meet a line that says 2J". They then turn around and say, "I am boxed into this zone". That is what the Government of Canada is saying. There are fish that are boxed into this zone. They are not going to move from that zone.

We have fished in Canada in every zone that there is. There is a great population of fishermen that go up to these zones in northern Labrador and spend the summers there with their entire families; mothers, fathers, grandmothers, grandfathers and little children. They form communities for the entire summer along the coast of Labrador, but they come from Newfoundland. That is where they fish. The turbot stock off the coast of Labrador is the same stock as is off the coast of Newfoundland. There is only one stock of turbot on the entire east coast of Canada.

You cannot say: "It can be given away up there because nobody is fishing with big boats". So it can be given away.

That same fish moves. No other country in the world says: "We have fish that Canadians can fish if they want to." Yet we welcome foreign fishing vessels with open arms. We bend over backwards to all these nations, including France by the way. We bend over backwards, and we allow them to come in and to do with our fishery what they did with theirs, that is, destroy it.

They go on the spawning grounds with those big nets. As you know, Mr. Speaker, you should not disturb a fish during a spawning period. They come in and take the food of the codfish, salmon and everything else. Capelin is what the fish eat.

If you want to catch a lobster, you have to put fish in a lobster pack. It is one thing living off something else. When you allow those massive ships in from all those nations approved by the Government of Canada, they disturb the entire ocean floor. They are destroying the fishery of Canada.

The Government of Canada should be ashamed of itself for issuing these licences this year.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I will be very brief because we only have a few minutes left.

The hon. member for Gander—Grand Falls is always very entertaining. He has so many moves, I wonder if we should not dip him in batter and put him in the frying pan. He flounders and flits and flots around.

Certainly he represents the views of his riding well. I appreciate all the comments he has made, and his learned discussions to this House about the concerns and problems with the fisheries resource on the east coast.

My question to the hon. member relates specifically to Bill C-74, which we are debating this afternoon. The announcement by the government when it released the legislation talks about some of the proposed amendments.

Among them, the amendments are such to "provide greater deterrence for fishing violation, fish habitat offences and to strengthen the effectiveness of fishery management, including the collection of accurate fishing statistics."

Let us accept at face value that these words are true. How do you ensure that a government, like the members opposite, will actually implement legislation and see that the laws to protect fish habitat are followed? How do we guarantee that, when we know the record of the government opposite is far less than we would expect from a government. We demand much more.

Mr. Baker: Mr. Speaker, I think that the hon. member has a very good point, especially when you consider inland fisheries, the Guardian program and so on.

The point that we would make is this. It is fine to increase penalties if everybody is treated the same. If a Canadian goes out and catches more fish of a particular species in his incidental catch than he is allowed, under this legislation he really gets jumped on. The penalties are increased.

However, if a vessel from a foreign nation goes out and does it, it is not penalized at all. It is just moved the next week. In other words, the Government of Canada says: "We will allow you to keep your by-catch which is more than that permitted under your licence because we have an observer aboard."

But a Canadian vessel that comes into port with some pollack that he was not licensed to catch as a by-catch, you throw him in jail. Because there was an observer aboard the foreign vessel and can keep an eye on things, the foreigners are excused.

Mr. Speaker: It being one o'clock, I do now leave the chair until two o'clock this day.

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, in the riding of Restigouche—Chaleur, the unemployment rate is 15.7 per cent, almost twice the national average. The government's proposed reform to the unemployment insurance system will make life a lot more difficult for the unemployed in my riding.

Unfortunately, the government refused to introduce the variable entrance requirement, which would have brought the number of weeks required to obtain benefits down from 14 to 10.

The Conservative Government should not be affraid to give Canada's workers a decent unemployment insurance system.

I urge the government to completely revise its short-sighted reforms. And while we are waiting for the final verdict on Bill C-21, the government should table another bill to reinstate the variable entrance requirement as all previous governments have done.

[*English*]

CANADIAN ARMED FORCES

Mr. John Reimer (Kitchener): Mr. Speaker, now that the warriors at Oka have laid down their arms, I would like to pay tribute to the Canadian Armed Forces for their role in the restoration of law and order at Oka.

The Armed Forces were called in under the National Defence Act to assist the civil power when the situation became impossible for them to control. I commend the soldiers for their professionalism, discipline, and self-control in the face of extraordinary provocation, exemplified by Private Patrick Cloutier—the young soldier who stood his ground coolly in the face-to-face challenge.

I also commend the government for remaining firm on the principle of the rule of law and its equal application to everyone in Canada and that one does not negotiate any issue at the point of a gun.

Now that the guns are down, I urge the government to do all in its power to do justice to our first citizens through the many concrete and comprehensive proposals mentioned in the Prime Minister's speech in the House on Tuesday, September 25.

* * *

TORIES

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, we all know sometimes that politics makes strange bedfellows and we know that applies to the Liberals and Conservatives. But in politics, it is important to define one's views and to choose one's political friends carefully.

What is the definition of a Tory according to Websters?

> tory—(a hunter, applied to bogtrotters and outlaws.) 1. A name originally given to one of the numerous mosstroopers who, during the civil wars of the sixteenth century plundered people—

—they plundered people, Mr. Speaker—

> —in the bogs of Ireland, being in arms nominally for the royal cause, but really to afford a colourable pretext for their own lawless proceedings.

GOVERNMENT OF ONTARIO

Mr. Benno Friesen (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, for the past six years the Government of Canada has been making appointments to boards and commissioners and whenever those appointees were either Liberals or New Democrats, they were met with deafening silence from the opposition benches. But let one Tory be appointed and we could count on the member for Kamloops to shout: "Bagmen, flacks, hacks." He did it so often that it could be counted on it as being an established principle of the opposition parties.

Now we have a brand, spanking new government in the province of Ontario. I would assume that it will adopt the principle which the member for Kamloops has established so clearly in the House. There will be not one NDP worker who has worked so hard for the establishment of an NDP regime in the province of Ontario, not one of them, will want to line up for an appointment. It will be only Liberals and Conservatives who will now qualify for appointments there, and if it does by mistake appoint a New Democrat, then I know the member for Kamloops is going to get up and talk about the hacks, flacks and bagmen in the province of Ontario.

* * *

THE LATE DANIEL MACDONALD

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, I would like to take this opportunity to remember the passing of a dear friend and former member of the House, the Honourable Daniel "Dan" MacDonald.

Dan was a distinguished war veteran who lost both an arm and a leg in his service to Canada during the Second World War. But this did not slow him down. After the war he got married and started a successful farm.

In 1972 Dan was elected member of Parliament for Cardigan and was sworn in as Minister of Veterans Affairs. In this department Dan served with great distinction. As Minister of Veterans Affairs, Dan gave the department a human face, a face of compassion and understanding.

Daniel "Dan" MacDonald died on September 30, 1980. His service to his family and country was unyielding. As member of Parliament for Cardigan today I often hear people speak fondly of Dan.

To his wife, Pauline, and his seven children, I say that his example of service is one that is an inspiration to many. We will always remember him.

* * *

BILL C-43

Mr. Jim Karpoff (Surrey North): Mr. Speaker, the Minister of Justice has stated that the new abortion legislation will not affect the relationship between a woman and her doctor.

Yesterday we learned that 200 doctors will no longer perform abortions in Canada once Bill C-43 imposes criminal sanctions on them. Today we find that Ontario doctors are trying to protect themselves by requiring a woman to sign, not only a normal medical consent, but also medical files confirming that she has considered all alternatives.

Women will have to endure forced life-style counselling.

Given these new impediments to choice, the Minister of Justice can no longer pretend that Bill C-43 does not restrict a woman's right to reproductive choice. We again call upon the minister to abandon a restrictive and unworkable abortion bill.

* * *

UNITY

Mr. Peter L. McCreath (South Shore): Mr. Speaker, today marks an historic event in the history of Europe and of the world—the reunification of Germany. In a sense, it marks the final end of World War II. We must put the past in the past but without forgetting.

It is with cautious optimism that one notes that this third unification of Germany has not been greeted with the same sense of national euphoria as on previous occasions.

This can also be a time for Canadians to reflect on the state of unity in this country, and to ask the simple question: What progress are we making toward Canadian unity? Members of the government might ask: What role am I playing toward the development of unity among Canadians? Members opposite might ask how their approach to national issues contributes to national understanding and unity among Canadians. And members of the national media, especially the electronic media, should ask themselves if their approach to covering issues and informing Canadians is intended to foster unity or disunity in Canada, to create understanding or to confuse? Do they wish to contribute to bringing Canadians closer together, or to driving them apart.

We wish the German people well with their unification, but we must also think of our own country, Canada, and its need for unity.

* * *

NATIONAL FAMILY WEEK

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, October 1 to 7 is National Family Week. This year's theme, "Sharing Family Traditions", is meant to reflect our multicultural identity as a nation and to encourage greater appreciation of our cultural differences as a people.

That the week commenced following the end of the United Nations World Summit for Children adds special meaning to this year's celebration since children are the corner-stone of any family.

Hence, I welcome the creation of a national children's bureau to help co-ordinate all federal policies dealing with children and ensure the need to respect children's special needs is recognized at all times.

As we express our feelings to our families, I remind the government that it abandoned its promise to double the number of day care spaces shortly before the 1988 election and abandoned its promise to create those spaces shortly after that election. I further remind the government that it promised nearly a year ago that a new child care program would be "in place, not promised, not progressing through Parliament, but in place" before the next election.

Since the government has deemed it timely now to create a children's bureau, I now challenge the government to deem it timely to introduce at once the long-awaited day care program so urgently needed by our children today.

As we celebrate this year's family week, let us remember that children continue to grow and they with their

parents cry out for the urgent attention of the government to create now a national day care program.

THE SENATE

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, the conflict between the House of Commons and the Senate is confusing and offensive to my constituents and probably all Canadians.

What they should realize is that this debate is not over the concern or quality of the bills held up, such as the UI changes in Bill C-21, the tax back on large corporations in Bill C-28, or, of course, the GST in Bill C-62. No, it is purely politics.

In the late 1970s, the Liberal government twice introduced changes to the UI system and the Liberal Senate passed them in one day. The Conservative changes have now been held up in the Senate for 205 days with no sign of relief.

In the four years between 1980 to 1984, one bill each in two years was held up in the Senate for more than a month. However, in the last two years, 23 bills have taken longer than a month—some more than 200 days and again with no relief in sight.

Make no mistake about this, we are seeing politics at a very low level and it is no wonder Canadians are disillusioned about their politicians.

* * *

• (1410)

[*Translation*]

THE LATE ALICE PARIZEAU

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, I would like to draw the attention of the House today to the passing away of a great Quebecer, Alice Parizeau.

Mrs. Parizeau was 60 when she died, leaving behind an impressive literary legacy; works of fiction; scientific writings to help the world's children, who certainly need help, as we were reminded at the First World Summit for Children; and writings that reflect a commitment to the aspirations of the people of Quebec and also to her native Poland where she worked in the underground movement and was a prisoner in a Nazi concentration camp until her release in 1945.

Alice Parizeau was always actively involved in the *Comité d'aide à la Pologne* to help her compatriots.

The Polish community, in recognition of the work done by this great Quebecer, will be represented at her funeral tomorrow by the President of the Canadian Polish Congress, Mr. George Rawiez.

Quebec mourns a great lady, a great writer and a great Quebecer. A brilliant exponent of modern Quebec, both in her literary work and her commitment, she is a symbol of todays openness, energy and confidence.

To those in the House who would like to join us in expressing their sympathy, we suggest making a contribution to the Borowa Wies Fund.

Borowa Wies is a small Polish community near Katowice, where a rehabilitation centre is being built for about 100 handicapped children and young people who will learn all about working on a farm.

It will come as no surprise that Alice Parizeau wanted to further the cause of Poland, even after her death.

* * *

THE SENATE

Mr. Guy Saint-Julien (Abitibi): On June 4 last, Mr. Speaker, the hon. member for York Centre said in the House that "nowhere is there more dissatisfaction than there is with the place of the Senate in the Constitution of Canada".

He went on to say: "I do not like to admit it but the Liberals were defeated in the last election. Our basic principle is democracy. We have to accept the will of the people. It is not for the Senate, although controlled by a majority of Liberal members, to contradict the result of the last election".

Mr. Speaker, why does he not explain that to his leader and to the democracy-gashing senators?

* * *

[*English*]

HOUSING

Mr. Joe Fontana (London East): Mr. Speaker, the lack of affordable housing in the country has forced over 600,000 households to spend more than 50 per cent of their income to pay for shelter. The government's refusal to promote the construction of affordable hous-

ing amounts to 1.4 million Canadians living in inadequate housing, more than 566,000 of whom are children.

Over a half a million Canadian children are spending their childhood in inadequate housing and forced to stand in line at the food bank because the rent used up most of their families' incomes.

The United Nations met in New York on September 29 and 30 for the World Summit for Children to discuss the welfare of children around the world.

Canadians must have compassion for all children, but we must never forget the children growing up in poverty and desperation in our country. The government, as its first order of business, must commit itself to adequate and affordable housing, right now.

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THE LATE DR. NGUYEN NGOC HUY

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, with much sadness, I would report the passing of the much loved Dr. Nguyen Ngoc Huy in July in Paris. Over half a century, he became a giant among those in the world seeking an independent and democratic Vietnam, so much so that he earned the title, "the Gandhi of Vietnam".

He founded that country's New Nationalist Party in 1965 and the Nationalist Progressive Movement in 1969 whose goals were fundamental human rights and a more liberal national policy. He was a member of the South Vietnamese delegation to the Paris peace talks.

Since the fall of Vietnam, Dr. Huy has worked at the Harvard Law School on the legal history of Vietnam and China. He was an honorary member of the International Committee for a Free Vietnam, a scholar, a scientist, a speaker of simple and easy-going style, and a prolific writer with many short essays, books and poetry.

His death leaves behind him several unfinished projects, among them, "a free and prosperous Vietnam". No one has worked longer or more diligently in the cause than he. He will be greatly missed.

S. O. 31

BILL C-21

Mr. Al Johnson (Calgary North): Mr. Speaker, this is National Family Week, a time when new mothers and, for the first time, new fathers in Canada should be enjoying the benefits of the new unemployment insurance legislation. This bill would allow for up to 30 weeks, during which both mothers and fathers could participate in the nurturing of their newborn children. This progressive bill clearly supports our nation's families.

The unaccountable Liberal members of the Senate are blocking this much needed family legislation. The irresponsible, uncaring actions of these Liberal senators are also preventing thousands of families in areas of extreme unemployment from receiving much needed unemployment benefits.

In the House we are celebrating the week of the family. Perhaps members opposite can implore their leaders in the other place to join us and allow this legislation which supports families to pass.

* * *

LEADER OF THE LIBERAL PARTY

Mr. Rod Murphy (Churchill): Mr. Speaker, the Liberal leader *in absentia* seems to have a serious credibility problem. Some would even say a credibility gap. It all started when Jean Chrétien's advice to Canadians after the failed Meech Lake Accord was to take the summer off and, just like the Prime Minister, he did. He was nowhere to be found when events at Oka and the Persian Gulf heated up. When he finally surfaced and was asked about the constitutional implications of swamping the Senate, his response was a mind-boggling "I am not a lawyer". His former clients at the law firm of Lang, Michener, Lawrence and Shaw will be surprised with this news.

Interviewed last week about his absence, Chrétien stated that he had toured Canada three times in the last two months and, if the third time you go to Flin Flon, Manitoba, it is no longer fun.

Mr. Speaker, the Liberal leader has not been to Flin Flon three times in the last few months. According to Flin Flon residents, he has not been to Flin Flon three times in his life. And he was not there once this summer.

Not only does Flin Flon deserve an apology but the Liberal leader must start telling the truth. Can Canadians ever expect open and honest leadership from a politician who forgets his own profession—

Mr. Speaker: Oral questions.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, my question is for the Prime Minister.

Yesterday, Statistics Canada reported that the composite leading indicator, a measure of how the economy is expected to perform, is down for the sixth month in a row. In releasing this information, Statistics Canada said: "In the past, six straight declines have always been accompanied by a recession in the economy."

I ask the Prime Minister if he and his government agree with their own statistical agency which is indicating a recession and will he admit that this recession is a direct result of his government's own misguided economic policies?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think that the Leader of the Opposition is taking a very short time frame when he asks the question.

He neglects to say that over a period of seven and a half years we have had extremely strong growth in the economy and that led to an overheating in the economy. It is a natural phenomena that when the economy overheats, it has to slow down. We are in that period of slowdown right now because it is important to get the inflationary pressures out of the system so we can get interest rates down, get ourselves back on to a track of non-inflationary growth so we can have another long session of strong growth as we have had during the course of most of the 1980s.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Prime Minister is trying to avoid and evade accepting the facts that his and his government's and economic policies are creating a recession in this country.

I would like to ask, particularly, why the Minister of Finance and the Prime Minister are trying at this point in time, while we are in a recessionary period by his own admission, to force on Canadians the horrendous goods and services tax, a tax which Canadians say is the wrong tax at the wrong time, especially now if we are entering into, if we are not already in, a serious recession.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me draw the attention of members opposite that 13 years ago Jean Chrétien said this: "It worries me that serious structural problems have been identified in the manufacturers' sales tax. These problem areas in the law cannot be tolerated indefinitely". In fact, they were not tolerated indefinitely because in 1981 Allan MacEachen, then Minister of Finance said: "The federal sales tax which is imposed at the manufacturers' level suffers from a number of structural defects" and then went on to show how it hurts exporters and favours importers.

Mr. Speaker, members opposite say they know that. If they know that, why are they resisting a change from a sales tax which needs to be changed to one which will address those problems? The only answer that I can give is that it is pure partisan politics, that when they are in government, they—

• (1420)

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, it is typical of the twisted logic of this government that it wants to replace a tax with problems with a tax with even more problems with a tax that is even worse.

[*Translation*]

Why does the minister refuse to face reality as interest rates soar, as our over-valued dollar chokes our exporters, as the bankruptcy rate gains momentum, and as the statisticians of his own government now point to a recession? Why is the government standing still instead of stopping the recession which threatens our economy, and why is the government bent on imposing its GST which, given the prevailing context, will make the situation even worse and cause untold harm to the Canadian economy?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the Leader of the Opposition talked about twisted logic. Let me ask him to consider the twist in this logic. Senator MacEachen in 1985 said: "I think if we did

amend the bill in any serious way, or if we defeated it, I think that it would be quite arrogant".

Senator Frith about the goods and services tax: "We oppose the principle of the bill and we do not intend to unduly delay it". Now he is saying they are going to kill it.

Senator Hebert on Bill C-55: "The non-elected representatives should give way to the elected representatives, leaving the people the choice to elect another government". If there is any twisted logic, it is the logic in the other place, supported by the Liberals in this House who are saying: "We don't like this bill. We want to see the Senate kill it".

Mr. Duhamel: Call an election.

Mr. Wilson (Etobicoke Centre): But, they are saying: "We support the supremacy of the House of Commons". You cannot have it both ways.

* * *

GOODS AND SERVICES TAX

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is directed to the Minister of National Revenue. It concerns the latest horror story caused by his department's multi-million-dollar misinformation campaign on the GST.

In the latest example which is now in all the newspapers, Air Canada, the nation's largest airline, indicated to a consumer last week that it had an obligation to collect in advance the 7 per cent GST on travel that will not take place until next year, and indeed, that if the consumer refused he or she would see the reservations cancelled.

My question is this. Will the minister order his department today to notify all the businesses in Canada that they do not have either a legal obligation or the right to demand prepayment on a tax which is not yet law in the country?

Hon. Otto Jelinek (Minister of National Revenue): No, Mr. Speaker, because I did that on August 9, 1990.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my supplementary is to the minister who supposedly is responsible to protect the rights of consumers across the country.

My question is this. How could the Minister of Consumer and Corporate Affairs possibly have sat at the cabinet table and endorsed the multi-million-dollar propaganda campaign that has now caused havoc and confusion for consumers from coast to coast to coast in this country, and what steps will he take today to inform Canadian consumers of their right to just say no to the advance collection of the 7 per cent goods and services tax?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, as I just pointed out, on August 9, 1990, we advised Canadians by way of a backgrounder and transitional rules and press releases. We have continued to do that and I made it very clear last week when I stated that no consumer is obligated to pay the GST prior to January 1, 1991, and no business is obligated to collect it prior to January 1, 1991, but businesses will be accountable for any GST that straddles the date from September 1 to the implementation on January 1, 1991. If the hon. member is so interested in the GST, I suggest to him that instead of trying to confuse the public with irresponsible questions of this nature, he go to the other place and make sure it stops hijacking democracy. That is what he should do.

* * *

THE SENATE

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

Despite the justice minister's assurances yesterday, there still appears to be a great deal of concern that the government, in its haste to ram through the GST, may indeed have made a very serious error in appointing the eleventh senator from New Brunswick.

As the Prime Minister knows, the stacking provision that he used, which allows for either eight senators to be appointed or four senators to be appointed, that the four appointments, had he done so, would have required one maritime senator while eight appointments would have allowed for two.

The Prime Minister will know that there was only one extra maritime seat available for the Senate without disrupting the balance between the Senate and the House of Commons. With only one maritime seat available, the Prime Minister was limited to the appointment of four new senators.

I ask the Prime Minister: Is the fact that he refuses to make a referral to the Supreme Court on this issue simply because he is afraid that he will not be able to continue to ram through the GST?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think my hon. friend knows full well that the government has received the full assurances of the senior legal advisers of the Crown, that all the actions that we have taken have been pursuant to the statutes, convention and appropriate custom.

If my hon. friend has any trouble with that, then I know that she or some other member of her party will feel free to contest it before the appropriate courts.

[*Translation*]

Ms. Audrey McLaughlin (Yukon): I have a supplementary for the Prime Minister. Mr. Speaker, a good many people are worried because they wonder whether the steps taken by this government to ram the GST through might not undermine the legitimacy of all proceedings in the Senate and in the House.

A parliamentary institution whose membership is contested might prompt a court to rule against the validity of any legislation adopted by this Parliament.

My question to the Prime Minister is this: Can he table in the House the opinions of his advisers which, he feels, justify his inaction?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think I already gave a general answer to the question of my hon. friend. I am surprised to hear her state that many Canadians are concerned and wonder whether we are casting doubt on the Senate proceedings. I would suggest that many people would indeed question the approach of Liberal senators, including their most recent effort which resulted in Liberal senators giving themselves $153 a day simply to report for work.

[*English*]

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, on a supplementary.

The Canadian people have a right to know whether the actions that this government has taken in reference to the Senate are legal and will not be challenged, and that the actions that it has taken are based in law.

The Prime Minister has not agreed today to table the expert opinions on which he says he has based his actions.

If the Prime Minister is not prepared to withdraw the tax, which would be the honourable thing to do, will the Prime Minister table the opinions of the legal experts upon which he has based his opinion?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have already indicated to my hon. friend that the Government of Canada has acted pursuant to legal advice received from the law officers of the Crown.

We have respected both the constitutional provisions and customs that apply. If my hon. friend or anyone else has any difficulty with that, then of course they will avail themselves of all the provisions of access to the courts.

• (1430)

Inasmuch as my friend is the leader of the NDP, I thought she would be interested in paying heed to the comments of one of Canada's most distinguished NDPers who said on *Canada AM*—

An hon. member: It is old.

Mr. Mulroney: No, it is new. I am not going to quote Stephen Lewis. I will quote Gerry Caplan who said:

> It is creating—

This is the NDP now.

> —a terrible, terrible precedent, that one day the rest of us will rue, for these Liberal senators to say that they have the right to stop the functioning of the elected government.

Listen to the people and listen to Gerry.

Some hon. members: Hear, hear.

* * *

CHILDREN'S RIGHTS

Mrs. Diane Marleau (Sudbury): Mr. Speaker, my question is for the Prime Minister.

Over the weekend our Prime Minister led world leaders in New York in a chorus of *Save the Children*.

Some hon. members: Hear, hear.

Mr. Speaker: The hon. member.

Mrs. Marleau: Meanwhile, here in Canada his government seeks to impose a GST which will tax children—

Some hon. members:: Oh, oh.

Mrs. Marleau: Their clothing, their boots, even the heat that keeps them alive in the wintertime. Will the Prime Minister, for the sake of Canada's children, today withdraw the goods and services tax?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the one thing that I expected from the Liberals—and I know that they have difficulty in resisting partisan cheap shots—is that they should have left the children out of this particular fight because—

Some hon. members: Hear, hear.

Mr. Mulroney: —the summit dealt with the world's neediest children and I would have thought that the Liberals would, for once, have the decency to stand up and applaud a measure in favour of the world's children that goes much beyond partisan politics.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): You know that, Paul. You know it.

Mr. Mulroney: The *New York Times*, Mr. Speaker, reported yesterday that:

> Leaders from more than 70 nations came together here today in an extraordinary show of concern for the world's poorest children. The Declaration of the World's Summit for Children pledged the participating nations to work together in an effort to save the lives of at least a third of the 14 million infants who now die each year before the age of five.

This is an enormous human tragedy, particularly visited upon the poorest of the poor nations of the third and developing worlds.

I know that all members of the House support the Government of Canada in its attempt to help in that particular area.

Some hon. members: Hear, hear.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, that is exactly the point. Even in Canada we have poor children. Do we want to create more?

On Sunday in New York the Prime Minister said: "The World Summit for Children has galvanized political will to help children".

[*Translation*]

Is the Prime Minister prepared to show that he has the political will to protect Canadian children? Charity begins at home. Is he prepared to scrap the GST today?

[*English*]

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, under the leadership of the Prime Minister of Canada, the Government of Canada has shown political will in taking some 260,000 Canadian children out of poverty since coming to office.

Additionally, the hon. member refers to the goods and services tax. The Liberal members opposite, if they are honest, must recognize the fact that families earning less than $30,000 a year are ahead with the GST. It is time that they were honest with Canadians in recognizing that fact.

* * *

[*Translation*]

GST ON CHILDREN'S BOOKS

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I would like to know whether the minister responsible for children has the necessary authority to implement policies that provide for the mental and physical health of our children. As an initial official gesture, will the minister explain to the Minister of Finance that the mental development of children is not the unique preserve of schools and libraries but is also and above all a matter for the home, and that parents would rather buy books for their children? Could the minister responsible for the mental and physical health of our children explain this to his colleagues and have books exempted from the GST?

[*English*]

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, in answer to the first part of the hon. member's question as to whether or not I have the powers that are necessary to enable me to serve the children of Canada, the answer is yes. I am very, very pleased to say that the Prime Minister has asked me to co-ordinate on behalf of the Government of Canada the response to the World Summit. We have acted immediately by creating a children's bureau in the Department of National Health and Welfare.

I was delighted to see the op-ed piece in the Montreal *Gazette* today by the hon. member for Winnipeg South Centre wherein he endorsed the idea. I am pleased to say that we acted upon it even before the hon. member could get his article published.

In so far as tax on reading material is concerned, the hon. member yesterday was arguing that it was discriminatory against poorer people. Keeping in mind the fact that families earning less than $30,000 will be ahead of the game with the GST, the GST will be beneficial to those people and make it easier for them to be able to cover the cost. By arguing that we should stick with the iniquitous and unfair manufacturers' sales tax, the Liberal Party would seek to penalize poorer Canadians.

Mrs. Sheila Finestone (Mount Royal): Come on, that is just nonsense. Stop talking, stop lecturing. I think the minister should stop lecturing and start listening. Eighty-three per cent of Canadians said that they do not want books taxed.

As the government tries to move to its good news, good bear, jolly news agenda, will the minister for children bring children good news, withdraw the very negative tax on books, and make them accessible to all levels of society?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, the hon. member asks that I stop lecturing. I might put the same suggestion back to her.

I might also suggest to her that if she is concerned about Canada's children, it is time to lift the Liberal barricade in the Senate and pass parental leave benefits that are being stalled by the Liberals in the Senate.

* * *

CHILDREN'S RIGHTS

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, this weekend the Prime Minister signed another statement in support of children's rights, and a year ago his government supported the goal of eliminating child poverty in Canada by the year 2000. Last weekend also the Prime Minister said that it was political will more than money which is the decisive factor in the war on child suffering.

It is fine for the Prime Minister to posture on the world stage, but here in Canada his government has capped the Canada Assistance Plan, clawed back family allowance, and cut funding to the provinces for health and post-secondary education.

If the Prime Minister truly wants to help Canada's children, will he promise this House today that he will ensure that this legislation which impacts so negatively on Canada's one million poor children will be scrapped immediately?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, I think all Canadians have a right to be tremendously proud of the leadership that has been shown by Canada and by the Prime Minister of Canada on the international scene.

• (1440)

Let me simply recall for the benefit of the House what it was said last night by Sahira Piracha, the children of Canada's representative on the Canadian delegation to New York. She said: "To tell you the truth, I was optimistic going into it and being there. I can honestly say that I have come back and I am very proud that Canada took the initiative to co-chair the summit and I couldn't even think of the words to explain how Mr. Prime Minister represented us. He did just a wonderful job".

That is the case. The children of Canada and those people who attended the international summit have tremendous pride in what has been achieved by Canada. They recognize the fact as well that under the leadership of this Prime Minister we have reduced child poverty in Canada by over a quarter of a million and that we are determined to carry on until child poverty is eliminated in Canada.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, Canada has become a world leader with a million children hungry and the number of children at food banks increasing day by day. If that is the sort of leadership this Prime Minister is giving, I do not think Canadian children need it. It is time that the Prime Minister responded to his critics and not let his ministers do it. He is speaking on the world stage for Canada. It is time he fessed up to those criticisms.

Bill C-69, which puts a cap on CAP, limits the number of child care spaces available, and limits transfers to the provinces, is in direct violation of articles 24 and 28 of the UN Convention on the Rights of the Child that he says he wants to ratify. If he is so committed to ratifying this

convention, will he withdraw Bill C–69 from the Senate today?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, I think the hon. member's credentials to give legal opinions are about comparable to mine. I do not know what sort of legal advice he got with regard to the provision of the convention if he says that there is no reason whatsoever to believe that that is the case.

What I can indicate to the hon. member is that significant progress has been made with regard to child care under this government. Almost $1 billion is being spent each year on child care in Canada by the federal government, a significant increase since we came to office. We are committed to having a full program in place during the life of this Parliament. There would have been one in place by now if it had not been for the Liberal senators.

Finally, when the hon. member talks about provisions relating to children, it should be kept in mind that this socialist party is the one that takes the position that family benefits should be provided to rich families instead of being concentrated for poorer families. The vast majority of Canadians disagree with his party on that.

* * *

HAMILTON HARBOUR COMMISSION

Mr. Stan Keyes (Hamilton West): Mr. Speaker, my question is for the Minister of Transport who is now fully aware that Peter Lush received a $400,000 commission on the sale of land to the harbour commission of which he is chairman. The minister is also probably aware of the Prime Minister's own conflict of interest guidelines which say, and I quote: "Public office holders shall not solicit or accept transfers of economic benefit".

Given that Mr. Lush personally negotiated first and then accepted a $400,000 payment as a commission contingent upon the sale of the land to the harbour commission of which he is chairman, will the minister now relieve the harbour commissioner of his duties?

Hon. Doug Lewis (Minister of Transport):. Mr. Speaker, I wish to read a letter, which I received this afternoon. It is addressed to me as Minister of Transport. It reads:

> Dear Sir:
>
> It is with regret and personal reluctance that I tender my resignation to you as Chairman of the Hamilton Harbour Commission.
>
> In undertaking my duties with the Hamilton Harbour Commission I have sought the best available advice, including a legal opinion, as to how I might strictly follow all relevant guidelines. As I have repeatedly said, I believe that I have always maintained an appropriate separation between my public and private activities. However, with the recent allegations made against me, it is clear that both my own reputation and that of the Harbour Commission will be subject to continued assault. I am not willing to subject the Harbour Commission to this situation.
>
> Minister, in stepping down from the Commission, I would ask that you move as soon as possible to establish an independent review of these circumstances in order to set the record straight. I would welcome such a review and assure you that I will co–operate in every way possible.
>
> I want to thank you, Minister, for the honour of serving on the Commission and I look forward to having this matter resolved at the earliest possible opportunity.

Mr. Speaker, I will be naming an independent law firm to conduct this review, in the very near future.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, my supplementary question is directed to the Minister of Transport. Yesterday, the Minister of Transport said: "I bet the allegations are untrue". Well, he lost the bet. What was the wager? What is this minister now going to do? He says he is going to set up an inquiry by a law firm.

We want to know, is the bet, first, a return of the $400,000 commission to the Canadian taxpayer? Is it, second, an independent audit and impartial inquiry into this entire matter or is it, third, the resignation of the Minister of Transport who did not know what was going on in his department six months ago when I raised this issue?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, in relation to six months ago, my hon. friend raised a different issue at that time vis–à–vis conflict of interest. At that time the following took place. Mr. Lush wrote to me and said:

> I have taken the appropriate steps to dissociate my group of companies as to any consulting, planning, engineering, marketing and/or agency relationship with the J. I. Case lands in Hamilton as from March 13, 1990, until such time as the Case company and the Harbour Commission have finalized one way or another, any purchase and sales arrangements on their surplus lands—

On March 14, my hon. friend is quoted in the Hamilton *Spectator* as saying: "I am satisfied with that. I can live with it. I think this whole thing—".

Some hon. members: Oh, oh.

Ms. Copps: He took the money and ran.

Mr. Sergio Marchi (York West): Mr. Speaker, while we on this side of the House welcome the justified resignation of Mr. Lush, we do not condone the stonewalling of this government and this minister, because in a parliamentary democracy there is something called ministerial responsibility and ministerial accountability. This minister only muddied the waters of the Hamilton Harbour Commission.

Notwithstanding the fact that Mr. Lush has resigned, we would like to ask the minister if he is prepared, on behalf of the Canadian taxpayer, first, to recoup the $400,000 that has gone into his pocket and, second, order a full and impartial inquiry. We do not want an inquiry through a law firm, but a full impartial inquiry that would allow the subpoena of witnesses so that we can get to the bottom of this.

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I would first like to welcome my hon. friend to his duties as transport critic. I am sure that once we put this behind us we will be able to get on with more constructive matters.

My hon. friend referred to some traditions. I think one of the most basic traditions in this country is that people are innocent until found guilty. That is a tradition to which we all should pay attention. I suggested that I will be naming an independent law firm to review this matter. When that report is ready, it will be made public.

Mr. Sergio Marchi (York West): Mr. Speaker, when is enough enough? We advised the minister six months ago. The facts are simple. On August 3, 1990 the Hamilton Harbour Commission paid J. I. Case $10 million. On the same day Mr. Lush received $400,000 from J. I. Case.

The Prime Minister has advocated these conflict of interest guidelines, not only to the country but to the world. In light of the accusations and in light of the facts, is he not prepared to have a full and impartial inquiry that will allow a full public airing, not only of this issue but to ascertain if any other illegal transactions have gone on in the harbour?

Mr. McDermid: Make those accusations outside the House.

• (1450)

Mr. Speaker: There are certain fundamentals that we have to take into account during Question Period, and one of them is one I have had to remark on in the past. For the most part I must say the hon. member has respected it.

A question put in such a way that it carries an allegation of wrongdoing is wrong. I am not going to define the wrongdoing. I am just saying it is wrong, because first of all it cannot be answered. Second, it is done without any basis of fact.

There is a way to make an allegation in this Chamber. It is formal and it requires facts.

The questions on this matter that I have allowed both yesterday and today have for the most part been dealing with facts that are out in the open. It is not for me to say whether there is or is not a conflict of interest.

In any event, there are certain facts from which it might be argued that there is or is not a conflict of interest. That is one thing. But suggestions that there is something else going on here, without any basis for saying it, is not appropriate.

I know the hon. member, who feels very strongly about this issue and is pursuing it, would understand that there have to be guidelines, especially when we are talking about accusations or allegations about somebody who is not here and without a basis upon which a charge can be made.

It is a very serious matter. I do not want to overdo my intervention, but I know hon. members will understand what I am saying.

Mr. Sergio Marchi (York West): Mr. Speaker, my question to the Prime Minister is very simple. Will he agree to order a full, impartial public inquiry so that all the facts may be known and then dealt with?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I want to compliment you, Sir, on the way you laid out the rights of an individual in this country to a trial by a court or an appropriate authority, and not a trial by allegation on the floor of this House of Commons.

The individual in question has asked for an independent review. I am in the process of ordering that independent review. I have offered to make the results of that independent review public and I undertake to do so.

* * *

PETRO-CANADA

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I have a question for either the Minister of Energy, Mines and Resources or the Minister of State (Privatization and Regulatory Affairs).

The United Nations affirms "the inalienable right of all countries to exercise permanent sovereignty over their natural resources in the interests of their national development".

However, Canada signed away most of that right with the free trade deal. Now this government is proposing to sell off Petro-Canada, our last major public policy tool for spurring Canadianization, energy security, energy diversity and conservation.

Why is this government so determined to turn the energy fate of Canadians over to an industry dominated by foreign multinationals that could not give a tinker's damn for the interests of ordinary Canadians?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, the point that has to be made is that we have a varied energy supply in Canada ranging all the way from thermal, coal, natural gas, and including nuclear in the province of Ontario where it gets over 50 per cent of its electricity on a competitive basis, on into oil and oil products. At the present time we have a surplus which we sell at approximately 275,000 barrels a day.

If one looks at the work of the International Energy Agency, at countries which are not in a self-sufficient position in oil and are asked to put in strategic reserves, Canada has been exempted from that for the very reason because, with the market driven approach that we have taken, we are not not in the position which other countries find themselves in, but are in the enviable position of increasing our reserves. As well, we have increased the amount of oil available to us and to legitimate customers.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, my question is for the Yankee Doodle dandy over there. The bill introduced yesterday—

Some hon. members: Oh, oh.

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. Harvey (Edmonton East): The bill introduced yesterday provides for ownership percentages, languages used by the corporation, head office location, control of upstream and downstream assets, but no green provisions whatsoever.

Why are there no provisions requiring Petro-Canada to lead the way in recycling used engine oil, to set up capture stations for ozone destroying CFCs, to provide propane and compressed natural gas pumps at service stations, and to provide ethanol fuel blends?

Why has this government completely ignored all environmental considerations in its privatization legislation?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I am pleased that the hon. member has mentioned the matter of alternate fuels and I draw his attention to the increased emission standards in California. Other than suspended particulates, Canada has already met those standards.

The point that I make is this. In Canada at the present time we have substantially more cars or vehicles on propane or natural gas than California, plus the transit system in California is quite different from that in Canada.

I would suggest that he take a look at what has been done with alternative fuels. We are well ahead in many areas, even those he purports to put forward here—even though he does not like anything about the United States except when he can use standards which he thinks for the moment suit his purposes.

* * *

HAMILTON HARBOUR COMMISSION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Prime Minister. It also concerns the Lush affair. Because the Prime Minister is solely responsible for the conflict of interest code of his government, will he commence immediate action to recover the $400,000 paid to Mr. Lush while he was

the chairman of the Hamilton Harbour Commission? Yes or no.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my friend surprises me. Questions have been raised. The Speaker quite properly admonished all members to proceed with great care when the reputations of individuals are involved.

The question just put presupposes that that amount of money improperly found itself into the hands of Mr. Lush. It presupposes a violation of guidelines, and it presupposes some degree of illegality, against which the Speaker has just admonished the member.

With respect, I say this to the hon. member—

Mr. Foster: Why did he resign?

Mr. Mulroney: My Liberal friend says: "Why did he resign?" That is alien to a Liberal but he resigned because he wanted his reputation cleared. That is exactly what an independent agent proposes to do.

Some hon. members: Oh, oh.

Some hon. members: Hear, hear.

Mr. Speaker: Perhaps the right hon. Prime Minister could complete his answer.

Mr. Mulroney: The minister has fully responded and indicated an appropriate course of action. I would have thought that my hon. friend and his Liberal colleagues would have learned over the last three or four years that the rat pack philosophy leads to certain defeat. You are at it again, and you are going to be defeated again.

An hon. member: That's the big rat talking over there.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have the following supplementary for the Prime Minister who seems to think that the whole issue is so straightforward. I would like to ask him why the government has appointed a law firm to examine the issue of privately. Why not have a public judicial investigation of this matter right away? What is the government trying to hide?

[*English*]

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, as the Prime Minister pointed out, the individual in question has resigned because of the continued assault on the Hamilton Harbour Commission. He says he is not willing to subject the Harbour Commission to this situation.

• (1500)

There will be an independent review by an independent law firm. The results will be made public and I will make it public in the House.

Mr. Speaker: The hon. member for Churchill on a single question, please.

* * *

INCOME TAX

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is directed to the Minister of Finance.

For a year, the minister has had in his hands the report of the task force on tax benefits for northern and isolated areas. Yet, because of his inaction, employers, employees, and their families face 1991 with uncertainty.

Will the minister denounce the acknowledged shallow findings of the ask force and bring in a system of fair taxation for all northern residents?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think my hon. friend is well aware that we have tried to broaden the benefits under the northern and isolated post benefit provisions so that more people can be beneficiaries of this. We are trying to do this in as fair a way as possible.

The hon. member is very well aware that this is a complex issue. It took well over a year for the task force to come to its conclusions. There have been some difficulties with these conclusions that we are trying to work our way through. As soon as I am able to provide a decision to the House, I will announce it.

* * *

POINT OF ORDER

REQUEST FOR TABLING OF DOCUMENT

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, I would hope that the Minister of Transport would be so kind as to table in the House the documents to which he referred today. I am talking about all of the documents that he referred to, not just one. I think he referred to several.

Second, Mr. Speaker, in response to a question from an hon. member on this side, the Prime Minister made reference to a $153 allowance which was made by the other place. It should be noted that, at page 1835 of *Hansard* of the other place, the motion for the increase was moved by the former Conservative Deputy Premier of Newfoundland, now Senator, William Doody. The Prime Minister should be correct in his facts.

Mr. Speaker: Is the hon. minister rising on the same point?

Hon. Doug Lewis (Minister of Transport): If I may, Mr. Speaker. There has been a request that I table the letter from which I read and naturally I am pleased to do so.

ORAL QUESTION PERIOD

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, I have wanted to ask a question today and other days. It seems that the supporters of the government do not have many opportunities to ask questions, even though we have more members than the opposition. This is one way we have of doing our job and fighting for our constituents.

I wonder if Mr. Speaker could clarify the rules on what we can expect in the way of questions for members of the government side.

Mr. Speaker: I know the hon. member was seeking the floor and there were others who were seeking the floor. I have indicated to the hon. member that if he rises tomorrow I will remember that he was rising today.

I have 45 minutes. There is a lot of contest in the Chamber now for questions and I do the best I can.

What hon. members will notice is that if the hon. member and maybe somebody else were not recognized today—watch it day after day. I am trying very hard to even it out. It is not an easy task and I ask hon. members' co-operation.

I know that the hon. member has an important matter and I know that when the hon. member cannot rise, it makes it difficult, especially with respect to serving his own constituents. I am very aware of that.

The Hon. Deputy Prime Minister.

Points of Order

REMARKS BY SENATOR

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I rise on a very serious matter, a matter that has just been brought to my attention, and one which I believe is deserving of your attention, as well as attention of all hon. members of the House.

The issue that I am about to raise , I believe, not only affects the privileges of the members of the House of Commons and are comments that I find most offensive and disturbing. More importantly, what I am going to raise, I believe, strikes at the very fundamental pillars of our parliamentary democracy and that is, namely, Her Majesty the Queen of Canada.

I refer to an interview that was carried by TVA–CHOT, on September 30, at 7.30, involving Jean–Pierre Ferland and Pierre Nadeau who were interviewing Senator Jacques Hébert. The interview was conducted in French and I will translate it into English. It was an interview about the current issues of the day in Parliament and indeed, the GST. Senator Hébert is quoted as follows:

Ms. Copps: He doesn't dare speak French.

Mr. Mazankowski: That is right, Mr. Speaker, I do not speak French and it is one of the misfortunes of my life and I regret it very much.

The quote is as follows: "We have a perfect right to amend it", namely, the provision before the Senate, "which would have been impotent because it is too bad a law, or to block it, which we intended to do until Mr. Mulroney went to bribe the Queen." In other words, the words that were used were: "*soudoyer la reine*". I looked in the dictionary to try to define the word *soudoyer*, and it means to hire, to hire an assassin, or to have in one's pay or to bribe.

I firmly believe that these comments constitute an unfounded and unwarranted and indeed, a scurrilous and shocking attack against the Queen of Canada, not to mention a scurrilous attack against the Prime Minister of Canada. I am sure and I would hope that in the best interests of our parliamentary traditions, and I know that this is raised—

Mr. Speaker: I know that the Deputy Prime Minister would want to assist the House and the Speaker, but I am finding some difficulty in finding exactly what relief the hon. minister is asking for or whether I am in a

position to give it. I wonder if the hon. minister could wrap up his remarks very quickly.

Mr. Mazankowski: What I do propose to put to the House and seek the unanimous consent of the House to put is an appropriate motion, but I think it is important for me, before I put the motion, to explain precisely what we are trying to do.

If we are interested in preserving the traditions of the House, in preserving the long-standing parliamentary practice which is a practice and a tradition not only upheld in the House of Commons but indeed in the Senate, we have to deal with these kinds of situations. To cast a reflection against the Queen of Canada is a serious violation—

Mr. Speaker: I have the Deputy Prime Minister's point. My difficulty is procedural. If the hon. Deputy Prime Minister is rising and seeks the consent of the House to put this matter to the House, it may well be that that consent would be given, or it may well be that the consent would not be given. The matter is now moving beyond just a point of order or just seeking the opinion of the House.

I see other hon. members wanting to rise on this matter. What seems to be the situation at the moment is the hon. Deputy Prime Minister is seeking some kind of unanimous support from the House with respect to this complaint.

• (1510)

Mr. Mazankowski: Mr. Speaker, this is a blatant attack on Her Majesty the Queen of Canada and I, as President of the Privy Council, will not stand idly by and see that happen.

Some hon. members: Hear, hear!

Mr. Mazankowski: Therefore, I ask the unanimous consent of the House to move the following motion:

That this House, as one of the constituent—

Some hon. members: Oh, oh.

Mr. Mazankowski: If I could have order, Mr. Speaker.

Some hon. members: Oh, oh.

Mr. Speaker: The Deputy Prime Minister is asking the consent of the House. Would he please put his motion?

Mr. Mazankowski: I am asking the consent of the House to move the following motion:

That this House, as one of the constituent elements of Parliament together with the Senate and the Crown, hereby condemns the disrespect for the dignity and authority of Parliament and the scandalous and unfounded allegations made by Senator Jacques Hébert during an interview on the TVA network on September 30th, 1990.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the Deputy Prime Minister started his comments by saying that the matter was an important one and affected the privileges of the members of this House.

Mr. Speaker, our privileges have been affected only by the fact that the Minister took the time of the House to table a motion we consider entirely unacceptable in this House.

It is unacceptable in the context of this House, and second, Mr. Speaker, only a government that is pretty desperate would waste the time of the House with a proposal as inappropriate—

Some hon. members: Hear, hear.

[*English*]

Mr. Speaker: The hon. member for Ottawa—Vanier has the floor and I know that hon. members will give him the courtesy of listening to his remarks. The hon. member.

[*Translation*]

Mr. Gauthier: Mr. Speaker, none of the privileges of any member of this House were affected by the comments made by Senator Jacques Hébert, either directly or indirectly, not even those of the royalist Minister of Communications.

Mr. Speaker, we believe this motion comes at a time when it is very convenient for the government to use the Senate to do its dirty work in this House.

Some hon. members: Oh, oh!

Mr. Gauthier: Mr. Speaker, the government has no reason to raise a question of privilege when in fact, nothing the senator said affects the privileges of this House.

I listened to you, now you are going to listen to me!

Mr. Speaker, the minister rose on a point of order. He used the time he was allowed to present a motion which, according to my reading of the Standing Orders, is highly unusual. It seems to me that it was highly irregular for the Chair to accept a motion on a point of order.

Some hon. members: He is right!

Mr. Gauthier: Mr. Speaker, he did not have the floor to present a motion. Furthermore, if he did have a question of privilege, the Chair had a duty to decide if there was a *prima facie* case before the House, that—

Some hon. members: Oh, oh!

Mr. Gauthier: Will you keep quiet! I know what I am talking about. A *prima facie* case—

[*English*]

Mr. Speaker: I wonder if we could just reflect for a moment. I am going to hear the hon. member for Ottawa—Vanier, but I think it is appropriate that we reflect for a moment on exactly where we are.

The hon. Deputy Prime Minister rose on a point of order. He talked about privilege. What the Deputy Prime Minister was doing from a procedural point of view was seeking the unanimous consent of the House for something. That happens regularly around here. It may be a contentious issue, but that is what the hon. Deputy Prime Minister was doing, and I had to hear him.

The hon. member for Ottawa—Vanier has the floor and he is entitled, as did the hon. Deputy Prime Minister, to be heard and I am going to hear him.

Mr. Gauthier: Mr. Speaker, I just remember a few things about procedure. The first thing is that we need to have order in this House. The Deputy Prime Minister cannot bootleg this kind of motion without getting unanimous consent to put it and I am telling him now he will not get unanimous consent to put the motion.

Mr. Speaker, they will not drag the Queen into an argument between the Senate and this House. I think it is rather uncalled for—

An hon. member: Scandalous.

Mr. Gauthier: And scandalous, yes, scandalous for that government—desperate is the word—to call the Queen into question at this time.

I will not give this thing any more importance than to say, you are all wet.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, the Deputy Prime Minister said that his privileges had been breached by the fact that a single Liberal senator has made some public utterances. I want to say that many of us feel that our privileges are breached by the mere existence of the Senate.

Some hon. members: Hear, hear.

Mr. Speaker: I am sure that the hon. member for Kamloops would want to assist the Chair in this matter.

Mr. Riis: Mr. Speaker, as a result of this enthusiastic response on behalf of the government members, perhaps we should consider the abolishment of this unelected Senate as soon as possible.

Some hon. members: Hear, hear.

Mr. Speaker: I must say to the hon. member for Kamloops that that is something that I cannot do.

Mr. Riis: Mr. Speaker, I accept your gracious comments. I guess I could say on behalf of my party that we certainly would give unanimous consent right now to consider a motion to abolish the unelected Senate.

An hon. member: Write it out right now.

Mr. Riis: Mr. Speaker, on this issue, the Deputy Prime Minister knows the rules of the House probably as well as anyone in the House, and he knows that this incident happened back in September and there has been ample opportunity to consider this.

An hon. member: Two days ago.

Mr. Riis: Two days ago, my apologies. Mr. Speaker, first of all, this is a matter that ought to have been raised in the Senate. There are Conservatives in the Senate. If there were privileges that were breached, they would have been senatorial privileges. I say to my hon. friend, the Deputy Prime Minister, that if he was serious in seeking unanimous consent to deal with this issue, there is a procedure that we always follow. He knows the procedure—he has been part of it for many, many years—where a discussion would have taken place and we would have sought to discuss this in a serious say.

The motion is debatable and we would have set aside, presumably, time today during the government's agenda to debate this important issue. If the Deputy Prime Minister is interested, we are prepared at the House Leaders meeting that will take place momentarily to

discuss whether this is the appropriate place for this question to be raised and whether this is the time.

• (1520)

Mr. Mazankowski: Mr. Speaker, just briefly on that point. I had intended to make that comment. This has just been drawn to my attention and I have raised it at the earliest possible time.

I would say, Mr. Speaker, that given the fact that the motion has just been presented, if members across the way want some time to deliberate on it, we would certainly be pleased to give them that time and it could be discussed at a House leaders' meeting. We would be prepared to debate it and we would be prepared to vote on it.

I thank the hon. member for his submission.

[*Translation*]

Right Hon. Brian Mulroney (Prime Minister): Apparently, Mr. Speaker, my friend the hon. member for Ottawa—Vanier is suggesting that the privileges of a member may have been breached by the statement made by Senator Hébert last Sunday night—hardly 48 hours ago—on the TVA network.

And the hon. member for Hamilton East takes the Deputy Prime Minister to task for using a translation. I have always thought that, unilingual or bilingual, English- or French-speaking, all members of the House of Commons are full-fledged citizens.

Some hon. members: Hear, hear.

Mr. Mulroney: When it comes to national unity, I should think that the Deputy Prime Minister's record is second to none.

As to Senator Hébert's statement, Mr. Speaker, allow me to quote him because he did refer to me personally: "Either we will block it, and this is what we wanted to do until Mr. Mulroney, forgetting all conventions—" Listen to the statement of Senator Hébert: "Mr. Mulroney, forgetting all conventions, bribed the Queen—I would not know how—to appoint—" The interviewer interrupted him: "Senator, what you have just said, 'the Prime Minister bribed the Queen', is a very serious statement on the part of a senator". Senator Hébert: "Do you see the danger inherent in live programming? Nothing can be changed. However, what is true and what surprised me the morning after the eight appointments is that I did not see anything in the press about a heavy tax burden being imposed on Canadians thanks to the co-operation of the Queen, the Queen of England. That would have been some headline".

What he said was that the Prime Minister of Canada bribed the Queen, whom he insulted by calling her the Queen of England when she also happens to be the Queen of Canada, the Queen of all Canadians. And if the Liberals had the least bit of common sense—

[*English*]

—they would call in Senator Hébert and they would kick him out of the Liberal caucus right away for what he just said.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): On a point of order, Mr. Speaker. Would you please tell this House what procedure is being followed at this time? Is this part of the debate on the motion? I would like to know because many of my colleagues want to participate in that debate.

I will however remind this House, Mr. Speaker, that, in *Beauchesne's*, 6th edition, Comment no. 19 simply states that:

> Statements made outside the House by a Member may not be used as the basis for a question of privilege.

Mr. Speaker, Senators or Members, it is all the same thing. So, it is our opinion that a statement made outside the House should not be the subject of a question of privilege.

[*English*]

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, on the point of order that has been raised, I think it should be clear to you and clear to all members that what is being debated here today is not whether or not an insult was offered to Her Majesty, the Queen.

It is clear from the comments as attributed to Senator Hébert that a statement was made. It is equally clear there was no serious suggestion whatsoever that either

the Prime Minister offered abroad or that Her Majesty the Queen accepted abroad. That is clear.

What is equally clear and what is shameful—and let me say that I have as much affection for Her Majesty the Queen as any member of this House—is the partisan attempt participated in by no less than the Prime Minister himself to divert the attention of Canada from the GST by dragging the Queen into this debate. That is shocking and shameful.

I suggest if we are to be serious here about our responsibilities and serious about any kind of concept of respect for the sovereign that the Prime Minister, followed by the Deputy Prime Minister, would apologize for the shameless spectacle today.

Mr. Mulroney: Mr. Speaker, I have a brief point in regard to the question raised by my hon. friend about dragging the Queen in.

On Wednesday of last week, the member for Humber—St. Barbe—Baie Verte who just spoke said: "I asked the Deputy Prime Minister: Why has the Prime Minister of Canada deliberately misled the Queen of Canada about paralysis in the Senate?"

A final point. My hon. friend expresses his affection and respect for Her Majesty the Queen and I have no doubt about the sincerity of his commitment whatsoever. I think the evidence of that should be that he should join all members of the House in asking Senator Hébert to immediately repudiate an offensive and unacceptable statement about Her Majesty that this party and this government will not allow to stand.

Mr. Speaker: The hon. member for Shefford is seeking the floor. I understand the hon. member has a matter to raise which is not the one that is presently before the House.

I am going to exercise the prerogative of the Chair, and I am going to advise the House that it is important that we understand where we are.

What is in front of the House right now is a request put forward by the Deputy Prime Minister asking unanimous consent for a motion.

The hon. member for Ottawa—Vanier is probably right. There is some doubt in my mind as to whether, given all the circumstances, there is necessarily a breach of privilege here. I do not have to decide that.

The hon. member is absolutely right in saying that that is another argument. Procedurally, we have a request from the government for unanimous consent on the motion that was read out. That is the position.

I have allowed some comment, but I do not think that I am allowed or ought to extend the debate for the rest of the afternoon on this matter.

The House has heard the motion. Is there unanimous agreement?

Some hon. members: Agreed.

Some hon. members: No.

[*Translation*]

M. Lapierre (Shefford): Mr. Speaker, I prefer to wait until there is order.

[*English*]

Mr. Speaker: I have recognized the hon. member for Shefford on a question of privilege.

[*Translation*]

COMMENTS ALLEGEDLY MADE BY THE MEMBER FOR BURIN—ST-GEORGE'S

Hon. Jean Lapierre (Shefford): Mr. Speaker, if you can hear me— This morning, I heard the member for Burin—St-George's make frankly offensive remarks concerning some of us, but I would like to reserve the right to check the transcripts of the debate and comment on this question of privilege tomorrow.

• (1530)

[*English*]

Mr. Speaker: I take it that the hon. member has given notice.

[*Translation*]

I have been given notice. Tomorrow maybe.

[*English*]

REMARKS BY SENATOR

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, regarding the point of order on which the Deputy Prime Minister stood, I was trying to get the Speaker's attention to make an intervention.

I am asking for instructions from the Chair, not necessarily in terms of the substance of its ruling. Why it is that members opposite, particularly the right hon. Prime Minister and the Deputy Prime Minister are allowed or seem to have the right to stand in their place not to make comments but to make very lengthy

speeches. While they were in their place, Mr. Speaker, I suggest to you—and I look for your guidance in this matter—that they have cast aspersions upon all hon. members, particularly within my own party.

It is rather interesting to note that when the Deputy Prime Minister raised in his place this very, very important point of order—and he talked about certain comments made by an hon. member in the other House—I did not hear the hon. Deputy Prime Minister or the right hon. Prime Minister, at any time inside or outside this Chamber, stand in their place and defend Her Majesty the Queen when hon. members in the back row were renouncing their oath to the Queen. Where was the Deputy Prime Minister? I have never seen such hypocrisy, such two-faced—

Mr. Speaker: The hon. member for Cape Breton—East Richmond has made a point. I do not think it is a point of order and it is not a point of privilege,but he has made a point.

Mr. Dingwall: My question in terms of seeking direction from the Chair is the following: Why is the appearance allowed to go on and unchecked for members opposite, particularly the right hon. Prime Minister and the Deputy Prime Minister, not only to make comments but to make speeches and to lecture those of us on this side and on that side of the House, and we are not allowed to have similar rights in order to respond to the most deceitful arguments ever.

Mr. Speaker: The hon. member for Ottawa—Vanier did have the floor, and extensively, on behalf of the Liberal Party.

The hon. member for Hamilton East on a point of order.

Ms. Sheila Copps (Hamilton East): I rise on a point of privilege, Mr. Speaker.

The Prime Minister, in developing his strategy to save his doomed GST here in the House, suggested that I was criticizing the Deputy Prime Minister for raising a point about the Queen in English. He beat his breast and made a wonderful extemporaneous speech about a person is a Canadian in any language, leaving the impression that I somehow felt one language was better or worse than the other.

[*Translation*]

I want to point out, Mr. Speaker, that the difficulty I have with the prime minister's point of view is that he was perfectly prepared to get very close to the Queen in the English language, but not in French.

The point is not the choice of language, but—

Mr. Speaker: The hon. member may have a complaint, but this is clearly a matter for debate.

If there is a question of privilege, it is very difficult for the Chair to find one in this exchange.

[*English*]

Mr. John Nunziata (York South—Weston): Mr. Speaker, it seems to me what we have been subjected to as members of Parliament in the House is an abuse of the rules of the House by the Deputy Prime Minister and the Prime Minister to further their own political agenda.

Yesterday, during Question Period my colleague, the member for York Centre, began to make a statement about Senator Pat Carney concerning her statement about another senator, Senator Con DiNino. Before he was able to complete his statement—

Mr. Speaker: It is true that I interrupted the hon. member. There was also an exchange afterward. If the hon. member is raising that particular incident of another day as a question of privilege or a point of order then perhaps I ought to hear it. It seemed to me that the matter was settled and I indicated that I may very well have interrupted the hon. member more rapidly than I should have, but that is the end of the issue. Otherwise,it just becomes a reargument about whether or not the Speaker made an error. If I made an error, I made it. I cannot undo that, but I do not think it is appropriate to be raising that again today.

With respect to what happened this afternoon, I tried to make it very clear. One can argue about the issue and there is lots of argument about it, as is obvious, but basically what happened is that consent was asked for a motion and consent was not given. That is the procedural situation, and I tried to be as even-handed as I could be.

The hon. member for Ottawa—Vanier.

Mr. Nunziata: If I may finish—

Mr. Speaker: The hon. member for York South—Weston.

Mr. Nunziata: Mr. Speaker, I am not criticizing your ruling, Sir. I am criticizing and asking you to take into consideration the hypocrisy and the double standard of the—

Mr. Speaker: Whatever the hon. member's complaint may be, if he rises now he can rise on a question of privilege, if there is one, or he can rise on a point of order but not on a matter of debate. I am prepared to discuss with all hon. members, and especially the hon. member for York South—Weston, if there are errors made or if there is a better way to do things in here. I would be only too pleased to try to do that, but I do think I have to recognize a senior member here, the hon. member for Ottawa—Vanier, and then I will recognize the hon. member for Kamloops.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, traditionally, when a minister or the Prime Minister reads a document in the House or reports what was said by someone, they have an obligation to lay the document on the Table. In his comments, the Prime Minister mentioned that Senator Hébert said such and such. I understand that at the end of the interview, Senator Hébert apologized. I think that for the purposes of this debate, hon. members should know the conclusion and in fact the contents of the entire interview. I would therefore ask the Prime Minister and his parliamentary secretary whether they could give us the complete text, without any—

Mrs. Finestone: Embellishments!

Mr. Gauthier: —without any embellishments or omissions and table the document in the House so that everyone can read it.

[*English*]

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, in the absence of the Prime Minister, I will relay the message and concern of the hon. member, and we will do our best to comply.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, earlier today we witnessed some very unfortunate, nasty remarks being hurled back and forth across the aisle. I simply want to raise this point of order that on October 1, reading from *Hansard*, Mr. Speaker, you admonished members in terms of the way they were accusing other members in this House and in other places of doing various things. You said, Mr. Speaker, at page 13609 of *Hansard* for October 1, and I quote:

> No member shall speak disrespectfully of the Sovereign, nor of any of the Royal Family, nor of the Governor General or the person administering the Government of Canada; nor use offensive words against either House, or against any Member thereof.

I think my hon. colleagues were making the point that what the Prime Minister had to say about the hon. senator was anything but honourable in terms of the words which quite frankly were very offensive in terms of the allegations levied against the hon. senator.

• (1540)

I simply want to say that if this was used for admonishment of members of the House a few days back, I think the same thing could be done to the Prime Minister of Canada today.

Mr. Cooper: Mr. Speaker, I know that you had asked for unanimous consent. I would have thought that the issue would have died several minutes ago. However, the debate continues and I cannot let that ride.

It is very clear that what both the Deputy Prime Minister and Prime Minister were doing was not calling into question Mr. Hébert or his reputation or anything of the hon. member in the Senate. What they were doing was calling to the attention of the House words that were spoken that had a very serious reflection and implication on the Queen. It had nothing to do with the member himself, but rather his words, and I think that is the true form of debate that all of us should be considering and acting upon.

Mr. Dingwall: Mr. Speaker, I think the hon. parliamentary secretary has a very selective memory. We all heard with great fanfare the quote to which the Prime Minister referred, but the Prime Minister went beyond the quote as all hon. members who were here could hear and of course could see. He went beyond that.

In his description as to what should be done with the hon. member in the other place, I think it was quite clear that in the provisions of Standing Order 18 there was indeed a breach of that particular standing order.

I am glad the hon. member would perhaps now want to agree with me that we should leave that to the direction of the Chair so that the Chair can perhaps reflect on what has transpired and also have an opportunity to review the "blues" to see whether or not in point of fact the Chair can see a prima facie case there that would amount to being a breach of Standing Order 18, with

which all members including the Prime Minister must comply.

I would hope, Mr. Speaker, that you would take that under advisement and at the appropriate time report to the House.

Mr. Speaker: I thank the hon. member. I certainly will consider very carefully the comments that were made. If it is appropriate to report back to the House, I shall.

I must also say that I always depend on hon. members for help and guidance along the way. I appreciate the hon. member's comments.

I have a question of privilege of which I have notice arising out of these matters. I really think I must move to it. The hon. member for Mégantic—Compton—Stanstead.

* * *

[*Translation*]

PRIVILEGE

COMMENTS ALLEGEDLY MADE BY MEMBER FOR CAPE BRETON—EAST RICHMOND

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, during the debate that just took place, the hon. member for Cape Breton—East Richmond referred to the members sitting in this row, all of whom belong to the Bloc Québécois, and claimed they had renounced their oath of allegiance to the Queen.

I say the hon. member had no right to make these comments which may have various implications. It is a very serious matter to claim that someone did not keep his oath. As I see it, Mr. Speaker, there is a big difference between someone who does not believe in the constitutional monarchy and someone who believes that Quebecers and Canadians in general would prefer to change the system in a constitutional manner. I don't think this is renouncing one's oath. If we want to change democratically what we consider to be an anachronism and a mere symbol, I think we have a right to do so, while preserving our full allegiance to the people of Quebec and our constituents.

Mr. Speaker, I just wanted to mention this because it has come up several times since the House resumed sitting. I would therefore ask the Chair to take a position on this matter immediately and ask the hon. member to withdraw his comments. If not, he should be expelled from this House because he is the one who, by making such remarks, will disrupt for a long time the business of the House.

We come here in a spirit of cooperation to put forward our ideas and that of the Quebecers who are our constituents and, under no circumstance, will we allow a member of this House—and we urge the Chair to help us—suggest that we reneged on our allegiance in any way.

It is not to renege to ask for constitutional reform, for one thing, and , at the same time, that the Queen of Canada be replaced by the people of Canada. That stands to reason and I think that even the Queen would agree on that point.

In any event, Mr. Speaker, I would say that the Queen was particularly embarassed, as were all Canadians and Quebecers, when the prime minister went and made her the request he made.

I ask you to support us, Mr. Speaker, by requesting from the member for Cape Breton—East Richmond to apologize to this House and to take back what he said.

[*English*]

Mr. Speaker: The hon. member may reply.

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, it is rather ironic that we would have a member who professes in one statement to be a member of a group that wishes to be a party in this House, and on the other hand he says very clearly that they have taken their oath of allegiance and their oath of allegiance is now to the Queen, when in point of fact—

Mr. Barrett: Point of order.

Mr. Speaker: The hon. member on a point of order.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, to what particular motion are we speaking? What order are we dealing with? What is the point we are dealing with?

Mr. Speaker: Perhaps I could help the hon. member. I heard others crying for help too.

The hon. member for Mégantic—Compton—Stanstead rose just a few minutes ago on a question of privilege. That is what I am hearing. As I understand the argument, he takes offence to something somebody else has said and feels that his privileges have been breached. I have been listening to the hon. member for Cape Breton—East Richmond in reply. That is where we are at the moment. I thank the hon. member for giving me an opportunity to clarify the matter.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my contention that there is no breach of privilege. The member has not established a prima facie case. I find it rather peculiar that in public statements in the newspapers, they portray a particular oath, if you will, or allegiance to the Province of Quebec. Now when someone questions questions their oath with regard to allegiance to Her Majesty the Queen, they wish to take issue with that.

Mr. Speaker, I do not believe there is any point of privilege whatsoever.

Mr. Speaker: The hon. member for York South—Weston.

Mr. John Nunziata (York South—Weston): Mr. Speaker, I have received a considerable number of letters, and I am sure you have, on the subject of the oath of allegiance that each member is required to swear before taking his or her seat in the House of Commons. At some point, Sir, you will be called upon—and presumably this is the time, given the hon. member's point of privilege—for you to rule on what it means. What exactly does the oath of allegiance mean?

A member of this House was elected as a Bloc Quebecois member. He was quoted as saying in the press that the oath of allegiance that we swear was a mere technicality.

A ceremony took place in the city of Hull several weeks ago where the hon. member said to Canadians from one end of the country to another that he was washing his hands of the oath of allegiance that he swore, that each and every one of us swore, to the Queen of Canada and that his allegiance was to the Province of Quebec. That is fair enough.

Mr. Speaker, you will be required at some point to determine whether some hon. members in this House breached that particular oath of allegiance. If it is a mere technicality, then it has to be clearly specified in a ruling of the Chair. I believe that our oath of allegiance is more than a mere technicality. We are pledging allegiance to Canada. I would ask you, Sir, to rule that our responsibility as federal members of Parliament is to be loyal to Canada, loyal to a strong and united country.

• (1550)

Mr. Speaker: The hon. member has risen on a question of privilege. He was really rising on a point of order. I may or may not have to deal with that now or at some other time. Of course I can always hear that matter if it is required.

At the moment I have a simple, direct issue arising from the exchange. The hon. member has said that what was said by another hon. member is a breach of his privileges. I will consider that. I will look carefully at the "blues" and I will come back to the House.

On the other issue of the oath, it may well be that that matter could come in front of the Speaker. It may not be appropriate for the Speaker to rule on that but certainly I cannot deal with that on this particular point of privilege. I have to deal with that as I have heard it.

The hon. member for York South—Weston on a point of privilege.

Mr. Nunziata: Mr. Speaker, I will put the question right now. I will raise it as a personal point of privilege, asking you as the Speaker of the House of Commons—

Mr. Speaker: I know what the hon. member wishes to do but I would ask him to give me written notice as he would ordinarily do, because I am also bound by the rules. I take it I will be expecting to have written notice from the hon. member.

The hon. member for Sherbrooke.

[*Translation*]

COMMENTS ALLEGEDLY MADE BY MEMBER FOR HAMILTON EAST

Hon. Jean J. Charest (Sherbrooke): Mr. Speaker, I too rise on a question of privilege which does not relate to that raised by my colleagues earlier today. I do so with some hesitation because I know you have already dealt

with a number of questions of privilege, but there was an incident in the House today and I do not think I can let it go unnoticed. I am referring to the remarks of the hon. member for Hamilton East who, unfortunately, is not in the House as I speak. First, Mr. Speaker, may I say that I do not expect you to rule on my question of privilege today, for I think the hon. member should be given the opportunity to respond.

Unless I am mistaken, Mr. Speaker, when the Deputy Prime Minister and President of the Privy Council was addressing the House the hon. member for Hamilton East, from her seat in the House, criticized him for not speaking in French. Other members will confirm this. Indeed, the hon. member for Shefford indicates that he too heard the same remarks. I would not want to put words in her mouth, Mr. Speaker, so perhaps we might wait until we get *Hansard* to find out exactly what she said. But I want to raise the issue for the following reason: in Canada, unless the rules have been changed recently, as far as I know members of this House have the right to speak English or French, and nobody is allowed to criticize them for their choice of language.

I raise the point today, Mr. Speaker, not only as a member of this House but also as a French-speaking citizen because as such I reject this approach and I would not want anybody here or elsewhere in my country to criticize me for speaking French or to request that I speak English when I have every right to speak French. Mr. Speaker, nor would I want my children to be criticized for the same thing some day. For this reason, Mr. Speaker, I would ask you to review *Hansard* or what we call the "blues" and to give us a ruling on this matter.

[*English*]

Mr. Speaker: Perhaps after the hon. member has seen *Hansard* it may or may not be necessary to pursue the matter any further. In any event, I would ask hon. members not to pursue it any further, especially because the hon. member for Hamilton East is not here. If the matter should be pursued further, I will of course receive a notice of a question of privilege and it will be heard some time tomorrow.

Orders of the day.

GOVERNMENT ORDERS

[*English*]

FISHERIES ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Valcourt that Bill C-74, an act to amend the Fisheries Act and to amend the Criminal Code in consequence thereof be read the second time and referred to a legislative committee.

The Acting Speaker (Mr. Paproski): Before I recognize the hon. member for South West Nova, it is my duty pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Restigouche—Chaleur—Forestry; the hon. member for Mackenzie—Agriculture.

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I rise to take part in the debate on this bill. The amendments introduced last June by the Minister of Fisheries increase the penalties for fishermen who are caught in certain violations of the act.

I realize that matters other than the debate may be most interesting down in that end, but there are other people in Canada who want to get on with the debate on this particular bill.

This bill shows the Canadian people just how bad this government has failed in its fishery policy. The minister, when he spoke on the bill last June, told us of the clear measures that will be taken by the government. He said:

> —unless the government takes clear measures to show its intention to conserve and rebuild these stocks, they will be out.

In other words, knowing that these measures will come about, this would be a reason to conserve and restore the stocks. I will get back to that in a minute. He goes on to say:

> We are going to be the country which will have the more stringent fines for fishing violations. It just shows how important we see this issue to be.

In other words, he does not talk about this being a country that has a great resource, or that we have to develop this resource within Canada and have incentives that apply to all sectors of the fishery. He says that no,

we are going to penalize the fishery. We are going to penalize who, Mr. Speaker? Who do we penalize in this?

I say that most of the present surveillance effort is concentrated on the inshore sector. The new enforcement provided in the adjustment program announced earlier is directed toward the inshore sector as well. It is the inshore sector that gets it again.

It stands to reason that those who will be caught overwhelmingly will be from the inshore sector. And why is that? Because our fishery in Canada has been an inshore fishery and has progressed to the point of being a very efficient inshore fishery. We just have to look at the subsidies which the government has handed out in the last year. They have been to the offshore sector of the fishery to help boost it, contrary to the free trade agreement. We should be self-sufficient in selling into the U.S. First of all, we subsidized National Sea on the northern cod, and more recently in the Seafreez deal where we paid off the loans of Canso and Burgeo that were outstanding for National Sea Products.

We have an efficient inshore fishery. We have an inefficient offshore fishery, and now we are going to bring in stiffer penalties. Who are they going to affect? Well, the bulk of the people are in the inshore fishery. So, the people in P.E.I. who violate part of the Fisheries Act or the small herring fishermen somewhere else who violate the Fisheries Act are going to be affected more by these amendments. I will speak of these penalties in a minute.

• (1600)

With regard to conservation, there are no solutions to conservation from the government by having stiffer penalties. I want to say why it is going to affect again the inshore, because in the past we have not been able to enforce the existing provisions for defying the Fisheries Act against the offshore sector or against the foreigners within our waters.

We do not have the power to do it, number one, because if we are talking about the Americans, they go quickly over the Georges Bank area and quickly get back into their own waters, away from any Canadian enforcement, if we had the capacity even to chase them. We have seen in the past that we do not really have that much capacity.

We do not enforce it in the same way against the foreigners who may get over. This morning, we heard my colleague from Gander—Grand Falls talking about the foreigners having overcaught their resources, but they are not penalized in the same way that an inshore dragger fisherman is when caught overfishing, and not on purpose, but in the abundance of the sea. Then, the vessel will be penalized if it has either to dump it or to bring it in.

We do not talk about the fact that it is that inshore fisherman who goes out every day. He is his own operator of the boat. He owns the boat, operates it, and is the one who is going to be affected.

We do not talk about the few big companies that are going to pay the penalties in the offshore for those fishermen who may have overfished. I find it quite offensive that the act will not differentiate between a violation within the inshore where it is owner operated for the most part, a violation in the offshore which is company operated, and a violation by the foreign fleet which is country operated for the most part. The heaviest burden is going to be on the inshore sector.

The minister hopes that bringing in stiffer penalties is going to provide for better conservation and restoring of the stocks. He does not talk about the dumping that has had to be done because of the poor conservation policy that the government has had in the past in the inshore fishery.

He does not talk about poor biological data that allows a place like the Bay of Fundy to have an abundance of fish and yet the department does not have the willingness to recognize this and allow the fishermen to fish there in a greater number this year.

The minister does not talk about having caught people who perhaps were transferring fish at sea, or dumping by the foreign fleet. He does not talk about providing better biological data.

Certainly, the fishermen would have a lot to tell him if this Minister of Fisheries and Oceans would listen. One of the reasons that this bill is so bad is that he has not consulted the various fishing groups or the various associations. Again, it is as the government always does: "Do it our way or no way". It is either "do it" or "suffer the consequences". We have seen this all summer. We have seen it in the fishery in the past. Once again, with this bill, we are seeing that it will be their way or no way.

I cannot believe that he could not have at least have presented the proposals in the bill to the fishing industry.

Another aspect about this bill is that it is bad. It is not going to help us with the Americans. Last week, we heard the Minister for International Trade say the government had reached a comprehensive enforcement agreement with the U.S. government in order to penalize the American fisherman who comes over into the Canadian side of the Georges Bank area. Their penalties will have increased.

None of us who have seen the fishery and had dealings with the United States know that there is a fair game in place. The President may say that he will attempt to have this passed by Congress, but there are the eastern seaboard states to consider. Those states have to give up their right to have jurisdiction over enforcement of the fishery. They have to delegate it to their federal government. At no time in the past, whether it was lobster when the Prime Minister said he would talk to President Bush, whether it was on the line of the Georges Bank dispute, or at any other time in the history with which I have been involved, have I seen the Americans give in to Canada when it related to the fishery.

I read in a newspaper that a federal Department of Fisheries spokesman said last Saturday that the tonnage that they catch is hard to estimate but cannot even come up to prosecuting the amount of fish that goes across that imaginary border, or that line that looks like a line but the Americans seem to be able to violate it at will. They just take millions of dollars without Canada being able to enforce our rules against the U.S.

Last week the Minister for International Trade said that they were hoping to see the fine go up on the U.S. side from $10,000 to $100,000, which almost matches what we have here before us in this bill.

I know I do not have a lot of time to speak on this, but I want to say that we have not got a good record in prosecuting the Americans. We have not got a good record in halting foreign overfishing in our waters. Personally, I do not think that we have had a very good record in going after the offshore for some of the overfishing that they have done. However, I do feel that this bill is not going to help to go after those sectors that I feel are offending our fishing rights within our 200-mile limit. I say that because I know that the government has slanted its policy toward what is big and not the benefit of what is small.

Another area in this bill that is just ridiculous is section 61 regarding information returned. This bill will impose red tape on the small inshore fishermen in Quebec, New Brunswick, P.E.I., Newfoundland, Nova Scotia and on the west coast. Just listen to this, Mr. Speaker. A person referred to in section 61(1), that is an ordinary little fishermen in a 45-foot boat going out to fish, may be required to provide information or to keep records or other documents relating to any of the following matters: the number of fish, the sex of the fish, the size of the fish, the weight of the fish, the species, the product form, value or other particulars of any fish caught, cultured, processed, transported, sold, or purchased.

Now, you tell me, Mr. Speaker, how the ordinary fisherman is supposed to take the fish out of the water, weigh it, look at the sex, look at the size, see what the species is, as the lines are going and other fish are coming out of the water. I do not know what the government thinks or what the burden is that they want to put on the fishermen, but the red tape that this particular section puts on the inshore fishery with is so ridiculous it does not bear talking about, but it is in the bill.

• (1610)

I cannot believe that this minister thinks that this will provide for the conservation and restoration of the stocks. This minister would be much better advised by his officials if he went dealt with the efficiency of the inshore and said: "Can we not get rid of the foreigners in our waters and fish under-utilized?" But, no, today the headlines of *The Province*, the C section of *The Chronicle-Herald* states: "Valcourt Sticks by Canso Deal". Mr. Valcourt said: "Silver hake and capelin have not been caught successfully to any extent by Canadian vessels."

Give us a deal. Give us a deal like the Minister of Fisheries gave out a month ago and I will retire from politics and trade the under-utilized species. I can certainly see trading under-utilized species or bartering. Give me an under-utilized species quota like you gave that company, and give every Canadian that.

But the government has never offered that to Canadian fishermen. In fact, it has not even listened to Canadian fishermen or the processors who on this appear to be together. The Fisheries Council of Canada and others are all saying that what the minister did with this deal is changed the playing-field. He changed it altogether. He said that nobody is against Canso and

Burgeo. That is such a false argument. I have maintained that if the boats are given to Canso and Burgeo, they will survive because the boats will land the fish there. I have maintained that if the fishermen are given the amount of money that cancels their debts and to go out and equip themselves for the under-utilized species, we would all be fishing. If the amount of money in guarantees and loans given out in this deal was given to plants, they would also be able to fish, process, market, and keep the jobs here in Canada, as well as giving it away to other countries.

My colleague said this morning that we do not go into the other countries' waters. Since 1977 and the declaration of the 200-mile limit, we are the only country that is not fully utilizing a resource that is at its doorstep when there are thousands of individuals without work in the Atlantic provinces. We do not give those individuals the deals. We give it to one or two people. We give it to the big guy. We give it to the National Sea's or we give it to the Seafreez's. I do not think we give it to the people of Canso and Burgeo. If we did, we would be doing it for everybody. You do not change the playing-field by giving some people free fish while others have to go out and buy it.

I cannot believe that the government, is slanted in one direction and one direction only. That is what pleases it and it does not care about the rest of Canada. The government does not care about the little people. It does not care about an inshore fishery that has provided jobs and work for many people on the east coast. This is an example of that type of legislation.

We have asked for good biological studies. The government has said no. We have asked and presented plans to the government. I am not talking about northern cod but in relation to the southern part of Nova Scotia.

We have asked that, rather than cut back and have only one word in his vocabulary, capacity—over-capacity as stated in the Hâché report—why did he not listen to all the other responsible people in the fishery as to what they could have done to solve the problem? But, no, he has to do it his way, or as the government says it, "my way or no way". I think it is almost a song now in Canada. One either does it their way or it is no way.

We just saw the effect of it last week when we got eight new senators because the government did not want to play the game of Parliament. It is just my way or no way.

I know my time is short, Mr. Speaker, and I just want to say that at one point the minister said something and I challenge him. I challenge the minister when he says: "This is why it is proposed in the bill that for these offences the current maximum of $5,000 be increased to $100,000 on summary conviction and $500,000 on indictment". That is a drastic increase. He said: "Those who choose to violate the Fisheries Act and jeopardize the future of fishermen in Atlantic Canada as well as the Pacific coast, those who choose to take the livelihoods away from the kids". He may think he is taking the livelihoods away from the kids, but he is taking the livelihoods away from thousands of fishermen. He said: "Those who take the livelihoods away from the kids in Atlantic Canada who may become fishermen and some of them will, they will pay for it." They being the thousands of inshore fishermen.

This bill should allow that for an offshore offence the penalty should be so much greater because it is a much bigger enterprise, and that foreigners caught in our waters which are part of a big enterprise and freezer factory ships should be penalized more heavely. Why does he have to lump the inshore with the foreigners who are overfishing with the offshore who are not? In my view, it is only a company that is going to pay for it and some of them are being subsidized by the government.

The Americans who have been overfishing have been overfishing to the tune of thousands of tonnes of fish on Georges Bank and we cannot prosecute them. The enforcement is valueless until it is agreed to by the U.S. government and that means getting the east coast states to agree to it. This bill is bad legislation. It is slanted against the inshore fishery without, in my view, due justification because they want to conserve and restore the stocks. There are many other ways, if the minister would only listen, as to how you could conserve and restore the stocks in Atlantic Canada in the inshore fishery without having a bill—and I am not against the

penalties being increased for true violations—that does not discriminate between violators that are inshore, offshore, foreigners or American.

Mr. Ross Reid (St. John's East): Mr. Speaker, I will try to be very brief. I just want to correct a few things that have been said and point out a couple of things because I think it would be unfortunate to leave some of the impressions that are out there.

First of all, if I may comment on Canso. I cannot recall how many weeks it was in this House that the opposition called for a solution to the problem at Canso. This government, in co-operation with a couple of small fish companies, was able, with the support of the government of Nova Scotia, the unions and the community of Canso, put together a deal that has not only saved that community but I suggest, it saved Burgeo as well. If you want to tell Bill Barry, a little fellow from Curling, Newfoundland, he is a big corporate company, I am sure he would be delighted. I am sure he lies in bed at night dreaming about the day that he is a corporate giant, but it is not the case right now.

If we can take underutilized species and be creative, as we have tried in the past to do, as we are spending tens of millions of dollars today in trying to do, we can save fish plants and communities and to enhance our fishery. In the past, things like silver hake have not been taken up because they do not suit our markets, our consumers or our way of fishing. If we can have others who come in and participate in those fisheries, all the better, we might make some progress.

I have heard a couple of times the comment that we do not go into other people's waters. It is a long way to go to other people's waters, except the United States. The hon. member has no concept of economy. A country like Portugal and Spain can afford to come to Canada. First of all, they have no options. The Portuguese are also fishing off Mozambique, Angola and the Falkland Islands. They are a little south of the fishing grounds. Why? Because they have no choice. The efforts of this government, supported quite a bit by members of this House in trying to reduce overfishing, have been relatively successful.

• (1620)

There has been great co-operation from all parties in this House to try and bring to the attention of the Europeans the need for action. I would suggest the results of the last NAFO meeting have shown that there has been some success there.

With regard to this problem of the department taking advice from its scientists and advice from its officials, the advice that is taken by the government is based on scientific advice of the best professionals available. We increased the amount of money that we spent on science and northern cod last year by $30 million. Of the $584 million we put in to increase our ability to deal with the problems in the fishery, a huge amount of that was directed toward increased science, not just the northern cod stock, but in the gulf off South West Nova and other areas like that.

With regard to the comment about the Bay of Fundy, my hon. friend had better be very careful. What we have said is that we would take the responsibility of providing the best advice from professionals, not amateurs like politicians. It is not in the interest of the fishermen.

With reference to section 61, empowering the government to collection information, Dr. Harris in his report made it very clear that we needed more information, more knowledge. We have the power to do that in a number of areas. This action makes sure we can collect that information if we so desire and need it. It is in the interests of fishermen that we have that information.

The hon. member knows and I know well enough, that you cannot go in and say to inshore fishermen: "You must take the sex, weight, size and age of every fish before you do anything with it." Be sensible. That is ludicrous. We have programs whereby we bring scientists together with fishermen, at the union level, at the community level. We are saying to fishermen: "You are a little bit special because you are part of this program". We are giving them a designation. It has worked very, very well in New Brunswick. We are doing more of it.

In Newfoundland, Mr. Larry Cody, one of the best scientists in this government has been out dealing and meeting with fishermen, asking fishermen what they do and asking fishermen for their advice. The thought that we could go in or we would or could go in and go through what the hon. member has talked about is absolutely ludicrous.

There are many more points. I am sure my friend has a response, she always does. I am also interested in hearing from my hon. friend from British Columbia.

Mrs. Campbell (South West Nova): Mr. Speaker, I will only take a few minutes in case there are other people who want to ask me questions.

I would say, particularly on the subject of Canso, because I was a strong advocate in this House for Canso and Lockeport, that when you take the boats away from a community as was done by National Sea, you take away the whole livelihood of a community.

Mr. Reid: The boats are staying.

Ms. Campbell (South West Nova): Now the boats are going to stay in Canso. They have not gone back to Lockeport. All I am saying is that on top of that, you give those boats only the quota that National Sea thinks is fair. That is not what you are talking about. What was wrong in the Canso and Burgeo deal was that you changed the playing field. You gave them underutilized species that they could trade for stocks, barter with the Russians who are going to catch it and then you give them free fish to process and sell. Now most companies in Canada do not get a free product. That changed the playing-field.

I am just saying that when the Fisheries Council of Canada and the seafood producers of Nova Scotia and others all think this deal stinks, I have to agree with them. You are not helping Canso and Burgeo over the long run. When you cannot barter any more, how are you going to get the fish free?

The other thing I want to say is that countries like Spain and Portugal, or any other countries that fish here, foot the bill for the penalties in this act. The little fishermen in the inshore communities foot their own bills if they violate this act.

I say through the parliamentary secretary to the minister that the bill should make a difference. Whether it is a small fishing boat, an inshore or an offshore fishery, or a foreigner or an American the penalty—

Mr. Reid: The courts will do that.

Ms. Campbell (South West Nova): No, Mr. Speaker, the courts will only interpret what this Parliament puts into the legislation. A foreign country such as Portugal that supports its fishery and pays its penalty is not hurting the country. It is hurting the inshore. It is no way to improve conservation methods in this country or to restore stocks by having an attitude that will kill the inshore by heavy penalties rather than reversing and coming up with better policies. And on biological data in the Bay of Fundy, use the fishermen. They can tell you what is there. They can tell you that the foreigners should not be in the silver hake box next to the spawning grounds when they cannot go fishing.

The Acting Speaker (Mr. Paproski): Are there further questions or comments? On debate, the hon. member for Prince George—Bulkley Valley.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I am pleased to have this opportunity to be in the House and to speak today on Bill C-74, an act to amend the Fisheries Act and to amend the Criminal Code in consequence thereof, which was first read on June 6 and debated at second reading on June 19 and the debate that we are starting today.

I gather that the government had consultations yesterday about bringing this bill forward today and, although not planned, nevertheless we are prepared to participate fully in the debate in the House today, to make some comments about this legislation and about some of the changes that we feel can be identified in it and, obviously, to make comments about what to expect when this legislation makes its way into committee.

First of all, I want to just say to you, Mr. Speaker, that I want to thank my leader, the hon. member for Yukon. Following some recent appointments, I am now honoured to speak on fisheries issues as well as forestry issues. Why I think that that is a smart move on our leader's part is that if we are to truly develop a sustainable development policy for our environment and our resources in Canada, what we clearly have to do is pay careful attention to perhaps two of the most important resources there are in Canada right now, our forests and our fisheries.

I said in a statement yesterday, which I am sure you listened to carefully, Mr. Speaker, that the concerns I have about the policies of the present Conservative government and the Liberals, when they were in power and now in opposition, relate to farms, fish and forests, some of those basics in Canada that we come to rely on to make our livelihoods and also in which to recreate. I think the clear direction that our leader has given is going to develop the kind of policies and directions that I think will be in the forefront and the leading edge of

policy that is going to ensure the kind of renewable resource policy that we need in this country.

This bill, C–74, is a bill to amend the Fisheries Act which, interestingly, was likely one of the first pieces of legislation passed by Parliament after Confederation. The Fisheries Act, first passed in 1868, has given, generally, the legal authority to the Government of Canada to conserve and protect fish habitats and to control and manage Canada's fisheries. It has been amended 40 times since 1868, which gives an indication of the amount of time and importance that Parliament gives to our fisheries. It is interesting, as a side note, that a lot of the words we use about the fisheries resource are the same ones that we use in forestry in terms of developing a resource and the problems that we have there.

Let us take a look at some of the issues in this legislation and some of the concerns that we in this party have over the bill. Before I start, I should give some credit to the member for Nanaimo who was our fisheries critic and did a great deal of the important background work on this proposed legislation prior to my taking over the responsibility. I thank him for that because he is certainly well known in that field and has a great deal of knowledge. His will be some big shoes to fill and we will see how it goes.

This proposed legislation, Bill C–74, is primarily oriented toward increasing the fines levied against those who either fish illegally or contaminate or destroy fish habitats. This is essentially the purpose behind the proposed legislation.

• (1630)

There are also provisions which strengthen the ability of the Department of Fisheries and Oceans to gather the information necessary for the department to monitor fishing activity. It is one of the areas mentioned by the previous speaker. Clearly, when this legislation is before the committee, it is what we are going to have to take a look at in terms of the detail of that legislation and how it will impact on the small inshore operators.

In this context we are not opposed to this legislation. However, there are some very serious proposals which I will lay out in a number of points about this legislation that we will have to deal with in committee and in later debate.

First is the importance and need for public participation and debate in this legislation. I know the parliamentary secretary is listening carefully. I know he will enjoy, and I hope support, our proposal to have the committee travel when it deals with this legislation to have an opportunity to hear from people about this specific legislation and some of the proposals and changes that we will be proposing and making. Of course there will be changes that may come from the other parties as well. It is our intention to introduce those amendments and any others that are required either in committee or in the report stage of the legislation.

Let us take a look at the legislation. Basically it relates in a number of ways to what this government is trying to do in terms of *The Green Plan* which has not done well to date. I suppose at some point we will hear more from the Minister of the Environment as he tries to recover and gain some high ground with that plan. To date it has been considered by all to be a failure.

Two very important reports on the east coast fishery that have been debated and discussed in the fisheries committee and raised many times in the House are the Harris report on northern cod and the Haché report on the Scotia–Fundy groundfishery.

Perhaps I can add a certain west coast perspective to this bill at this point. There is a complete lack of any substantive background material on what this bill can do to try and crack down on polluters on the west coast. This is an indication of the government's failure to address the whole question of pollution from pulp mills and to try to clean up the Fraser River. There has been no serious attempt by this government. It is one of the shortcomings in the background material. We will be mentioning and referring to that later as we go.

The intent of the legislation is certainly laudable and one that I have said that we can support for that purpose. I put a question earlier today to a previous speaker. You can write all of these fine things into legislation or you can even put them into constitutions, but how can we be assured that those policies, laws, and rules are actually going to be followed up on and be acted upon?

Let me quote from a memo that came into the hands of the member for Skeena, our environment critic, about this particular point in relation to controlling polluters and obviously questions about overfishing by foreign countries on the east coast as well. I think it is an important message, not in a partisan sense, for the government to pay heed to and to ensure that it is implemented when we do pass this bill.

This memorandum and internal document from the Department of Fisheries and Oceans is quite shocking to read. I want to read it into the record anyway because it shows the problems we run into when there is complete collapse within a department of any serious intent to follow the legislation or to apply the law. I am quoting here:

> We (DFO officials) have determined that DFO friendly corporations—will enjoy relative immunity from the Fisheries Act.

The memo went on to state that:

> —it must be appreciated that DFO habitat enforcement has reached an all time high in inconsistency—

My friends from the east coast pointed that out in terms of the reference to foreign fishing fleets in this area and the treatment of large operations versus the smaller inshore operations. The memo goes on to say that because of the immunity phenomenon, a large number of violators are not being properly pursued. It continued:

> It would appear that Alcan—

And other operators:

> —are given immunity from the law and we are just getting after the little guy.

That is not a pamphlet from the New Democratic Party or anything like that. That is a memorandum and some advice being offered by officials within the Department of Fisheries and Oceans.

I would be most interested in any further debate, to hear from the parliamentary secretary or others on how we actually make sure that the laws that Parliament passes are actually applied and followed up on.

A second point that we have some concerns about is the proposed amendments contained in Bill C–74 which will bring the Fisheries Act into line with the penalties imposed on foreign fishing vessels caught operating or fishing illegally in Canadian waters under the provisions of the Coastal Fisheries Protection Act.

Under this act foreign fishing vessels caught operating illegally in Canadian waters face fines up to $500,000 and, if caught fishing illegally, the fine is up to a maximum of $750,000.

When the act I previously referred to was passed, the then member for Cowichan—Malahat—The Islands, Mr. Manly, raised the following points in debate which have become quite prophetic. I am quoting from page 2127 of *Hansard*, for December 15, 1986:

> —it is not enough for us to just raise the maximum fine. There has to be some way of getting the message through to the courts that they have to raise the level of fines they are imposing because in some parts of eastern Canada the courts are imposing very low fines when compared to the current maximum. If we are going to raise the maximum, we must send a message to our courts that international fisheries violations are serious enough that they should be considering imposing the maximum fines in a number of those cases.

Dr. Harris, in his final report on northern cod issued in February 1990, indicated that the warning given by Mr. Manly was not one listened to by the government. The provisions of the Coastal Fisheries Protection Act allow for severe penalties. However, and I am quoting from the report at page 127:

> In practice penalties have not even approached those levels. We cannot escape the feeling that the violation of fishery regulations—are regarded as mere peccadilloes; as if the whole matter of enforcement were a game.

I think members on the east coast have certainly brought much evidence before this House about those particular problems. Mr. Speaker, I know you are aware of all the newest reports from my province of British Columbia where the whole question of habitat damage, with which this bill is going to deal, is certainly going to be looked at very carefully.

One example that comes quickly to mind, which we raised in the House prior to our summer break, was the reference by a retired Department of Fisheries and Oceans official who at a public meeting felt comfortable in making the allegation, as he was no longer in the employ of the Department of Fisheries and Oceans, that he and other scientists had been pressured into coming up with decisions regarding the Kemano completion project in northern B.C., in part of my riding.

We will be pursuing that further, because there is an example of an official from the department who is making a clear allegation. I advised him of how serious his concerns were. We will be following up on those provisions because I think those are some of the issues that we are going to have to deal with when we are discussing Bill C–74.

The third point is actually referred to or mentioned in the release by the minister that the government is packaging this legislation as part of its response to deal with the crisis in the Atlantic fishery. Contained in the package was reference to the intention of Fisheries and Oceans to increase its surveillance and enforcement capability. DFO will increase its patrol capability by chartering additional offshore and inshore vessels.

• (1640)

Two issues are important here. The first is that there was no indication of the amount of funding which would be allocated for such an operation. Second, there is the concern on the issue of privatization.

The Department of Fisheries and Oceans has not just discovered the fact that it is not capable of providing the kind of coverage it is mandated to provide under the Fisheries Act. Another example is: you can have all the rules you want but if you do not have the staff or if you cut back the staff, then you are simply not going to be able to implement the rules of Parliament and very important conservation and habitat protection rules which this legislation is going to try to bring in that we will be reviewing in committee.

Another point is clause 12(1) which if passed will enable the federal government to institute a full surveillance program that would ultimately see every fishing vessel outfitted with a transponder device enabling DFO to monitor every movement of those vessels. On March 19, officials with DFO were saying that a pilot project was planned which would see up to 10 offshore vessels being outfitted with these devices. However, according to the director of Atlantic operations, before there could be any wider application of this program "there would have to be a lot of consultation with industry". The passage of Bill C–74 will turn a pilot project into a permanent legal requirement which may have to be accommodated regardless of consultation.

I would be interested in hearing from the government on the progress that may or may not have been made in that particular area and, if we are going to be implementing something in law now that we considered earlier at one time, doing it as a pilot project before it actually becomes law.

This is one of our concerns with respect to this legislation as well. Section 35(1) of the Fisheries Act reads:

> No person shall carry on any work or undertaking that results in the harmful alteration, disruption or destruction of fish habitat.

According to the material provided by the minister, the examples cited were where fish habitat is altered as a result of road or bridge construction. No reference is made to, for example, the technology used in the conducting of the offshore fishery during the spawning season.

This is a particularly important part of this legislation. If we work on this legislation to improve it, and if there is good will on the government side and we have an indication that these laws will be followed, the Fisheries Act can and should be a vital instrument in ensuring the quality of our water and the protection of our fisheries resource, be it on the east or west coast or in any particular area where Fisheries and Oceans has jurisdiction. In my particular riding with the headwaters of the Fraser River, with three pulp mills, and with our concerns about the pollution of the Fraser River, a lot has to be done.

Our party is in general support of this legislation, Bill C–74. We think it needs some work. We will see the legislation to committee. It is our view that the committee should travel to hear the views of others on this particular point. I am referring in part to the questions of habitat protection. Also it would give all of us an opportunity, myself included, to tour Atlantic Canada and hear the fisheries concerns in that part of the country as well. We look forward to that debate in committee.

Given some of the debate that has taken place in the House today and given the concerns and attitude of the government, I move:

> That this House do now adjourn.

The Acting Speaker (Mr. Paproski): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

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

The House divided on the motion, which was negatived on the following division:

(Division No. 294)

YEAS

Members

Axworthy (Saskatoon—Clark's Crossing)	Butland
Gardiner	Riis
Robinson	Rodriguez
Samson	Whittaker—8

NAYS

Members

Anderson	Andre
Assad	Bélair
Bouchard (Roberval)	Browes
Champagne (Champlain)	Comuzzi
Cooper	Côté
Danis	Dingwall
Fee	Flis
Fontaine	Fontana
Fretz	Gauthier
Halliday	Hawkes
Johnson	Joncas
MacAulay	MacDonald (Dartmouth)
MacDougall (Timiskaming)	McDougall (St. Paul's)
Mills	Pagtakhan
Rideout	Rompkey
Thacker	Tremblay (Lotbinière)
Venne	Vincent
Wappel	Weiner

Wilson (Swift Current—Maple Creek—Assiniboia)—37

• (1650)

[*Translation*]

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

[*English*]

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, it is an honour to participate in the debate today. I just wish I would have had a little more time to get my information together.

By bringing this bill forward the government has shown the same old attitude. It will deal with the fishermen of Canada only when it is good and ready, not when its actions are needed. It is their way or no way.

As a member of this House I have asked the Minister of Fisheries and his predecessor when we could expect an aid package for the fishermen of Atlantic Canada. The fishermen were suffering because of federal mismanagement of the fisheries. The minister knew of the situation. Still he waited and waited while the fishermen continued to suffer.

After six or seven months of questioning in the House and protests in the streets of Atlantic Canada, the minister finally decided to act. When the fisheries aid package was announced in May there was a lot of smoke and mirrors but not a lot of new money or new ideas on how to solve the fisheries crisis.

The Minister of Fisheries and Oceans failed to address some of the serious problems facing the Atlantic Canadian fishery. The problem of foreign overfishing was not addressed in the minister's band-aid package and it is not properly addressed in Bill C-74.

Overfishing by foreign fleets on the nose and tail of the Grand Banks is a serious problem. The federal government's inaction is causing the stocks to be destroyed. One of the recommendations of the Harris Panel on the Northern Cod was:

> That Canada should seek international agreement to permit its management of all fish stocks—and that failing achievement of this objective, Canada should take unilateral action to acquire management rights in accordance with the provisions of the Law of the Sea Convention.

Why was this recommendation not acted upon? When is the government going to wake up and realize the damage that is being done by foreign fleets?

Not only is this government not helping fishermen but it is adding to their burdens. For instance, section 61(2) of the bill states that fishermen shall be required to keep records of the number, sex, size, weight, species, product form or other information particulars on the product caught. Other information required includes the time and place of the landing, gear used and other types of equipment used. This is more information than the Cabinet ministers are required to give when they fly on their government jets.

The basic problem with this bill is not so much what it is, but it is what it is not. The government is using its blind-sighted attitude in dealing with problems in the fishery. As far as the government is concerned, extra fines with no enforcement guarantees will solve the problem. Once again, the government does not want to go to the heart of the problem because it is afraid of what it will find.

The Acting Speaker (Mr. Paproski): Questions or comments? Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): Mr. Valcourt, seconded by—the hon. member for Kamloops.

An hon. member: What's going on?

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I must say I had not intended to debate Bill C-74 today because the projected business of the House was Bill C-73.

Some hon. members: Order.

Mr. Riis: Now that we have changed this, allow me the opportunity to say a few words on these most important amendments to the Fisheries Act.

The Acting Speaker (Mr. Paproski): Order. The hon. government whip.

Mr. Hawkes: Mr. Speaker, we have a question of timing here. It was our understanding on this side of the House that the question had been called. Our observation was that the member who is now speaking was not in his place when that occurred. We are wondering whether or not the recognition of the word "debate" spoken from the back row is sufficient to continue the debate, or whether members have to be physically present in their place?

I am sure the House leader for the New Democrats would acknowledge that when the question was called, he was not in his place, but shouted "debate" from the back. I suggest this is not appropriate in terms of the way that we conduct our business.

The Acting Speaker (Mr. Paproski): The hon. member for Burnaby—Kingsway on a point of order.

Mr. Robinson: Mr. Speaker, just two points on a point of order. First of all, my understanding is that following a speech, there is an opportunity for questions and comments. I stand to be corrected, but I do not recall the Speaker giving members an opportunity for—

The Acting Speaker (Mr. Paproski): Oh yes, I did. I asked for questions or comments. I did not get questions or comments and then I asked for debate. As I asked for debate, the hon. member for Kamloops was coming down the aisle to speak. I recognized the hon. member for Kamloops, but I wish that you would not bring the Chair into this argument, please.

Does the hon. member for Shefford have a privilege or point of order?

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, I rise on a point of order, but from the moment you recognize a member— Unlike the government whip, you had not asked the real question at the time we were discussing in this House. Therefore, I compliment you for recognizing the member for Kamloops.

[*English*]

The Acting Speaker (Mr. Paproski): The hon. member for St. John's East on a point of order.

Mr. Reid: Mr. Speaker, I do not want to drag you into this any more than is necessary but you quite clearly said it has been moved by the hon. member for Madawaska—Victoria. I heard that quite clearly. My colleagues across the way agree.

The Acting Speaker (Mr. Paproski): I was just beginning to put the question. I said, "Mr. Valcourt, seconded by—" and the hon. member for Kamloops was walking into the Chamber. I was going to put the question, yes, but the hon. member for Kamloops, as many members do in this Chamber, walked in as he was ready to speak. Members do have 15 or 20 seconds to walk in from the back to the front and occasionally the Speaker does

recognize a member. In due course I will have to recognize the hon. member for Kamloops again, but I now call it five o'clock.

it being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CANADA LABOUR CODE

MEASURE TO AMEND

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia) moved that Bill C-250, an act to amend the Canada Labour Code (grain handling), be read the second time and referred to a legislation committee.

He said: Mr. Speaker, I welcome the opportunity to speak to this private member's initiative, which was brought forward on behalf of prairie grain producers who depend, in such large measure, on the export market to move their product.

Hon. members, I am sure, will know that domestic consumption of wheat in Canada amounts to, perhaps, 7 per cent of the crop insofar as human consumption is concerned and perhaps another 10 per cent is consumed by animals. In excess of 80 per cent of the wheat crop has to go to export.

Hon. members will also know that prairie farmers have been beset, over the past number of years, by serious drought and today they face a very debilitating export subsidy trade war between the European Economic Community and the United States. The history of this goes back some years. Back in the 1960s, the common agricultural policy of the European Economic Community brought forward massive subsidies which led to over-production of a number of agricultural commodities, including wheat. Thus, those countries moved from a position of being net importers to the point where they had surplus and, when they had surplus, they began to dump it on the world market.

For a time, the United States suffered the consequences and saw its share of the wheat market decline. But, in the early 1980s, it appears that the Americans had had enough in terms of their loss of market share and decided to enter into battle with the people in Europe. Of course, we all know the result of that. There has been a vicious crossfire in terms of export subsidies. Both of these agricultural superpowers have been prepared to make sales of various grains to importing countries in the rest of the world, at massively subsidized prices. In effect, they are giving away a bushel of wheat for every bushel that an importing nation is prepared to purchase. The result has been a collapse in the world grain prices and very difficult circumstances for Canadian producers. Clearly, it is a buyer's market and has been for some time.

We, in Canada, have a very massive grain handling and transportation system which has developed over many years. It is a system which moves the grain from the prairie farm to the grain elevators by rail, road, canal, river, and ultimately by sea. There are some 37 unions which are involved, we are told, in the handling and transportation of grain at some point in the system and, of course, there are a great number of employers, the railways, the elevator companies, the ports, and so on. Each and every one of these entities, management and labour alike, represents an important cog in the wheel or link in the chain which moves the grain from the prairie farms to export.

Any one of these cogs or links is capable of breaking down and causing a stoppage in that vital flow of grain. When that happens, when the collective bargaining process breaks down and the problems between labour and management are not capable of being resolved in the usual collective bargaining process, a strike or lock-out results.

The question then is, who bears the cost? Unfortunately, it is not the parties in the collective bargaining process. It is not the companies and it is not the workers. Regrettably, it is prairie farmers and ultimately the Canadian public because when the market-place is not working, and it certainly is not working at the present time, it is the Canadian public who has to support the agricultural community, in this particular case the prairie grain and oilseeds sector, through the Canadian treasury. Something in the order of $20 billion, over the past six years, has been paid out to that sector and, unfortunately, because of market conditions more will be required.

The point of this bill today is to try to focus on this problem. Both sides of the dispute, labour and manage-

ment, know that the movement of grain is an essential service. They know that if they fail in their collective bargaining process that the government has to come to the rescue. We go through this ritual dance virtually on an annual basis and the unions and the employers are content perpetuate this situation.

One then asks: How many days have to be lost? How many millions of dollars of sales are lost? How much misery is inflicted on third parties, such as the Canadian agricultural producer, before a settlement is finally imposed?

The companies know that they will get the business in the end. Whether it is the grain companies, railroad, shippers or whoever, they know that the grain has to come through their system. The unions as well know that they will get it in the end because sooner or later the grain has to go through the funnel, into the system, and down the chute.

The prairie farmer also knows that he will get it in the end. The problem of the prairie farmer is that it is more of an anatomical question at that point. The producer gets it in the end. It is the producer that has to bear the cost of the failure of labour and management to conclude their agreements. The prairie farmer loses in terms of lost sales, untimely delays, and having to pay demurrage while ships languish in port waiting for the opportunity to load.

The producers have a very difficult situation because, at the same time as they are beset by low world prices and ever-increasing input costs, they face this added possibility of further shut-downs in the grain handling and transportation system. Of course, the Canadian public does as well. When the farmer cannot get what he deserves from a market-place that does not work, whether it is because of destructive and unfair foreign competition, or whether it is because of destructive and unfair problems in terms of domestic labour-management strife, it is the farmer then who has to get it from the government. Canadian taxpayers have to contribute more through the tax system to find the money to help fund the programs that Canadian farmers need in order to survive.

It seems to me that we need to find a better way. Strikes and lock-outs are rather blunt, crude, and archaic instruments. Surely we can make the effort to seek more workable and more suitable alternatives.

This bill, Bill C-250, as worded, would curtail work stoppages by grain handlers, railway workers, and all those involved in the movement of grain from the farm-gate to export. A mechanism of binding conciliation would be implemented and so on. I gloss over it because it is not very important. In fact, I would urge that members in the House not waste particular time in looking at the wording of this bill, Bill C-250. The proposal in it is only one of many possibilities.

What I wish to do is to focus the intention of the House on the problem to try to secure some relief for the people who suffer when labour and management fail to resolve these problems. The bill is simply an attempt, once again, to get the House to pay some attention to a serious problem.

We are not here right now to union bash or to unduly criticize labour or management. What we would like to do is to try to find a better way. Surely, in our modern society, there is a better way than this sort of blunt instrument.

The subject matter of this bill cannot be dealt with in one hour of Private Members' Business or in five hours. I believe that it requires some study by a parliamentary committee where there is some research and members could seriously consider alternatives and examine them without prejudice and without any preconceived notions. Indeed, I would very much appreciate the consent of the House to a motion which would withdraw the bill and would in fact refer the subject matter to the appropriate committee and I will come to that in a few minutes.

The Acting Speaker (Mr. Paproski): Order, please. Before the hon. member comes to that, I must advise him that he alone cannot put the motion. He will not be able to put that motion on his own bill.

Mr. Wilson (Swift Current—Maple Creek—Assiniboia): I appreciate your advice, Mr. Speaker—

The Acting Speaker (Mr. Paproski): The hon. member did not let me finish. If he gets unanimous consent, yes; if he does not, he will have to get somebody else to put the motion.

Mr. Wilson (Swift Current—Maple Creek—Assiniboia): Thank you, Mr. Speaker. That is the understanding that I have and I appreciate your confirmation.

• (1710)

It seems to me that if a parliamentary committee were able to take a look at the alternatives, it could examine what is done in other jurisdictions and perhaps it would conclude that what we have now, flawed as it is, is the only alternative and that it is the only workable system. Well, if that is the case, fine. I will accept that verdict. But at this point in time I do believe the situation is worthy of a look. I believe it is worthy of some examination. I do not think we should continue to blindly accept that our system, flawed as it is, is the only alternative.

It is perhaps ironic that we debate this bill today. It is a bill that I filed back in the spring of 1989. Today, there is literally no movement of grain because of the adverse conditions of increasing world supplies and that debilitating, cut-throat foreign export subsidy war we referred to earlier.

As we speak, most of the storage in the country's elevators and terminals is full and no major sales appear imminent. It is a very difficult time for grain and oilseed producers. They need some interim help pending the introduction and establishment of grain and oilseeds safety net programs, the Guaranteed Revenue Insurance Plan and the National Income Stabilization Account. These are programs which are being developed by the grain safety net committee under the auspices of the "growing together strategy" put forward by the Minister of Agriculture last fall.

These conditions make it doubly important that we resolve this problem of shutdowns in the flow of grain, because when the market improves—and sometime in the future it will—and the Canadian Wheat Board makes some major sales and our grain handling system is being pressed to the limit in order to move that grain and maintain Canada's reputation as a trustworthy, reliable supplier of high quality product, at that time the same old anachronistic weapons are going to be trotted out. it is going to be the prairie farmer who again pays the bill.

I circulated the bill among a number of prairie farm organizations for their comments and it is interesting to note some of them.

The United Grain Growers, with some 73,000 members, in fact, call for the Government of Canada to make Canada's grain handling system an essential service. They also ask the government to implement a system of binding arbitration with no strikes or lock-outs.

The Alberta Women in Support of Agriculture state:

> Insuring the shipment of grain to our export customers is very important to the grain industry and to the country as a whole. We cannot afford to lose customers or potential customers because our shipping system is not reliable.

The Western Canadian Wheat Growers represent some 11,000 wheat growers and they wish to endorse the passage of this bill as it stands. They state:

> Our industry is critically dependent upon the services provided by grain handlers and railways. Whenever there is a work stoppage, and there have been many in the past, we face the prospect of lost sales and a damaged reputation as suppliers.

The Keystone Agricultural Producers of Manitoba at recent annual meetings have adopted resolutions calling for the handling of transportation of grain to be declared an essential service.

A number of farm organizations are supportive of the idea behind this bill. The Saskatchewan Wheat Pool, it appears, is not. I had a letter from the President of that organization, Mr. Stevenson, who stated, and I quote:

> —you will note that we continue to use a system of labour relations that places the responsibility for achieving collective agreements squarely where it belongs—on the parties who are directly affected by its terms and conditions.

He goes on to say, and I quote:

> As a farmer, I do not want to see the flow of grain stopped; but as the President of the Saskatchewan Wheat Pool I want to ensure that we are able to achieve the goals we set relative to the collective bargaining process. For these reasons, among others, I do not believe that legislation such as you are proposing is appropriate.

I hasten to add that I do not expect this particular piece of legislation to be approved, not at all. It is simply a device to get the subject matter in front of the House in the hope that it may, in fact, be referred to the appropriate committee for some study. Perhaps, in the world today, we are capable of finding a better way to ensure the much needed movement of grain without having to put up with the agony and the costs of these various work stoppages, regardless of whose fault they may be.

I certainly agree with the wheat pool when it states that the responsibility lies with the parties who are bargaining. I wonder what happens when those parties fail to live up to their responsibilities, whether it is one or the other or both. Again, it is the innocent third party, the grain producers of western Canada and ultimately

the taxpayers of Canada who have to pay the shot. I frankly very much doubt if the positions expressed by the president of the pool is in keeping with that of the majority of the individual members.

The *Country Guide* in May 1987 summed the matter up in an editorial headed "Grain must keep moving". In referring to a particular strike or stoppage at that time, it stated, and I quote:

> This doesn't have to happen. Since everyone is pre-programmed for the government to step in anyway, it makes sense for that intervention to take place before grain movement is disrupted or even threatened with disruption.

The editorial goes on to say:

> No one likes to restrict freedom of action by any group. But the accidents of geography, history, economics, and politics have combined to place prairie farmers at the mercy of a handful of individuals who can cut off access to grain and oilseed markets. The balance of power is too one-sided. In the minds of reasonable people, a strike that disrupts grain movement this year is unthinkable. The government must make sure that reason prevails and the unthinkable doesn't come to pass.

I believe that most prairie producers would find themselves in complete agreement with the editorial as expressed by the *Country Guide* three and a half years ago, but just as valid and poignant today.

In canvassing this situation, I have relied on the viewpoint of individual producers in my area of Saskatchewan and across western Canada who tell me that they are deeply disturbed by this process which seems to go on and on.

I recall dealing with Thunder Bay, the maintenance of ports act in the fall of 1986. In the summer of 1987 we were called back here for the Maintenance of Railway Operations Act. In early 1988 it was Prince Rupert, the grain handling operations there. In the latter part of 1989 it was legislation which sent the seaway workers back to work again.

I am not here to comment on who was right and who was wrong, but we do know who pays the price. The question then is when the collective bargaining process breaks down, what are we going to do? Are we going to continue to allow the grain producers of this country to pay the shot? The whole process seems to me to be embarrassing. It is costly, unfair, and is simply not in keeping with the structure of modern day society.

We have sophistication in the hospitals. We have all sorts of operations to transplant. We can put people in space with all sorts of sophisticated techniques, and yet the method of resolving problems, the labour-management process, date back literally to the stone age.

The hon. member says perhaps this is not the answer. Maybe it is not. I am not pretending that it is. I am simply asking, can we not in this place refer it to a committee for some study? Perhaps we can find out what they do in other jurisdictions. Maybe it is the same thing. If it is, I will hold my peace. But, I urge members on all sides to not talk this out but rather to consider at least searching for some other alternatives.

I see that my time is almost up, and so what I am going to do at this point is ask whether in this House there would be unanimous consent for me to withdraw this bill and, in fact, refer the subject matter to the appropriate committee which, in this case, might well be the Standing Committee on Agriculture.

I wonder if I could have the agreement of members in this House?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): I am afraid there is not unanimous consent.

The hon. member has 30 seconds left in his speech.

Mr. Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, in the brief bit of time left to me, let me just say that I am rather disappointed but not surprised. It is pretty clear that the interests of big labour and big business on the one side and the prairie farmer on the other really cannot exist under the same roof. Their interests are very much opposed.

I had hoped we might be able to seek out a solution in this place. It appears that that time has not yet come. I am disappointed particularly with members of the New Democratic Party. Many of them come from the prairies. They come from Saskatchewan. They pretend on the weekends to be in support of the prairie grain producer. On Monday morning, they come back into this place and bow to the dictates of big labour. It is extremely disappointing.

• (1720)

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I welcome the opportunity to make some comments on the bill presently before the House.

Let me say to the hon. member who just spoke that there is no alternative. Never did I think that in the House of Commons there would ever be a bill brought in that was going to take away the right to strike from the employees in this country.

It is a fundamental right that belongs to and has been fought for over the years. To think that some member would say in the House of Commons that the right to strike should be taken away from the employees in this country deserves some mention not only from this side of the House but from my friends who I am sure will follow me. Comments like that must be addressed, and at the earliest possible time.

If there is one group of individuals in my constituency—I am sure in many parts of this country—who have been hard done by by the Conservative policies, it is the grain handlers, and particularly the grain handlers in Thunder Bay.

If the hon. member wanted to make comments on how to solve the problems in the grain industry in this country, perhaps he should have been better advised to give some degree of consideration to the St. Lawrence Seaway, the viability of the greatest inland waterway in this country, and perhaps to the largest terminals that are available for grain storage. Those are located in the city of Thunder Bay, the area that I represent.

I do not know how much more the grain handlers in Thunder Bay can take at the hands of this government. We know that the grain business in Canada is affected in three ways. It is affected by legislation, where our markets are and, unfortunately, it is affected by politics.

In so far as the legislation is concerned, the Western Grain Transportation has to be changed. We can no longer rely on the theory that distance is going to be the relative factor in how we ship and subsidize the movement of grain in this country. We have got to change this act, and we have got to start to realize the costing mechanism that is available.

I think what we have to do with respect to the Western Grain Transportation Act is to get some accurate costing on what it costs the railways, CP and CN, to move a tonne of grain certain distances in this country and not to relate the cost of those areas in just the distances that are travelled. So the Western Grain Transportation Act has to be changed.

We were led to believe so many times that markets had a great bearing on why the ports in Vancouver and Prince Rupert were so busy, and why they were experiencing the movement of grain up to 60 per cent or 70 per cent of all the grain that we export in this country, until Iraq.

Iraq has always been a traditional market that was served through the port of Thunder Bay to the down river ports and then over to the mid-eastern countries. When the ships were stopped because of the embargo on grain, the ships that were stopped that were loaded for grain and sent to Iraq were not in the down river ports in the St. Lawrence. They were not in the ports of Thunder Bay, but were in the port of Vancouver.

This dispelled the theory that we have been led to believe, that the markets were in the Pacific Rim and not the markets that were traditionally served by that great inland seaway, the St. Lawrence Seaway and the port of Thunder Bay.

Unfortunately it seems, that, although we do not like to acknowledge it, that politics does play a part in where and how the shipment of grain is handled in this country. That is the reason for the disparity and the inequity that is caused because of the absence of grain going through the port of Thunder Bay, using the St. Lawrence Seaway and utilizing the magnificent structures in the down river ports in Baie Comeau and other centres around Montreal.

When I got this legislation, I could not believe what the member was proposing as to how to solve the effects of certain labour problems in the grain industry in Canada. I asked one of my friends who is involved in the grain industry, and I would like to read with your indulgence the views of the grain handlers in Thunder Bay regarding this particular bill.

These views were passed. I thank Mr. Herbert Daniher, the General Chairman of the Canadian Lakehead Grain Elevators Workers Transportation and Communications Union. He said to me that the hon. member for

Swift Current—Maple Creek—Assiniboia is absolutely wrong when he proposes that the right to strike be taken away from all grain handlers in this country.

Let me quote what Mr. Daniher has to say:

> The truth of the matter—

I am quoting to his words.

> —is Thunder Bay grain elevators have been involved in only two labour disputes in the past 23 years. Both disputes amounted to only a 7-week work stoppage in total. After the 17-day dispute of 1981 the Thunder Bay grain industry accounted for those missed days by moving as much grain through the port in a 4-day period than was moved through other ports the entire year. Again after the labour dispute of 1986, similar records were set. This bill would destroy that type of relationship between the union and the companies.
>
> This bill would make it impossible for the parties to have an effective, productive relationship because the parties wouldn't be allowed to settle their differences and reach an agreement both the union and management could claim as their own during the tenure and length of time of the contract.

Mr. Daniher goes on to say:

> It's important that both parties be put to the strict test. If they want to retain or acquire a certain right, is it important enough to go the distance for it? In most cases, due to a relationship developed through many years of collective bargaining, both parties rally to find a compromise or fair and equitable solution to the problem rather than shutting down the industry.

The best result a binding conciliation board could give would be sometimes the result that both parties do not agree to. The imposed settlement would ultimately be made by someone whose job would be not to create a fair, productive, harmonious workplace but whose job it would be to impose a settlement without regard to the effects on the relationship between the parties. The union and the companies would be forced to accept piecemeal solutions versus real, workable solutions hammered out at the negotiating table where labour contracts should be settled.

A bill such as the one before the House today would do nothing but harm the grain industry and the country as a whole. If such a bill were passed, does that mean there should be a bill to ensure the farmers deliver their product not when the price is most advantageous but when it is dictated for the farmers to do so.

This bill that is before the House, although it is alluded to help the farmer, would be detrimental to the farmer. That is the very case they find themselves in today in the west when they cannot get the price that is needed for a tonne of grain. They would be forced, if that bill were passed, to submit their grain for sale when the prices were at a most disadvantageous stage.

The grain industries have been shut down a hundred times longer in our history due to agricultural policies, due to what the United States is doing with respect to labour disputes involving grain elevators, not what is happening in Canada.

Broken bridges, canal walls falling in, the Canadian Wheat Board's marketing policy, surely these areas must be of greater concern to the people who are involved in the very intricate business of growing and selling wheat in this country than destroying the harmonious productive industrial relations climate that exists between the elevators and the people in the port of Thunder Bay and those involved in the elevator industry.

Mr. Speaker, let me conclude, and I know my time is running short. What we are talking about in this bill that is presented by this member and is before this House today is a fundamental freedom. We almost challenge the Charter of Rights and Freedoms in this country. It goes without saying that one of the fundamental freedoms that we have had is the freedom of association, freedom of speech in this country, and we hold that inalienable.

What this member is proposing today is taking away a fundamental right of our workers in this country that they fought so many years to get, that is the right to withdraw their services if they cannot get the deal that they think they should be getting. That is just not acceptable to this party, Mr. Speaker.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, first of all I would like to deal with a statement made by the member for Swift Current—Maple Creek—Assiniboia—that is almost as bad as Okanagan—Similkameen—Merritt, Mr. Speaker—with respect to his motion to have this matter go to committee.

• (1730)

I point out that the Standing Committee on Privileges and Elections is chaired by one of his members. The majority of members on that particular committee are members of the Progressive Conservative Party who are on that particular committee. They have looked at all matters that are drawn to come before the committee

and at whether they fit certain criteria to come before the House of Commons as a votable matter.

In this particular case this matter has been chosen not to be a votable matter and to go no further than the debate in the House today. That was as a result of them looking and deciding, for whatever reason, that this particular bill lacked what it took to become a votable matter for further discussion. I point that out simply to make sure that everybody who is watching understands full well what the procedures are here.

If I can turn directly to the bill before the House, I think it is important to look at the crux of the proposed amendment. I would like to read it into the record. It refers to section 89 and I suggest is the crux of the matter. It reads:

> Notwithstanding subsections (1) and (2), no trade union of employees engaged in the handling, storage, transportation or shipping of grain shall declare or authorize a strike and no employer of such employees shall declare or cause a lockout.

That is what we have before us, something that is saying notwithstanding what the law says we are going to single out one sector or our economy and say no fellas, or women, you can no longer use the right to withdraw your services.

As has been pointed out by my friend in the Liberal Party, that is a right that has long been fought for throughout the history of labour. It is the only thing that an employee has to use in order to better his lot.

We do not want to go back to the sweatshop days. We have progressed far beyond that. I do not want to lose sight of how important it is for the movement of grain to continue as uninterrupted as possible to the ports. It is important not just for the farmers, but it is important to the economy of the prairies and it is important to the economy of Canada as a whole. I caution that the way of doing this is not by setting, as unfortunately this member did toward the end of his speech, the trade union or labour movement against the farmers and the farmers against the grain handlers. The provisions are there for an adequate collective bargaining system.

I have been involved throughout my lifetime in strikes when I worked in the trade union movement. I have been involved as an employer in strikes and lockouts as a member of town councils. I have been an employer as a lawyer. I have also worked for the B.C. department of labour in labour standards. I understand the movement and I understand what is going on. I have worked through all of them. I have been involved in a number of strikes and lockouts in both the mining industry and in the pulp and paper industry, as well as lockouts and strikes on the municipal level. I have been involved in the bargaining process on both sides of the fence, on both the labour and management sides.

The collective agreement process works if given the opportunity. We only have to look in the grain industry to this summer in particular when the type of job action anticipated in this bill was avoided by the parties, when an agreement was reached between the Saskatchewan Wheat Pool and the grain workers' union. Again it shows that the collective agreement process does work.

I wonder if this is the thin edge of the wedge. We legislate now the grain workers—and I agree that the movement of grain is important to the economy of this country—but do we now expand what we are doing here? Do we expand it into those areas in small communities where the community is being devastated because of a lockout or strike situation? Do we expand it every time that there is a nurses' strike, a teachers' strike, or a lockout because it is essential that these people get back to work for the very economy of the communities?

Do we continue in this vein? Do we stick the wedge in, try to split it wide open and gut the collective agreement process in Canada? I suggest no. There are other alternatives.

The conciliation process as set out here in part can and should be given the opportunity to work. People should be given that opportunity to reach an agreement. They should be able to use the right that they have earned in order to withdraw their services if that is the case or, in the case of a lockout situation, I suggest that management can do the same thing.

I do not think we accomplish anything with this particular motion before us but cause heartache and problems. Every time we get into difficulties and if it hurts us personally, the temptation is always there to short circuit the system; let us find a way around the inconvenience. It is natural.

I put it into very basic terms as we look at whose ox is being gored. We do not want to turn grain handlers against farmers. We do not want to turn farmers against grain handlers. We want people to be given the opportunity to use a system that in fact works.

If we look at the Canadian Autoworkers' recent strike against Ford, they used the system and in a very short time were back at work. I emphasize once again that the system works.

The hon. member says that the farmers would love to hear that. Farmers want more money, and I think that we should be looking at the over-all picture of what this government has done for farmers. Let us make farming more viable. Let us not try to turn one group against the other. Let us get them all working together so that at the end of the day farmers can make an adequate living and the grain gets transported by people who have used the collective agreement system to get that grain across.

We cannot attack a system that has been so hard fought for and hard worked for. I suggest that this bill was found wanting by the privileges and elections committee with good reason. I would not support the bill.

Mr. Brian White (Dauphin—Swan River): Mr. Speaker, I am very pleased today to second the motion of my colleague from Swift Current—Maple Creek—Assiniboia and to spend a few minutes speaking in favour of Bill C-250.

The purpose of this bill is to outlaw strikes and lockouts in the grain handling and transportation industries. It is unfortunate that the member for Thunder Bay—Nipigon had not listened to what my colleague said in his remarks concerning him not being hard and fast about the particular wording of the bill being what he wanted or needed. He would be perfectly willing to have the subject matter go to a committee of the House and find that better way that he spoke of.

• (1740)

In my riding of Dauphin—Swan River in western Manitoba we have roughly 25,000 miles of farmland. We probably have some of the best oilseed growing land in the country. Coarse grains, pulse crops, are grown in my part of the province. Strikes and lockouts in the grain handling system are very serious not only for the primary producers in my riding but for all of my constituents, because in one way or another they all depend on agriculture. It is the number one industry by far so everyone depends on farmers and farming.

As I said, strikes or lockouts in the system are very serious. It is like traffic on a freeway. As long as things are moving smoothly, nobody notices how quickly things are moving. As soon as you have a bottleneck on a freeway, things back up pretty quickly. That is what happens in the grain handling system. It works well. Every piece, every cog in the system is very important: the grain handlers, the grain companies, the railway workers, the producers. They are all very important, but if one of those cogs breaks down the whole system backs up very quickly.

Since I have been a member of this House for a little more than six years, there have been three occasions I can think of where there has been work stoppages in the grain handling system. In each case when the New Democratic Party had to stand up and choose between organized labour and the farmers, it picked organized labour every time.

It has happened many other times in the past, but there are three times that I have personally stood and supported the producers in western Canada and I have seen the NDP across the way stand up and do exactly the opposite. I think it is important that the farmers in Canada know that because, as my colleague said, one thing is said to the farmers on the weekend, they come here, and the other hat goes on pretty quickly.

We are talking about a major industry in Canada. Grains and oilseeds in Canada account for $5.7 billion in exports every year. That is big business. Bill C-250 brought forward by my colleague from Saskatchewan is being brought forward on behalf of grain producers, but as I mentioned it is important that the interests of every cog, every person involved in the grain handling system, be taken into account.

The conflict resolution process, as it exists today, is very tedious and very time consuming. I cannot believe what I just heard from the previous speaker, the member from British Columbia, who said the system works. If I went back to western Canada and stood before a group of farmers and said that to them, I would be strung up in pretty short order because the system does not work. It works fine as long there are no work stoppages, but if you told a farmer in Canada that the system was working when there was a work stoppage, look out. As my

colleague from Swift Current—Maple Creek—Assiniboia has said, there must be a better way.

In the event that Bill C–250 that we have before us today is not the best way, then I think the best way to look at it would be to refer it to an all-party committee of members of this House and come up with the best way. Many of the comments brought forward in the prepared speech by the member for Thunder Bay—Nipigon could very well come before that committee and be considered. We are not saying that those are not valid points. They have to be considered along with the others, but the interests of the producers have been ignored every time there has been a dispute to this point, and they have got to be taken into account as well. How could any MP in this House who purports to have the interests of farmers in mind oppose such a move?

Therefore I would like to move the following amendment to Bill C–250. I move:

That the motion be amended—

The Acting Speaker (Mr. Paproski): I am afraid the hon. member seconded the motion. Therefore he cannot move the amendment. Is the hon. member finished with his debate?

Mr. White: We will come to that later then, Mr. Speaker. I am sorry. I thank you for your advice. I was unaware of that, but I would hope one of the members who speaks after me would move the amendment that was first alluded to by my colleague from Saskatchewan and that I would support as well, that the subject matter of the bill be referred to a committee for further study and to come up with a better way.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, I would like to enter this debate on the private member's bill, Bill C–250, an act to amend the Canada Labour Code.

What I would like to talk about is the kind of charade that is being played here today. I beg your indulgence, Mr. Speaker, for a moment. As a fairly new member, I was led to believe that when it comes to private members' bills, if you had an idea that you thought made a lot of sense, you put it into a private member's bill and put it in front of the House for debate. You did not just throw out a piece of legislation and tell the people who are going to debate the matter, for or against, "Just ignore that bill, it is not any good anyway. It is just to start the talking".

Mr. Speaker, we do a lot of talking in this House. However, we are being asked to deal with a particular piece of legislation, in this case, a private member's bill which asks for some very specific changes to the Canada Labour Code.

First of all, the changes the hon. member for Swift Current—Maple Creek—Assiniboia talks about relate to a right that workers in this country have fought for for over 100 years. They have put a lot of time and effort into learning their trade and they put pressure on governments and on companies to give them the ability to pull their services, if they are not allowed to make a decent living in this country.

Some of us propose that unionism is not a political party. To some of us unionism is the art of collective bargaining, the ability to get a good standard of living in this country. That is exactly what unionism is all about, what collective bargaining is all about and what, in essence, pulling your services is all about, if you cannot make a good deal.

I want to talk about some of the issues and statements made by members of the Conservative Party relating to the fact that farmers always get an unfair deal. If we take a good look at the railway strikes which took place in this country as well as the grain-handlers' strikes, very serious consideration was given to what would take place if we let those individual unions stay out for too long and, therefore, there was back-to-work legislation. That is a prerogative of this House. When strikes go on too long and this House feels that it is hurting the economy as a whole, then we have the ability to legislate a particular group of individuals back to work. If you look back in history, in the case of the railway union for example, they have been legislated back to work after a period of one week, in most cases, and I do not think that that was unfair.

I want to talk a little about the fact that the hon. member feels that because it is an essential service these individuals should have their rights as Canadian citizens and workers taken away.

Let us just use an example which we saw not too long ago, the nurses in Alberta. There was legislation in place, but the fact is that legislation did not work. What did the nurses do? They broke the law.

What happens when you put a piece of legislation like this into effect that, in essence, stops 37 unions and thousands and thousands of employees in this country from having their right, to choose if they want to continue to work for an employer when they believe that they are getting an unfair deal. Sooner or later, in something of this magnitude, people will be forced to take matters into their own hands. Legislation is only as good as people will allow it to be, if they have respect for its intent. That is why we have used back-to-work legislation versus mandatory non-strike rules which would, in essence, trample all over people's rights.

I want to use another example. What would happen in southern Ontario if we use this same scenario that the member put to us today for the auto workers? In southern Ontario the auto workers are a big portion of its economy. What would happen if we were to tell them that they were no longer allowed to strike, that they were an essential service because of the effect of an the auto workers strike on the whole southern Ontario economy. In fact, I think I can say that it ripples through the whole Canadian economy because that is how big and important that auto industry is to Canada. What we do not say or what I do not hear the members opposite saying is, let's not let the auto workers strike. The hon. member is looking at the situation in very simplistic terms and the fact that the farmer or the producer is the individual who is hurt.

• (1750)

Everyone gets hurt during a strike. Believe me, the workers get hurt, the company gets hurt and yes, third parties get hurt. But the most important part of this whole scenario is that, through a period of many, many years we have built a system, sometimes cumbersome and very slow, but the best system in the world so far, that allows workers to have rights and to negotiate with their employer in good faith. When they feel that the good faith is not there or they are not getting a deal that is necessary to take home for their families and to have the kind of living they are looking for, then they pull their services. That is not too difficult to understand.

I would also like to go back to what the hon. member talked about earlier. Never have I heard a member come forward and say, well, here you go, never mind this but we will use this as a talking point. Are there not other mechanisms to be able to do that?

Perhaps the member could write the chairman of the transport committee and ask him if it is possible for this matter to be put on the agenda for discussion. My colleague from Thunder Bay would tell you very quickly that they would be more than willing to entertain looking at other ways of improving the transportation system, which is what we are really talking about here, and not that we have to pull workers rights to strike or allowing companies to lock out workers or the other scenario when what we are talking about is a transportation system that does not seem to work very well and the modern kind of system that we must have to be competitive.

I would also suggest that the member very seriously consider that over on that side of the House is where the government sits, in case he wondered. If the government feels there are some legitimate problems, it can also put forward a motion that can go to committee that would allow us to look at an issue as large as the transportation system as it relates to the hauling of produce for farmers from the west. To come forward and say, just ignore this bill, it is just a talking point, I do not want to union bash and take away the rights of the workers, but I would like to resolve an issue.

I suggest that he use his staff and the research at his disposal to come forward with something a little more concrete that we can debate and not to use the charade that this is a talking point. In essence, his real intent is to severely handicap workers and not allow them to have their rights. That is not democracy. Democracy may not be the best system in the world for some people but for some of us it is the only system and the price that we have to pay for it is the fact that if we have to allow certain disruptions in this country for a worker to have his rights, then we will do that.

Mr. John A. MacDougall (Timiskaming): Mr. Speaker, entering into today's debate on Bill C-250, I would like to make a few brief comments about the bill and the concerns from someone who comes from northern Ontario and from an area where agriculture is also very important. I also understand some of the frustrations

that my colleagues from western Canada have gone through for the last number of years.

Bill C-250 is intended to outlaw strikes by employees engaged in the handling, storage and transportation of grains. It also prohibits lockouts by employers of such employees. The bill would seek to accomplish the objectives by a blanket prohibition of the right to strike and the right to lock out. The collective bargaining issue in a dispute between unions and employers would be resolved through the appointment of an conciliation officer. The majority of the employees performing these functions are governed under the Canada Labour Code and are subject to the Public Service Staff Relations Act.

The framework for collective bargaining established by the Canada Labour Code is designed to encourage the resolution of disputes without work stoppages, and in the vast majority of cases collective agreements are, in fact, reached through the normal process of negotiations provided for by statute.

The government recognizes that an effective, efficient and reliable transportation system is critical to the maintenance of Canada's reputation as a dependable supplier of grain and will continue to assist labour and management in resolving the collective bargaining disputes. I also recognize, along with my colleague from Swift Current—Maple Creek—Assiniboia and also the member for Dauphin—Swan River, how important it is for them to be able to communicate and try to look and see if adjustments can be made in pieces of legislation.

Therefore I move:

That the motion be amended by deleting all the words after the word "that" and substituting the following therefor:

"Bill C-250, an act to amend the Canada Labour Code (grain handling), be not now read a second time but that the order be discharged and the bill withdrawn and the subject matter thereof be referred to the Standing Committee on Agriculture."

The Acting Speaker (Mr. Paproski): Debate?

An hon. member: Question.

The Acting Speaker (Mr. Paproski): It is a debatable motion. The hon. member for Timmins—Chapleau.

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, the NDP is not blocking it again.

I have one minute to make a 10-minute argument and the members opposite do not want to hear it. They are afraid of something.

I do not profess to be an expert on grain handling but I do know a little bit about collective bargaining and what this bill is intended to do. Whether the members opposite want to admit it or not, this bill is the beginning of union busting, plain and simple.

We have worked for many years in this country to give workers rights, to give them the ability to bargain, and to receive fair return for a fair day's work. This bill contravenes all of those efforts.

I understand I have 20 seconds left, Mr. Speaker. If this bill had been introduced in the form of anti-scab legislation rather than in its present form, with its sole purpose being the outlawing of strikes and lock-outs, if there had been an incentive for the employers to sit at the bargaining table and come up with a solution prior to a strike, I think there would have been unanimous consent in this House to support it.

The Acting Speaker (Mr. Paproski): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1) the order is dropped from the Order Paper.

PROCEEDINGS ON ADJOURNMENT MOTION

• (1800)

[*Translation*]

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

* * *

FORESTRY

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, on May 10 last I directed a question to the Minister of Forestry concerning the serious effects of the government's monetary policy on the forest industry. Here is one of the questions I asked, and I quote from page 11266 of *Hansard*:

Given the forestry minister's responsibility to protect the interests of the forest sector, and given the disastrous effects on that industry of the

government's high dollar policy, what measures is the minister taking to help ensure that the high dollar will be lowered or, at the very least, what measures is he proposing to offset the harmful effects of this policy on the forest sector?

Not satisfied with the minister's response to this question I thought I would try to elicit more information this evening.

The minister knows how important the forest industry is for the Canadian economy. For example, it employs about 300,000 workers and indirectly, gives work to 500,000 more. In 1988 productive forest lands brought in more than $30 million in exported goods. In the Canadian manufacturing sector, one out of seven dollars comes from the forest industry. It contributes in excess of $17 million to Canada's net trade balance, more than the total net trade balances in agriculture, fisheries and mines.

The forest sector is larger than those of the car-making and oil industries. In addition domestic and foreign sales of forest products account for a Canadian annual trade which brings in close to $25 million.

[*English*]

The monetary policy of the government to which I am referring in the question has to do with the high dollar value and that is linked to the high interest rates. I just want to point out the impact that this has had on the economy in general. I want to quote a few statistics here.

In regard to corporate profits and bankruptcies, corporate profits fell 17 per cent last year and are expected to fall an additional 10 per cent this year. During the first six months of 1990 there were 23,651 bankruptcies. That is up 30 per cent over the 1989 period and up over 3,000 from the worst showing during the recession of the early 1980s.

I will put this in context from the beginning as I am not blaming all of this on the monetary policies. There are other factors as well, but certainly it has had an effect.

In the manufacturing and professional job area, 148,000 manufacturing jobs, representing 6.9 per cent of all jobs in this sector, were lost between June, 1989 and June, 1990. Shipments are declining in 17 out of 22 sectors, the worst showing since the 1981-83 recessionary period.

In regard to the budget, Mr. Wilson's 1990 deficit figure was based on an average interest rate of 11.1 per cent. We know that the interest rate is somewhere around 13.38 per cent on average over the first six months of this year. This means that if Mr. Wilson wants to meet his deficit target he will have to lower rates to an average of 8.82 per cent for the second half of 1990, a drop of 4.56 percentage points. I should have asked how many more jobs have to be lost in the general economy over all.

Since my question had to do with forestry, I want to find out what this monetary policy has done to the forestry sector as well.

Earnings in the forestry sector are down 40 per cent to 50 per cent in all forest products industries for the first six months of 1990 because of the high dollar. Pulp shipments are down 20 per cent for the same period because of the high dollar. Industry spokesmen estimate that 4,500 lay-offs are directly related to the high dollar.

In British Columbia, a one-cent raise in the dollar means a loss of $100 million in revenues, that is one cent on the dollar. Revenues of $5.1 billion have been lost in the forestry sector over the 1987, 1988, and 1989 period because of the high dollar. The loss for 1989 was $2.5 billion, and the loss for 1990 is expected to be higher.

• (1805)

In my riding of Restigouche—Chaleur alone, we suffer from high unemployment, but we are a natural resource-based riding. Again, we see the effects of this: the high unemployment and lay-offs. There are two major companies that look toward international markets that have their workers on strike and are reluctant to come back to the table because of the high dollar. The high dollar is not the only reason they are on strike, but it adds to the whole issue.

The Minister of Forestry has the responsibility to protect the forestry sector. I am not asking to change the fiscal policy, but I am asking him to try to influence the Minister of Finance or the Prime Minister to see the detrimental effects that the high interest and high dollar policy of the government has on forestry. I think it is imperative that the minister realizes that he has a responsibility to do that.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of State (Forestry)): Mr. Speaker, I may remind the hon. member that at the time, the minister said in

response to the question raised by the hon. member that our department did not have authority over monetary policy. In fact, the Liberal Party helped create this department and organize it in such a way that the department would work together with the provinces to develop programs and better technologies to improve and protect our forests. Furthermore, our program's entire policy is based on sustainable development, within the jurisdiction of the Department of Forestry.

Of course, the hon. member's question had a budgetary aspect, and I may remind him that our government's policy has borne fruit, insofar as we have been able to control inflation.

I may remind the hon. member that in the early 80s when the Liberal Party was in power, it was decided that the Department of Finance would let inflation run its course. We saw exactly what happened: inflation soared out of control. When the Minister of Finance at the time realized he could no longer control inflation, he started increasing interest rates. The result, Mr. Speaker, was far more disastrous than the present situation.

Obviously, there are problems as a result of the present state of the economy in this country and throughout the world. Interest rates are a problem as well. However, I may remind the hon. member that in 1984, when we were elected, we signed federal–provincial agreements on forestry development with each province. These agreements totalled over $1.750 million, on average, for each province. The new Department of Forestry has worked with each minister to develop the concept of sustainable development, which will help the industry to survive. With New Brunswick, for instance, we have signed a new agreement on forestry development. We have made proposals to each of the provinces on ways to renew agreements that would help alleviate economic problems but also help the industry, the provinces and governments to get through this difficult time and provide present and future workers with jobs in a forestry sector that would be based on the sustainable development of a renewable resource.

[*English*]

AGRICULTURE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, on March 6 I raised one in a series of questions directed to the Deputy Prime Minister who is also the Minister of Agriculture.

I asked him to give the House the details of what he called the drought assistance program and what the rest of us thought should have been called a farm income assistance program.

There was a shortfall in excess of $1 billion on income which he admitted was, in part, due to subsidization levels from the Europeans and the Americans. While there has been half a billion dollar payment made which is in the pockets of the creditors of most of the farmers across Canada, the situation has not changed greatly.

• (1810)

Mr. Speaker, when you look at the answer the minister gave, you will see that the situation has worsened considerably. In his response to me he said that the government is prepared to assist again, but reminds the House that the level of enhancement has been reduced quite substantially, enhancement being the subsidies paid by the Europeans and the Americans to customers in order to entice them to buy their grain.

He reported in March that the Europeans had dropped their enhancement programs from $200 a tonne to the neighbourhood of $80 per tonne and that the United States had dropped their export enhancement program to about $20 per tonne. He was expecting grain prices to continue to rise, because they had risen, as he says, by roughly 50 per cent.

Many things have happened since March 6. Europeans are still using the enhancement program of about $80 per tonne. They completed a sale to Tunisia recently at about $81 U.S. a tonne. However, instead of being at the $20 per tonne level, the United States has surpassed $53 per tonne. In some of the recorded transactions, they are reported to have gone up as high as $58 a tonne.

Meanwhile, at the beginning of the new crop year in western Canada, Canadian Wheat Board initial prices for No. 1 wheat at the elevator came in on August 1 at 22

per cent below the price it had been the day before. This is accounted for by a drop of the federal government's guarantee on initial prices of $20 a tonne as well as decisions by federal government agencies to increase elevation, storage and handling charges, and to increase the farmers' share of the freight rate under the Western Grain Transportation Act. In all, producers of No. 1 wheat received 22 per cent less delivering on the first day of this crop year.

The result is that the prairie pools, who have done a fairly thorough estimate of the potential damage, say that at the end of this calendar year with the assistance that is appreciated of approximately $500,000 to Canadian producers, Saskatchewan farmers on average will have a net income of about $4,000 each.

If we are going to attempt to have net incomes for farmers similar to those of the last four or five years, we will require an addition $1.25 billion to go into the grain sector alone. That is the sector that is most hurt by these actions by other countries.

The livestock, dairy and poultry areas have been more or less holding their own, in part because we have a certain amount of protection for some of these commodities with supply-management marketing boards. Others happen to be just at the low end of the cycle, for instance the prices for beef, while they are not good, are almost as high as they were in 1977 and 1978.

That gives you some idea of how desperate farmers are when they see 1977-78 prices as being very good news. We are only about 15 per cent below that on those commodities.

The point that I want to make to the Ministry of Agriculture is that the problem has not gone away. Their preview of what was to come was much too over-optimistic. The reality is there is still a great shortfall in the country, and at least $1.25 billion is needed in order to bring these farmers' incomes up to a level consistent with what average Canadians are getting.

I would urge that the minister take action as soon as possible. I note that he has always said that the next injection of funds would be through a firm program, possibly the proposed GRIP or NISA. Those programs will not handle this kind of pay-out because the triggering mechanism is on an average price and that would not trigger a pay-out under these circumstances. The cash is needed desperately and I urge the government to act quickly.

• (1815)

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I just want to point out that the government is very keenly aware of the difficulties facing the grains and oilseeds sector. Over the last number of years we have taken unprecedented steps to help farmers through the difficult times. I believe our record speaks for itself.

We established the Special Grains Program for the 1986-87 crops to ease the burden of low grain prices brought on by the international subsidy wars. This program paid out more than $2 billion over those two years.

Again in 1988, when farmers all across Canada were reeling from the effects of a devastating drought, we provided about $850 million to help them cope again. This year, we announced $450 million in assistance to grains and oilseeds producers.

Agreements have now been signed for approximately $435 million, or 96 per cent of that total. The remaining amount has been earmarked for the fur and horticultural industries, and to support soil conservation projects across Canada.

These initiatives I have just outlined constitute assistance for the grain and oilseeds industry totalling almost $3.5 billion. That is a significant commitment to the industry.

However, these special programs are not enough and we recognize that. Canadian farmers should not be expected to rely on government assistance packages year after year. An improved safety net system is needed to provide financial stability to the sector. A new program may be within sight. Over the last nine months proposals for a new program have been designed by the farmers and governments represented on the grains and oilseeds safety net committee. These people have recommended that these programs be implemented for the 1991-92 crop year.

These new programs, the Gross Revenue Insurance Plan, called GRIP, and the Net Income Stabilization Account, called NISA, are designed to provide the stability farmers need. The committee believes the programs would be bankable. That means farmers would know in February or March their income position for the year. With that information, farmers can go to their banker and negotiate their credit needs.

The GRIP and NISA programs are designed to offer maximum benefits when taken together. The GRIP and NISA programs offer a way of achieving long-term stability which is needed in the grains and oilseeds sector. Our goal has to be long term stability. And whatever we do in the short term must be done with that in mind.

We are aware of the cash flow problems that grains and oilseeds producers are now struggling with. That is why we have been meeting over the summer with farm groups and provincial governments to address this problem.

We know there have been many meetings held across the country and we know that the problems are there. Mr. Speaker, we are dealing with those problems.

[*Translation*]

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

The House adjourned at 6.18 p.m.

HOUSE OF COMMONS

Wednesday, October 3, 1990

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE LATE MARNIE KIMELMAN

Ms. Barbara Greene (Don Valley North): Mr. Speaker, in August, I visited the beach in Israel where, on July 28, 1990, Marnie Kimelman of North York was fatally injured by the vicious irrational actions of a Palestinian terrorist.

Marnie was 17, intelligent, attractive, concerned, and compassionate. She was known by her friends as the peace lady. Marnie would have made a tremendous contribution to our society, to Israel which she loved, and possibly to a just and lasting reconciliation with the Palestinian people. Her death and that of other innocent victims of terror in Israel must strengthen the resolve of all fair-minded and peace-loving people to find a lasting peace settlement.

It should also strengthen our resolve as a country not to deal with terrorists. If the PLO leadership do not condemn and dissociate themselves from such acts, we should not give them credibility by official interaction with them.

* * *

PRINCE EDWARD ISLAND FERRY SERVICE

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, this summer a federal environmental panel ruled against the government's proposal for a fixed link between New Brunswick and Prince Edward Island.

A new proposal may or may not be forthcoming. But even if a new fixed link proposal is approved, it could be the year 2000 before the first car drives across the strait.

That is why the federal government must continue to meet its constitutional obligation to provide adequate ferry service between the mainland and Prince Edward Island.

As the rising ferry traffic continues to put a strain on ferry capacity, the adequacy of this service is in serious doubt. For almost two years now, I have been pressing the government to act on this important transportation issue which affects all sectors of our economy.

Once again, I urge the government to give its Crown corporation, Marine Atlantic, the green light to proceed with plans for a new ferry. The time for action is now.

* * *

OCCUPATIONAL HEALTH AND SAFETY

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, last week we learned that, at the powerhouse of the CN shops in Transcona, CN knowingly allowed workers to be exposed to asbestos for a period of several weeks over the summer.

When CN asked workers to remove some insulation from one of the boilers, an employee asked what was being removed and was told by management that whatever it was, it was safe. Only then did CN send a sample of this material to a government lab and was told in July that there as asbestos in the insulation. However, CN did nothing to protect the workers until the middle of September, when an employee asked to see the lab report. The negligence of CN in this affair is shocking.

The asbestos is now being professionally dealt with, thanks to the union's press conference on the matter, but we must still find out how this was allowed to happen. To this end, I wrote to both the Ministers of Labour and Transport, backing the union call for a parliamentary inquiry.

CN may finally be dealing with the asbestos properly, but the government has yet to deal with Labour Canada for its negligence in ignoring union concerns throughout the summer and conducting an inspection only after the union press conference. The parliamentary committee

responsible for Labour Canada should definitely have a look into this one.

* * *

[*Translation*]

HIBERNIA PROJECT

Mr. Nic Leblanc (Longueuil): Mr. Speaker, for many years, we Quebecers played second fiddle.

For many years we sat on the sidelines instead of being actively involved, we listened instead of speaking up, we obeyed instead of making our own decisions.

For many years, we were told: "You can't run your own show; you don't have the intelligence or the skills; in other words, don't get your hopes up"!

Today, however, we have put all that behind us, witness Quebec's economic, social and political progress in the past thirty years.

We are proud of our success.

Nevertheless, Mr. Speaker, some people still say we can't stand on our own two feet. The Hibernia project is a good example. We must now show that we Quebecers have what it takes!

* * *

[*English*]

THE LATE MARNIE KIMELMAN

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, I rise to pay tribute to Marnie Kimelman who was killed by a terrorist bomb on an Israeli beach on July 28, 1990.

I attended Marnie's funeral at the Adath Israel Synagogue and the next day I visited her parents, Harold and Linda, at their home. They told me that the whole family visited Israel in 1986 and that Marnie was so anxious to return. While they were able to deter her visit last year, they knew they had to give their blessing for her to visit Israel this year.

Fortunately, Marnie kept an extensive diary and took many pictures during her visit. These are very precious memories of Marnie's thoughts and activities before she was tragically taken from us.

Her warmth and generosity will always be remembered by her parents, her two brothers, Jason and Mark, and other members of the family. Her memory will be an inspiration to young people everywhere.

* * *

THE LATE MARNIE KIMELMAN

Mr. Jim Peterson (Willowdale): Mr. Speaker, on July 28, a home-made pipe-bomb exploded on a crowded Tel Aviv beach. It injured 18 people. It killed Marnie Kimelman, a 17-year old student at York Mills Collegiate in Toronto.

Marnie, who lived with her family in Willowdale, was part of a group of 80 Canadian teenagers touring Israel on a trip sponsored by the Canadian Zionist Federation. She was the fourth foreign visitor and the third Canadian to be killed by Palestinian terrorists.

As Canadians, there are no words that we can find to express our outrage at this vicious act of terrorism perpetrated against an innocent person. There are also no words that we can offer to Marnie's parents and her two brothers to ease the pain that they feel at her loss.

For our part, we must renew our pledge to fight against terrorism and re-affirm our commitment to do everything possible as Canadians to seek a lasting peace.

* * *

TAXATION

Mr. Al Johnson (Calgary North): Mr. Speaker, we need to rethink our approach to family taxation.

Some hon. members: Hear, hear!

Mr. Johnson: The present system is a patchwork of rules, regulations, and programs, each with their own valid objectives. However, it is time we made a complete re-evaluation of the system to ensure that our scarce resources are being used in the most appropriate way to strengthen and preserve family structures in our society.

Any changes to our family support system must treat all families equitably and ensure that the rights of women and children are not only protected, but enhanced.

The family is a pillar of our nation. I urge the government to act now to ensure that our tax system does not weaken it.

* * *

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I do not think the Liberals really oppose the 7 per cent goods and services tax and I would like to explain why.

Did the Liberal senators vote unanimously in favour of the GST when leave was sought to introduce it in the Senate? No.

Did the Liberal senators vote unanimously in favour of the GST when it was introduced in first reading?

Some hon. members: No.

Some hon. members: Hear, hear.

An hon. member: Yes, they did.

Mr. Riis: Let me try it again, Mr. Speaker.

Some hon. members: Oh, oh.

Mr. Riis: In summary, let me say that the Liberal senators did not vote against it at first reading. They did not vote against it when they sought leave to introduce it. They did not vote against it at the second reading stage.

They then rang the bells all Friday, Saturday, Sunday and Monday. But, Mr. Speaker, the Senate does not sit on Friday, Saturday, Sunday or Monday. I think they could have kept the bells ringing but, of course, Jean Chrétien ordered the now minority number of Liberal senators to return to the Senate when they are—

• (1410)

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

* * *

[*Translation*]

THE SENATE

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, the Liberal senators have systematically blocked bills that were tabled in the Senate after they were passed in the House of Commons.

This attitude is a contradiction of our system of government, in which the ultimate responsibility lies with the elected representatives in the House.

This is a matter of democracy and concerns the elected government's right to conduct its business on behalf of the people it represents.

The problem is not the GST but the fact that non-elected Liberal senators are depriving an elected government of its right to govern.

The Senate is now blocking three other money bills, adding a total of $8.3 billion to the deficit.

Some hon. members: Shame!

Mr. Della Noce: These bills, including the GST bill, are the main components of the government's economic plan for Canada.

This paralysis of government business caused by a non-elected Senate is a denial of the principles of our parliamentary system.

Mr. Speaker, the will of the elected House must prevail. We have a duty to defend our system of government and we shall do so.

* * *

[*English*]

LITERACY

Mrs. Pauline Browes (Scarborough Centre): Mr. Speaker, the Government of Canada, in partnership with the Canadian Library Association, is honouring individuals in our communities with a very special award for their outstanding contribution to promoting literacy.

This year, 1990, is International Literacy Year and it is therefore fitting to present Canada's Literacy Volunteer Awards. This is an important program in the literacy movement for it recognizes those Canadians who give of their time and effort to help others.

Nominations can be made at our public library boards which will then select the recipients to be honoured. This is the time to praise and to commend those persons who are contributing so much to stamp out illiteracy in Canada.

Literacy is vital to our future and we must all work toward ensuring that forthcoming generations have the opportunity and pleasure of knowing how to read.

Oral Questions

CORPORATE TAXATION

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, we welcome back to the House of Commons the corporate welfare bum of the week award. Our nominees are as follows: North Canadian, with no tax paid in 1988 and 1989; last year's winner Hemlo Gold, also with no tax paid in 1988 and 1989; and last, we have Brascade Resources, which also avoided the onerous responsibility of paying taxes in 1988 and 1989.

May I have the envelope, please?

The winner is Hemlo Gold. Yes, it is true. Hemlo Gold is a second time winner. They have outdone themselves in making profits of $54 million, that is $10 million more than in 1988. Hemlo has managed not only to avoid paying taxes, but also has received $1.9 million in government hand-outs, again for the second year in a row.

I think congratulations are in order to the parent company Brascan Holdings, the owner of all three of our nominees, and its president, the newly appointed Senator Eyton, for keeping the award—

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

* * *

POST-SECONDARY EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, tomorrow in Manitoba, university and other students throughout the province will be meeting in Winnipeg to demonstrate and protest against such critical issues and injustices as sky-rocketing tuition fees; a mounting and crushing student debt; an outdated student aid program whose only substantive change in recent years has been the imposition of a 3 per cent tax on those students who need help most, the poor students and the poor families; massive cuts in transfer payments to education; reductions in funds for training and retraining; and neglect of research and development.

When will the government help Canadian students to acquire the tools necessary to build a better future for themselves and for all Canadians? The government cannot expect to create a new generation of world leaders while cutting the necessary resources to education and wanting to impose additional taxes such as the GST on books and other learning materials.

[*Translation*]

We need sound and intelligent leadership that will provide this generation of Canadians with the tools they need to improve their life and make a solid contribution to this country.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, my question is to the Prime Minister.

Today, the Economic Council of Canada released its annual review. The council's own official summary of this review when speaking about this government's high interest rate, high dollar policies, in part said that these "policies not only fail to achieve acceptable economic goals for Canada in the short run, but the process of fighting inflation solely through tight money may actually get in the way of firms attempting to modernize operations—in the longer run."

I ask the Prime Minister: Will he direct the Minister of Finance today to bring in a new budget immediately to reverse these economic policies, which the Economic Council appointed by this Prime Minister say are not only damaging the Canadian economy but harming its ability to work in the world and achieve global competitiveness? Will he move immediately in this direction?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, as the hon. member full well knows, we are not relying totally on monetary policy.

We are relying on fiscal policy and on what are called structural policies to reduce the inflationary pressures in the economy.

My hon. friend should know that the OECD has put out some numbers which demonstrate that, of the seven major industrialized countries, Canada's fiscal policy has been the most contractionary in the last five or six years.

Also, I think that Canadians are owed an answer to the following question: What has the Liberal Party done in the last six years to encourage this government to follow policies which will reduce the fiscal deficit, which is

where the economic policies say we should have done more?

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I remind the Minister of Finance in case he has forgotten—the Canadian people have not—that he is in government. He must account to Canadians for the policies that his government's own Economic Council says are damaging the Canadian economy.

Here is what the council also said in its summary. This council was appointed by this Prime Minister. It said that the government's approach to inflation fighting "threatens to increase both unemployment and the federal deficit. Because conditions differ from region to region, it also produces varying and sometimes inappropriate effects, adding to regional resentments and weakening national unity."

I ask the Prime Minister: Will he listen to his own Economic Council and stop the economic policies which are not only damaging the regions of this country, but in fact are weakening the very fabric of Canada's unity? Why will he not act on his own council's advice?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, there was a very good reason why I wanted to refer not to the inaction on the part of the Liberal Party in dealing with fiscal policy, but the fact that the Liberal Party has resisted this government and everything that we have done to reduce the size of the fiscal deficit.

It is the two faced, cynical approach of the Liberal Party that is leading me to make that specific statement.

If Canadians need any further proof of this, what is the Liberal Senate doing right now? The Liberal senators are holding up Bill C-21. The Liberal senators are holding up Bill C-28. They are holding up Bill C-69.

If we do not get those three pieces of legislation through, we are going to have a hit on the deficit of over $8 billion. That is going to hurt interest rates. That will undercut the competitive position of Canadian companies. If the hon. member had any honesty to deal with these problems—

Some hon. members: Oh, oh.

• (1420)

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, speaking of honesty, will the minister be honest enough to say that the—

Mr. Speaker: I think if both sides stay off that allegation it will be a lot better.

Mr. Crawford: He started it.

Some hon. members: Oh, oh.

Mr. Gray (Windsor West): Mr. Speaker, Canadians will want to know why the Minister of Finance has gone out of his way to refuse to answer the criticisms of this government's policy by the Economic Council.

[*Translation*]

Mr. Speaker, the Economic Council did not mention the Senate; the Economic Council did not mention the Liberals. It referred directly to the policies of this government. And according to the Economic Council, these policies have done serious harm to the economy of this country.

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the only point for me raising the Senate and the Liberal Party is that we are trying to do some of the things that the Liberal Party says we should do and which we agree we should do. What we receive from the Liberal Party and the Liberal senators is a road-block, trying to stop us from doing the very things that this document and the Leader of the Opposition says we should follow. We are trying to follow those things but we need some co-operation from the Senate, from the Leader of the Opposition and the leader of the Liberal Party, who I believe is sitting in the gallery right now.

* * *

THE SENATE

Mr. Tom Wappel (Scarborough West): Mr. Speaker, my question is to the Minister of Justice.

On Monday, the Minister of Justice categorically stated about the constitutionality of the government's recent Senate appointments that there was no breach of section 51(A) of the Constitution because the appointments are divisional appointments and not provincial appointments.

However, section 147 of the same act provides a direct link, I suggest, with section 26, under which the new senators were appointed, as it provides that no senators above 10 could be appointed in the province of New Brunswick, and I stress province and not maritime division, except under section 26.

In view of this direct linkage, will the minister not reconsider the government's decision and refer the whole matter to the Supreme Court of Canada so that these legal arguments can be fully and completely aired?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, as the hon. member will recall, when the issue was first raised in the House, which I believe was Friday of last week, I indicated that the issue was an arguable one. There are a number of provisions in the Constitution which have to be reconciled. Having reviewed all of those provisions and their various relations to one another, we are confident that our position is the correct one. If the hon. member is not, he has recourse to the courts.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, it is very easy to say that we have recourse to the courts but as the highest law officer of the Crown, I would like the minister, and I put the question to her, to consider the section which specifically states: "That only 10 members can be appointed to New Brunswick" and "the representation of each of those provinces shall not be increased at any time beyond 10, except under the provisions of this act for the appointment of three or six additional senators under the direction of the Queen", which is now four or eight.

The linkage is clear; you cannot appoint to the province of New Brunswick more than 10 senators under section 26. Will you not put that question to the Supreme Court of Canada?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, once again, I can appreciate why members on that side of the House are very uncomfortable with what is going on now and are seeking issues to try and deflect attention from what they really stand for, which is the supremacy of an unelected Senate over the House of Commons. I have been quite happy to concede that there are arguable issues and to state the position of the government, and I would state this point. I would like to quote a senior member of this parliament from a previous time:

> This tendency that whenever there is something controversial you shovel it to the courts is not that of responsible government. A responsible government makes up its mind, does what it thinks is right, and if it is constitutionally wrong, it is for the courts to decide.

I am sorry the hon. member finds that arrogant because that is a quotation from February 15, 1981, of his new leader, the Hon. Jean Chrétien.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister. The opinion that the stacking of the Senate to ram through the GST is unconstitutional is increasing every day.

Some hon. members: Oh, oh.

Ms. McLaughlin: I have here a legal opinion which says that not only is the Prime Minister in violation of section 51(A) of the Constitution Act, 1867, by creating more senators from New Brunswick than members of the House of Commons, but that he is also in violation of the Constitution Act, 1982, because section 41(B) states in effect that the appointment of the eleventh senator from New Brunswick amounts to an amendment of the Constitution of Canada, requiring unanimous consent of the provinces and of Parliament. The Prime Minister does not have that.

I ask the Prime Minister, will he show real confidence in his decision and make a reference to the Supreme Court?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I explained to my hon. friend yesterday that the government acted pursuant to legal advice from the most senior law officers of the Crown. It followed the constitutional provision, Her Majesty did the same. All of the actions taken were following this kind of advice from the senior law officers of the Crown. It may very well be that my hon. friend has a different point of view. Clearly that appears to be the case. That is what the courts are for.

If my hon. friend wishes to contest—

An hon. member: Send it to the court.

Mr. Mulroney: Mr. Speaker, I am trying to respond to my hon. friend. If she has a different—

Ms. McLaughlin: Send it to the Supreme Court.

Mr. Mulroney: If she has a different point of view, I am sure the Court of Appeal or the Supreme Court would be happy to entertain it at an appropriate time and under appropriate circumstances.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary is for the Prime Minister. Surely it is the responsibility of a government to ensure that the actions they are taking are legal.

[*Translation*]

Mr. Speaker, experts throughout the country agree that what the government did may very well be illegal. Some very serious questions are being asked—this morning for instance, in *Le Devoir*, by a doctor of constitutional law, in a Kitchener newspaper by former Supreme Court Justice Willard Estey, and by other experts as well.

Will the Prime Minister finally table in the House the advice given by his experts, who seem to be the only experts in Canada who approve the actions of his government?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, there may very well be lawyers across Canada who do not agree on the scope of a legal provision or the interpretation of a legal decision. I can inform the hon. member that the Canadian government consulted with its legal advisers in the Senate, who unanimously suggested a procedure that was entirely legal and acceptable. And we followed that procedure. We asked Her Majesty's permission, under a provision of the present Constitution. If this action gives the hon. member cause for concern, she has the same rights as any other Canadian citizen. On the basis of her allegations she can seek the appropriate remedy from the appropriate court.

• (1430)

[*English*]

Ms. Audrey McLaughlin (Yukon): He and only he can go directly to the Supreme Court to get this settled once and for all.

Mr. Speaker, until that question is settled in fact all decisions made by this Parliament, all laws passed, may indeed be illegal, I would say. I remind the Prime Minister that the Secretary of State for External Affairs appears to agree with us because on October 15, 1980, when he was Leader of the Opposition, he slammed the government of the day for refusing to refer its constitutional resolution to the Supreme Court.

I think his words were very wise and should be repeated here. I quote the words of the current Secretary of State for External Affairs, as reported at page 3680 of *Hansard*:

> —whether it is the position of the government now that Parliament and the people of Canada should bow to the government's will on the basis of advice that the Minister of Justice insists on keeping secret, and the validity of which he refuses to submit to the basic test of the Supreme Court?

Will the Prime Minister take the advice of his external affairs minister advice and refer this matter to the Supreme Court?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Government of Canada has already acted pursuant to advice it has received from the most senior law officers of the Crown. Her Majesty has acted as well.

If my hon. friend is concerned with the propriety or the legality of that action, she is entitled to seek redress before an appropriate court. In the absence of a decision to the contrary from the Supreme Court of Canada, the responsibility of the Government of Canada remains the same.

We were elected to govern and that is precisely what we are going to do.

* * *

GOODS AND SERVICES TAX

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, my question is directed to the Minister of National Health and Welfare.

This government has chosen to exempt public day care centres from paying the GST but not those that are privately operated. This will add as much as 3.5 per cent to the cost of private day care for an average family.

Having already reneged on his government's commitment to public day care, can the minister now explain why his government is trying to eliminate private day care as an option for working mothers?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, first of all, the position taken by the hon. member is not correct. It is not our intention whatsoever to eliminate private day care.

My understanding of the position taken by many members of the Liberal caucus, however, has been that they have been opposed in the past to private day care and have argued in favour strictly of public day care.

Our position in the government is to encourage child care in Canada. That is why we are committing almost $1 billion this year to do precisely that.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, I understand the minister's abrasiveness which attempts to conceal his embarrassment at his government's plan to save day care legislation until the next election.

Because of this government's day care deception of 1988, more and more working mothers are unable to find space in non-profit day care and are forced to rely on private centres. If the GST passes these families will pay as much as $300 more per child next year.

Will the minister inform the House as to whether his ministry will make any effort to stop the GST from smothering much needed day care, or is the national Revenue the only ministry interested in targeting day care?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, I hope the hon. member will forgive me for introducing facts on the floor of the House of Commons.

However, the position taken by this government from the outset has been that we want to see a national day care program in place. If it were not for the Liberal senators, we would have a national day care program in place today.

I would ask the hon. member whether she speaks for the Liberal Party of Canada in arguing in favour of private child care over publicly financed child care. I would point out to the hon. member that families earning less than $30,000 a year will be ahead of the game as a result of the GST tax credit. She should be supporting it

* * *

[*Translation*]

GOODS AND SERVICES TAX

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, despite a chorus of protests, the Minister of Finance and the President of the Treasury Board are still refusing to grant an exemption from the GST on books, which will sound the death knell of the publishing industry. The Minister of Communications said, and I quote: "Put your questions to the Minister of Finance. As far as I am concerned, the studies I paid for are being used to attack the GST".

My question to the Prime Minister is as follows: Does he agree with his Minister of Communications or with the President of the Treasury Board? Which one?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I think the hon. member will understand that the Minister of Communications, the Minister of Finance and myself have an abiding interest in the growth of the publishing industry in this country. The Liberals, unfortunately, have started to believe what they say about the GST. They describe the GST as a monster, and they are now shooting at the monster. The GST is a tax that exists in many countries. It is a direct and visible tax, applied to a very broad base so that choices will not depend on the tax. This tax also helps to improve the state of the economy, so that more people will be able to buy books after the GST is introduced than was the case before.

Mrs. Sheila Finestone (Mount Royal): You know perfectly well you are killing one of Quebec's cultural industries.

[*English*]

These ministers and this government in particular are killing the book industry in Quebec and across this country. It is a very serious matter. This is not a laughing matter. Reading is an opening into the world, and you are cutting back the population's access to it—

Mr. Speaker: Perhaps the hon. member could put her question.

Mrs. Finestone: Will any one of these ministers come clean with the Canadian public, come clean with the printing industry and recognize that you are killing them with this GST tax?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I do not accept that for a minute, but let me also say to my hon. friend that education is not being taxed and libraries are not being taxed.

My colleague, the Minister of Communications, has a program that will be helping Canadian book publishers, but I think what this does—

Ms. Copps: Day care is taxed.

Mr. Wilson (Etobicoke Centre): Day care is not taxed. The member for Hamilton East has just said that day care is taxed. It is not taxed.

What this all points out is that the Liberal Party of Canada cannot accept the fact that this bill has passed the House of Commons. It is in the Senate and the Liberal members opposite are saying that they want to pass over their responsibility as elected members of Parliament to a body to which the Canadian public has no recourse.

They have no way of voting out Allan MacEachen. They have no way of voting out Sid Buchwold. It is this fundamental principle of parliamentary democracy that the Liberal Party is trying to deflect the attention of Canadians on. They will not deflect the attention of Canadians because of the wide-spread editorial support for what—

Mr. Speaker: The hon. member for Yorkton—Melville.

Some hon. members: Oh, oh.

* * *

THE ECONOMY

Mr. Lorne Nystrom (Yorkton—Melville): My question is for the Prime Minister, if the Liberals will calm down over there, Mr. Speaker.

Some hon. members: Oh, oh.

Mr. Nystrom: My question is for the Prime Minister, as the leader of the government. In a rather unprecedented report this morning the Economic Council of Canada launched a scathing attack on the federal government's economic policies. It said that the government leader should admit that there is something fundamentally wrong with past economic policies.

• (1440)

I want to know from the Prime Minister of Canada whether or not he agrees with his blue chip economic advisory group that there is something fundamentally wrong with the economic policies of this government. Will he now admit that and change those policies on behalf of the people of this country?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I believe there is a fairly loose interpretation here, but that is normally expected from the hon. member.

We accept the fact that we should be getting the deficit of the Government of Canada down. That is precisely what we have been trying to do over the last six years and what we have been having a reasonable amount of success in doing.

More work has to be done, but perhaps the hon. member and his party could get off this horse of supporting the Liberal senators when they are blocking Bill C-21, which is designed to get the deficit down; Bill C-28, which is designed to get the deficit down; Bill C-62, which is designed to get the deficit down, as well as Bill C-69. Those are bills on unemployment insurance, on taxation, on the GST, and on expenditure—

Mr. Speaker: The hon. member for Yorkton—Melville.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, no wonder the Canadian people are cynical about this government. What this report does is attack the government on its failure to bring down inflation in this country in the proper way and to bring down unemployment in the proper way. They say, and I quote, at page 45: "Canada has never made more than a timid commitment to full employment".

The old ways have not worked. What I want to know from this government is what new policies it will introduce now to respond to this report. What new commitments will it bring in for the unemployed of this country? What new direction can we expect in Canada to put Canadians to work?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think the record of this government stands. We have brought the unemployment rate from 11.7 per cent down to the current level of around 8 per cent. A million and a half jobs have been created.

The Economic Council, if the hon. member will go on a few pages, also points out the fact that we should be spending more money for training to help people who are unemployed get better skills so they can get back into the labour force. That is the bill that my colleague has put to the Senate. It is a bill—

Ms. Copps: You just said it was to reduce the deficit.

Mr. Wilson (Etobicoke Centre): The hon. member obviously has not read it. The hon. member for Hamilton East has been away too long. It is designed to get the deficit down. It is also designed to redirect $800 million of moneys to encourage a greater amount of training for unemployed workers.

It is one of the bills that is being held up in the Senate. It is one of the bills that the New Democratic Party, in a very cynical way, is supporting the Senate in holding it up.

* * *

HAMILTON HARBOUR COMMISSION

Mr. Stan Keyes (Hamilton West): Mr. Speaker, my question is directed to the Prime Minister. When did his government first learn that Peter Lush received while he was chairman of the Hamilton Harbour Commission a payment of $400,000 for a real estate transaction?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, the hon. Minister of Transport informed my colleague yesterday that there would be an independent law firm named so that they would be able to examine the actions that have been taken. I am sure the hon. member would wish that to take place before he made any further statements.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I am simply looking for facts, as the hon. minister mentioned earlier, on the floor of the House of Commons.

Given that six months ago I advised the Minister of Transport that the chairman of the Hamilton Harbour Commission was also acting as a real estate broker in the sale of $10 million worth of property to the Hamilton Harbour Commission, and given that the lawyer for J. I. Case, the seller of the property confirms that Peter Lush was paid a $400,000 commission on the sale of the land when the land deal closed, will the Prime Minister recognize the ineptitude of his Minister of Transport and relieve him of his duties immediately?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I fail to understand my colleague's actions at this time. In March that member from Hamilton said—and I have it in the Hamilton *Spectator* of March 14, 1990—"I am satisfied with that. I can live with it" in explaining what had taken place. My colleague the Minister of Transport said that there would be an independent law firm engaged to review the situation and that their report would be made public. I hear the member for Hamilton West. I do not understand, unless it happens to be the history of Hamilton and the harbour commission, dating back to 1975 and 1979, that causes the hon. member to have this inane desire to investigate the activity which is taking place in Hamilton. Will the hon. member not wait for the investigation as everyone else will?

Mr. Sergio Marchi (York West): Mr. Speaker, in the absence of the two Ministers of Transport I address my question on the same matter to the right hon. Prime Minister. Yesterday, in response to my request for a full public inquiry, his Minister of Transport said that the individual in question, Mr. Lush, had asked for an independent review and that he would be naming an independent law firm to review this matter.

Why is the government only agreeing to Mr. Lush's option, rather than satisfying the interests of the Canadian taxpayers which would be best served by a full and public inquiry on a public matter involving public funds? After all, to whom is this government responsible?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I can only quote my colleague, the Minister of Transport. I am sure the hon. member and all members of this House would like to be assured of the ability of individuals to receive justice without having it biased in any way. I can quote my colleague, the Minister of Transport—

Ms. Copps: How about $400,000.

Mr. McKnight: The member for Hamilton East would also, I am sure, share that concern.

I can only quote my colleague, the Minister of Transport, in Southam News, citing a recent Supreme Court of Ontario decision. They said a public commission is not the place to conduct these investigations because people's reputations are at risk and they have no recourse to reply. I am sure that the hon. member would accept that. I am sure the hon. member would wait for the independent law firm to be engaged and review this. And it will be made public, as my colleague, the Minister of Transport said yesterday in the House.

Mr. Sergio Marchi (York West): Mr. Speaker, I return to the Prime Minister and I hope that he finds the

courage to answer about his own government's conflict of interest guidelines. How can the Prime Minister defend his transport minister, who was a former Minister of Justice, in promoting a cosy, closed door review by a law firm which will end up reporting to the same minister? Why does the Prime Minister not stand in his place and do the—

Some hon. members: Oh, oh.

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I had hoped that the hon. member would wish to allow the issue of innocent until proven guilty—

Mr. Marchi: His interests are served in the public too.

Mr. McKnight: Mr. Speaker, again I can only quote to the hon. member, who has much more experience, I presume, in the law than I, the statement in the Ontario Supreme Court ruling which said that a public commission is not the place to conduct these investigations because people's reputations are at risk and they have no recourse to reply and respond. I am sure the hon. member, being a fair-minded member, would like the individual involved to have the right of reply.

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PETRO-CANADA

Mr. Ross Harvey (Edmonton East): Mr. Speaker, this is a question for the Minister of State for Privatization. When the government privatized Air Canada, it paid RBC Dominion Securities and Wood Gundy Incorporated over $30 million to tout the stock. Now, ostensibly to sell Canadians an oil company they already own, the government will spend up to $175 million, or more, money that will go straight into the pockets of hot shot brokers and agents. Free of the GST, too, thank you very much.

• (1450)

From where is the minister taking that $175 million? Is it from the $155 million cut from the Canada Assistance Plan? Is it from the $35 million cut from programs for Canadian veterans? Is it from the $1.2 million cut from women's programs and the $9.7 million cut from native Canadians? Where is the money for all those stockbrokers coming from?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, I find it passing strange that the hon. member has these figures when there has not even been a price set for the stocks of Petro-Canada.

Once again, the NDP is manufacturing things to make it look spectacular on the floor of the House of Commons.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, it is not the NDP that is manufacturing figures. It is Ian Doig and other noted market analysts. We are just sort of feeding it to the House.

Assuming for a moment that the $175 million figure is correct and that the government is going to turn the $500 to $700 million generated by the first 15 per cent issue back into the company, is it the case then, that in its frenzied desire to strip the Canadian people of assets they now own, the government is prepared to give away somewhere around three-quarters of a billion dollars of taxpayers' money to big time oil company shareholders and stock touts? Is that what the government means by restraint and fighting the deficit?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, I cannot answer the question on that substance.

* * *

EMPLOYMENT EQUITY

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, my question is for the minister responsible for Statistics Canada.

In February of this year, the minister will remember that I asked him whether or not there would be a question dealing with the disabled and employment equity targets on the 1991 census. He answered the House that it was being discussed.

Today, I would like to ask the minister what the outcome of these discussions were.

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I do not have the answer to that specific question at the moment. I will get back to the hon. member.

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, just last Friday the minister's colleague, the Secretary of State, denied funding for a conference held this past weekend on employment equity.

This government is sending a mixed message to Canadians who are disabled. Will the minister now, while there is still time before the issue of the 1991 census, consult with disabled groups to formulate a census questionnaire that will generate the data to provide the target levels and programs that physically challenged Canadians need?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): In answer to that question, Mr. Speaker, I want to assure the House that our government is very interested in the role of the handicapped and of visible minorities. Prior to the tabling of the next annual report, we had consultations in Ottawa Monday with a group of national leaders concerned about employment equity. Monday's gathering was the first in a series of regional and national meetings, and before the end of December we expect to table our third report featuring an assessment of progress made so far. We have a long way to go yet, but we are working together to improve the situation.

* * *

[*English*]

CANADA POST

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, my question is for the minister responsible for Canada Post.

Effective August 1, the cost of running post office boxes for individuals living in areas where royal delivery is present increased almost 100 per cent, from $26 to $50. Not only is this increase unacceptable, but for the elderly and particularly the disabled, it is very unfair.

Given that there are a number of Canadians affected by this, what assurances can the minister give us that this matter will be reviewed by Canada Post and by the minister with the hope of correcting it?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am informed by Canada Post that everyone in Canada is entitled to one free mode of mail delivery, be it by letter carrier, community mail box, rural route, general delivery or postal box. It is free.

It is only in circumstances where people want special treatment, out of ordinary from their neighbours, that imposes an extra cost on the post office that they tend to recover it. As it is, the costs they charge are only a fraction of what the private sector charges for similar services.

However, the post office does have a provision for accommodating special circumstances, such as the elderly or people who are unable to make it to the mailbox. If the hon. member will bring to the attention of the post office the circumstances of specific people, I am sure they will take care of it.

* * *

[*Translation*]

IMMIGRATION

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I direct my question to the Minister of Employment and Immigration. The minister changed the immigrant investor regulations without consulting the joint committees established under the Cullen-Couture agreement signed by Quebec and Ottawa in 1978. Why did the minister choose not to consult the joint committees? And why would the minister want to thwart economic development in Quebec where the new regulations are applicable immediately, whereas other provinces have 18 months to comply?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I am pleased to extend a warm welcocme to my dear colleague as critic of the Official Opposition, for this is his first question.

There have been quite a few discussions on the program with Quebec and other provinces in anticipation of the changes. Changes have been implemented for all provinces, and all provinces have endorsed the regulations.

* * *

[*English*]

PUBLIC WORKS

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is for the Minister of Public Works concerning a project which is extremely important to all

of Atlantic Canada and that, of course, is the fixed link to Prince Edward Island.

Even though the environment review panel did not endorse the project as proposed, they did recognize that improvements must be made to transportation. Now with dramatically higher fuel costs and the increased traffic to Prince Edward Island this summer, I and all Atlantic Canadians would like to know if every effort is being made to address the concerns of the panel and move on with the fixed link to P.E.I.

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, Public Works continues to be supportive of this project, provided the concerns of the environmental assessment review panel, which reported last summer as my colleague knows, can be satisfactorily addressed. This opinion is also shared, in my view, by the premiers of the maritime provinces.

For example, Premier Ghiz, in a recent speech to the Charlottetown Rotary Club, said the following, and I think it is worth putting this on the record. "With the fixed link it may well be that further engineering will reveal a particular design that can withstand the most rigorous environmental tests. If such environmental integrity can be demonstrated publicly then, in my view, the fixed crossing should proceed." I think that is the correct view.

Mr. Speaker: I want to advise the House that there will be a single question from the hon. member for Rosemont, followed by a single question from the hon. member for Okanagan—Shuswap.

* * *

[*Translation*]

HIBERNIA PROJECT

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, my question is directed to the Minister of Finance. Since the 1984 Conservative government election the Minister of Finance has been trying, rightfully so, I think, to convince Canadians that the deficit has to come down. However he told us recently that this year's deficit would be at least $1.5 billion more than expected.

Last week the Prime Minister also said that, because of the bills now stalled in the Senate, there is a possibility that next year's revenues may fall short by $8.3 billion. Be that as it may, I would ask the Minister of Finance how can he possibly support the federal government's $2.7 billion commitment for a project like Hibernia, particularly considering that we have no firm guarantees that Canada will get a fair share of the work?

[*English*]

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I would like to inform the hon. member that the Hibernia project, as compared to the first projects in the North Sea, for instance, in Norway or the U.K., have achieved a domestic percentage of approximately 35 per cent. The statement of principles of July, 1988, targeted approximately 45 per cent Canadian content in Hibernia, that was with the negotiations. With the negotiations, we have reached a level of between 55 per cent and 60 per cent. All areas of the country will benefit, including the Province of Quebec.

• (1500)

Mr. Speaker: The hon. member for Okanagan—Shuswap on a single question.

* * *

THE ENVIRONMENT

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, my question really falls under three areas of responsibility—environment, fisheries, and transport—but to facilitate the question, I will direct my question to the Minister of the Environment.

My question concerns the Fraser River Estuary Management Program which is a joint federal-provincial program. Over the past five years it has been mandated to assess and to monitor the environmental health of the lower Fraser River in British Columbia. As the minister knows, the five-year funding for the program expires shortly and the management committee has applied for a three-year continuation in funding.

Can the minister advise the House whether the government at this time is prepared to ratify the federal moneys required to maintain the program and whether the government is also prepared to expand the mandate of the program so that it can proceed with an implementation strategy to clean up the Fraser River?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, in answer to the first question, I would like to assure my hon. colleague that we are prepared to

extend the funding for the program. We are currently negotiating an extra $1 million over the next three years.

I would also like to tell my hon. colleague that the clean-up of the Fraser River is considered a priority in the Green Plan. At the moment, my department, in consultation with other departments having the responsibility for the Fraser, are developing actions which focus on the areas of pollution abatement, waste management, and site clean-up. That will be made public as soon as possible.

* * *

PRIVILEGE

Mr. Speaker: I have, first, a question of privilege from the hon. member for Parkdale—High Park.

There are also some other questions of privilege likely to be brought before the Chair. If the Chair is correct, these are questions that are very important to many lot of members. They are also questions that I have to ask hon. members to deal with in an exact, clear, and helpful way to me.

I am going to hear them, but I am asking hon. members, if I can say so, putting out a bit of a caveat, that I expect to be addressed on these matters in a way that can help me make a decision, not in a way that is designed to create abrasive feelings in this Chamber. We have a duty in this place to take care of our country and sometimes that requires some very special discipline.

The hon. member for Parkdale—High Park I know will help the Chair.

OATH OF ALLEGIANCE

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I gave you notice of this question of privilege with the greatest seriousness because, when I was first elected in 1979 by the constituents of Parkdale—High Park, then re-elected in 1980, and again in 1988, each time before I could set foot into this Chamber I had to take an oath of allegiance. These are the rules.

I wanted to take that oath of allegiance because when I took the oath of allegiance to Her Majesty, the Queen, I knew that I took this oath to serve Canada, and to fight in this Chamber for everything that is in the best interest of our beautiful country. I know every member sitting here came to this Chamber with the same intent.

But when someone else sitting in this Chamber now takes the same oath and then goes and washes his or her hands of this oath, this oath has very little meaning to every member sitting in the House. When that happened, my constituents phoned me. They were very, very angry. They said: "Mr. Flis, that oath you took does not mean anything. What is happening up there? How dare you sit in the same chamber with someone who is denying the oath that he took." Maybe this member did it without thinking of the consequences of his actions. Therefore, I would like to make a constructive suggestion.

If that member, either today or sometime this week or next, would think about what he did, stand up in this Chamber, and apologize for his actions, it would in a way restore the oath of allegiance that he took. This would satisfy me. I know it would satisfy my constituents in Parkdale—High Park.

Failing that, then I have no other choice but to request you, Mr. Speaker, to make a ruling whether this member should be sitting in the same Chamber with us. Failing that, I request that this matter be referred to the appropriate committee to look into this whole matter because it undermines the role of every member in the House.

Mr. Speaker: The hon. member for Shefford seeks the floor.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, the allegations the hon. member for Parkdale—High Park just made are probably the most serious ones ever made in this House. I must say that, during the past few months, I made some research and had research made on the Oath of Allegiance.

Mr. Speaker, you asked us to help you. I think it is important that we talk today about the right to hold a seat in this House, a House governed by the Canadian Constitution and which recognizes full freedom of expression for every member.

In the early days of Parliament, the principle of "no taxation without representation" was laid. That was way before my days, Mr. Speaker. There are millions of Quebecers who are in favour of sovereignty and still pay taxes administered by this Parliament. These people too,

Mr. Speaker, have the right to be represented as long as their representatives in this House are elected democratically and that we are citizens of this country.

In the past few months, we have witnessed deliberate attempts to cast doubt on the legitimacy of the members of this House who do not share the centralizing views of some and the confederative views of others. Mr. Speaker, attempts were made to try and establish that there are good Canadians and not so good ones. I will not tolerate, Mr. Speaker, that our institution allow the right to hold a seat without a collective exercise of soul-searching.

Mr. Speaker, the precedents in this House date back a very long time. The last time the House questioned someone's Oath of Allegiance, it was Louis Riel's. I should like to remind those who today would like to see a repetition of the treatment Louis Riel was subjected to at the time just how severely history has judged Riel's opponents and especially his murderers.

Mr. Speaker, Joseph Howe sat in this House on behalf of Nova Scotia. I should like to remind the hon. member for Cape Breton who was all worked up yesterday when he said that we hardly had the right to sit in the House that Joseph Howe did sit here as an Antifederalist member. I should like to remind him also that several members also sat in the Nova Scotia legislature.

• (1510)

Quebecers were not the first to question the Canadian Federation, Mr. Speaker. As early as 1867, Nova Scotians did just that.

Today, those who are claiming that this situation is unprecedented are lacking in historical perspective and showing no respect for democracy.

I mentioned Louis Riel earlier; he had been elected to the House in 1873 and 1874, and was finally evicted in 1874 in spite of the fact that he had taken the Oath of Allegiance.

As far as the violation of the Oath of Allegiance is concerned, Mr. Speaker—I would not want to quote Beauchesne again—I suggest that the only example which occurred in the past was in 1940 when Fred Rose, who had been elected to the House of Commons, was later on found guilty of spying following his trial which took place in 1946.

Mr. Speaker, if any member of this political group represented in the House has violated the Canadian Constitution, the law of Parliament or the Criminal Code, let the hon. members who are prepared to lay charges do so immediately! Otherwise, as the hon. member for Burin—St. George's yesterday, they would be showing a lack of courage. They claim that they would be ready to vote on—

Mr. Speaker: I hesitate to interrupt, but— It is with some concern that I accept the hon. member for Shefford's position as I accept the more general terms of the history of our country, because with some clarity the hon. member touched upon similar situations that occurred in the past.

However, I think the point of my ruling is very clear. After all, I have heard the hon. member for Parkdale—High Park and also the hon. member for Shefford. Other hon. members might have the same question of privilege. Could the hon. member for Shefford explain or perhaps even suggest to me how best the Chair could hear other points, because a lenghty argument may not be necessary if the points are the same.

The hon. member for Shefford.

Hon. Jean Lapierre (Shefford): Mr. Speaker, I understand your interrupting me, but I was just into my introduction.

You asked us to learn about the oath of allegiance, Mr. Speaker; I have researched the subject, prepared myself and am now ready to share the results with you and our colleagues.

Mr. Speaker, I will certainly mention precedents because in this House parliamentary law is based for the most part on precedents.

Mr. Speaker, I will talk to you—

Mr. Speaker: Once again, I accept the position of the hon. member for Shefford. But I have a question. The hon. member for Shefford has clearly presented an argument which is very precise, very interesting, very historical. So I wonder, given the thorough argument put forward by the hon. member, if the Chair should have to listen to the same argument over and over again this afternoon.

Hon. Jean Lapierre (Shefford): I am coming to that, Mr. Speaker. In fact, Mr. Speaker, I wanted to tell you about the situation in the provincial legislatures.

Mr. Speaker, what my colleague of Laurier—Sainte-Marie did—

Mr. Speaker: I understand very well the position of the hon. member for Shefford, but I have a question for all the members who gave me notice of a question of privilege.

Is it the position of my colleagues from the Bloc? And if so, why should I have to hear the same argument from each and every colleague, and member?

Hon. Jean Lapierre (Shefford): Mr. Speaker, your approach to the Bloc Québécois is somewhat unpredictable. Today, you ask me to speak on behalf of the Bloc Québécois, although usually, you ask me to speak as an independent. The fact is that today, I speak as an independent member who happens to belong to the Bloc Québécois. I am sure my colleagues have their own personal privileges that may be affected, and I would not presume to speak on their behalf.

Mr. Speaker, I may recall the customary procedure in the Quebec National Assembly, because it is quite relevant here. The hon. member for Parkdale—High Park referred to a second oath sworn by the hon. member for Laurier—Sainte-Marie. Although the Crown is indivisible, the fact is that for years, each member of the Quebec National Assembly has sworn two oaths. Each member of Cabinet swears three oaths. Mr. Speaker, I would like to read this to you because there are precedents.

When my colleague from Hull—Aylmer was a distinguished member of the National Assembly, he swore his two oaths, and he was never accused of *lèse-majesté*. The fact is, and I would like to read this to you, since 1982 members of the Quebec National Assembly have been asked to swear a second oath. Section 15 of the National Assembly Act provides that a member may not sit in the Assembly until he has sworn the oath or made the solemn statement provided under Schedule 1. Mr. Speaker, Schedule 1 contains the oath or solemn statement, which reads as follows: "I swear I shall be loyal to the people of Quebec and will perform my duties as a member honestly and fairly, in accordance with the Quebec Constitution." Mr. Speaker, according to the manual, members of the National Assembly must also swear the oath of allegiance to the Queen prescribed in section 128 of the British North America Act.

However, one does not exclude the other. An oath of allegiance to one's homeland has been deemed to be constitutional, has been accepted for years, and I cannot accept that today, a procedure is being challenged that has been followed since 1982. Mr. Speaker, if people were more aware of what has happened in Quebec in recent years, they would be more attuned to the political, legal and economic realities of Quebec. Unfortunately, the hon. member is not, because this has been a common procedure since 1982, and no one has ever challenged the right of a member of the National Assembly to sit in the Assembly, to be democratically elected and to be a faithful defender of the interests of his homeland.

Mr. Speaker, I will not bore you with a description of the situation in other countries, but I would like to recall the situation in Great Britain. To our friends who sought refuge during the past few days in the monarchy and the Queen's prerogatives, I would like to say, especially to the hon. member for York South—Weston, that in Great Britain, members of the nationalist Welsh and Scottish parties were elected to the British House of Commons and sat in the House after swearing their oaths. Better still, members of the Labour Party, who have a certain philosophy in common with the Liberal Party, campaign against the monarchy in every election but they still sit in the British House of Commons.

To be helpful, Mr. Speaker, I would like to say that the oath of allegiance, as prescribed by law and by the Constitution, was respected. A person can swear allegiance to the Queen because she represents the people. We certainly do not place our trust in the monarchy. We place our trust in the people of Quebec, the people we represent, and we do so proudly in this House, Mr. Speaker.

Mr. Speaker: I would like to thank the hon. member for his comments. I do not think I need to hear more arguments on this issue. I do understand the position of the hon. member for Shefford. I also understand the position of the hon. member for Parkdale—High Park and probably also the opinons, views, and behaviour of all the other members in this House. But I would like to make a suggestion. Of course, when we have to deal with such an important issue, it is appropriate for the Chair to reserve its decision. For the record, it would probably

also be appropriate to make a list of all other members wishing to raise the same question of privilege. But clearly, we do not need to hear the same argument over and over again.

• (1520)

I would ask the rest of the members to cooperate with the Chair and support this approach.

Is there consent to use this approach?

Some hon. members: Agreed.

[*English*]

Mr. Flis: On a point of order, Mr. Speaker.

Mr. Speaker: The hon. member rises on a point of order. He may well be able to help me. I will come back to the other members in just a moment.

Mr. Flis: In making your decision, Mr. Speaker, I hope you will not take into account any arguments quoted from what happened in the provincial legislatures. We are masters in our own House and I hope, Mr. Speaker, you will only take the arguments and precedents as set out in Beauchesne, a federal oath of office. Again, I remind anyone who wants to make representations on this case, we are masters of our own House and provincial legislatures are masters of their houses.

Mr. Speaker: The point the hon. member makes is a legitimate one. I want to assure the hon. member that in dealing with this issue I am going to be very careful. However, my point is the hon. member for Shefford has made a good argument. I think he has said about all he can say to persuade me, because I think he has covered the major points.

There are other members who have also filed applications of privilege. I want to make it very clear to them, I do not need to hear an extensive argument from any of them. I would be very pleased to hear from one or more of them very briefly, very briefly indeed. The hon. member for Laurier—Sainte-Marie.

[*Translation*]

COMMENTS MADE BY THE MEMBER FOR YORK SOUTH—WESTON

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, my question of privilege relates to a statement the hon. member for York South—Weston made in this House yesterday. He said, talking about me:

> A ceremony took place in the city of Hull several weeks ago where the hon. member said to Canadians from one end of the country to another that he was washing his hands of the oath of allegiance that he swore, that each and every one of us swore, to the Queen of Canada, and that his allegiance was to the Province of Quebec. That is fair enough.

Mr. Speaker, I wish to correct the record. First, I never mocked the Canadian Parliament nor the Queen. I swore the oath of allegiance with all due regard for the democratic institution that the Canadian Parliament is. I did not later say that I was washing my hands of the oath. I did say that it was a formality, and I stand by what I said. It is a formality. I swore allegiance first and foremost to my Laurier—Sainte-Marie constituents, who knew very well, from the start, that I advocated sovereignty. The election results, must I remind you, Mr. Speaker, were conclusive: 68 percent voted for me, 19 percent for the Liberals, 8 percent for the NDP and 3.9 percent for the Conservative Party.

I believe that my election was legitimate and that I can legitimately be a member of this House. I will not repeat all the examples given by my colleague from Shefford, but, as I recall, at every election in Great Britain, the left wing of the Labour Party campaigns against monarchy, then swears an oath to the Queen and request, in one of the first motions they introduce, that monarchy be abolished. Funny that never offended sensitive souls in English Canada.

Mr. Speaker, I have no intention to insult the English Canadians the way I was when some of them trampled on the Quebec flag last spring. I will not reciprocate. I assure you, Mr. Speaker, that things are happening quite dispassionately and calmly in Quebec and that incisive and false statements, such as that were made yesterday by the member for York South—Weston, foster a climate which is detrimental for Canada as well as for Quebec.

Mr. Speaker: Again I hesitate to interrupt the hon. member. I would ask all members to be very careful in their remarks and refrain from making accusations or allegations concerning the attitude of their colleagues.

I would urge the hon. member to restrict his comments to the matter under consideration.

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, I was about to conclude my remarks by saying that I do not have to listen to a lecture on democracy

from members of a party which relies on non-elected senators to bring Parliament to a standstill.

My point is very clear, Mr. Speaker: false statements have been made yesterday and I am asking the hon. member for York South—Weston to withdraw his words. That is a specific point and a clear request.

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I will heed your advice and be brief. We live in a free and democratic country. We are proud of our political system where elected members enjoy freedom of speech to promote the interests of their constituents, and I would suggest that all members share that sentiment. This is why it is so saddening to realize that good though our system may be it does have weak points. For it has become clear in recent days that some members take advantage of democratic freedoms to discredit democracy in this House. As members from Quebec we left our parties to be free to defend the interests of the people of Quebec. Entertain no illusions, we have their support. The democratic process in Laurier—Sainte-Marie is proof positive of that fact. We got two thirds of the votes. A clear-cut victory. It also goes to show that we members of the Bloc Québécois promote and respect democracy.

In light of that, Mr. Speaker, the attitude and remarks of the hon. member for Burin—St. George's yesterday are totally unacceptable. It is unacceptable that a member with his experience would dare say, and I quote: "I will vote for a motion any day at all that runs this crowd clean out of this place once and for good. I will go for that motion because—"

Mr. Speaker, I would ask the hon. member to show more respect for our parliamentary democracy and to withdraw his remarks.

[*English*]

Mr. Speaker: I wonder if I could hear the hon. member for Kingston and the Islands just briefly and then I will come back to the other hon. member.

[*Translation*]

Mr. Peter Milliken (Kingston and the Islands): Very briefly, Mr. Speaker, on a point of order. The Standing Orders are clear: whoever wishes to rise on a question of privilege must do so at the most convenient time. The Hon. Member for Burin—St. George made this statement yesterday during debate. Hon. Members were here and they could have risen during debate, but they failed to do so. Therefore, I suggest that what the Hon. Member is doing is irregular and out of order.

• (1530)

[*English*]

Mr. Speaker: I must say that I received all these notices in writing this morning. In the past there has been a general sense that a matter that is to be raised is sometimes raised after it is possible to see the "blues". In any event, I suppose the hon. member is partially right in a very narrow sense, but I have accepted them and I am trying as best I can to dispose of the matter without taking up too much time of the House.

I am saying to the hon. member for Longueuil that he is beginning to go beyond the question of privilege. Sooner or later someone is going to complain about that. I would ask him to bring his remarks to a close and would give him a few more minutes to do so.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I want only to repeat that I am asking the Hon. Member for Burin—St. George to withdraw the remarks he made concerning the Bloc Québécois. I do so, not only on behalf of my Bloc Québécois colleagues, but also of all the Members of this House.

It is a matter of principle; no member of this House should be allowed to comment on the right of another member to sit in this House. Thank you, Mr. Speaker.

[*English*]

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, in accordance with your suggestion, you wanted to receive direction or, if you will, suggestions from hon. members in helping you to make your adjudication.

Of course you are aware of Beauchesne's paragraph 24, which is a definition of a point of privilege, paragraph 26 and of course paragraph 31 of Beauchesne's.

I wish to point out a number of facts which I believe are quite pertinent to the issue at hand. The first is that the hon. member for Shefford quite rightly made reference to a great Nova Scotian in the person of Joe Howe, who was elected to the House of Commons and had a particular view on Canadian society whereby he led a movement, an anti-confederate movement in this partic-

ular country. That is correct, Mr. Speaker, and that is an acknowledged fact.

Second, the acknowledged fact that he did sign or did complete his oath of allegiance to the Queen. No matter how distasteful I may find the views of particular members, if they are duly elected, have signed the appropriate oaths and enter this Chamber, they have a right to present those views.

That in no way should lead one to conclude that members of this party or anywhere in the House would agree with some of the statements and some of the positions that may emanate from that particular member.

I want to put on the record, Mr. Speaker, facts to help you in your adjudication because this is really a dispute as to the allegations of fact. We have had members who have renounced their oath to the Queen at a public ceremony. It was thereafter reported in the press.

An hon. member: Oh, oh.

Mr. Dingwall: Just a minute. Mr. Speaker, the hon. member is interrupting. Just give me an opportunity to put some facts on the record.

It was reported in *The Ottawa Citizen* of September 20, 1990: "Bloc MP to wash hands of his oath of allegiance". That was the headline. It may be misleading; it may not be misleading. This is the quote that the author in the newspaper article used, and I wish to read it to you, Mr. Speaker:

> Gilles Duceppe who won a Commons seat in a Montreal by-election recently, said Wednesday he will swear his devotion to the people of Quebec to counteract the oath of allegiance he had to swear to the Queen before being allowed to take his place in the House.
>
> "It is a symbolic gesture", said Duceppe, reached at his Montreal riding office.

An hon. member: What is your point?

Mr. Dingwall: The hon. member does not like to hear those things; only when he can twist the arguments to his benefit. I am trying to put before you, Mr. Speaker, some of the facts. That is the problem, that the argument is with regard to disputing the facts.

If the hon. member has not said these things, I think the hon. member has an obligation to inform members of this House, to inform the Chair, and to inform Canadians that his Oath of Allegiance to the Queen is firmly intact.

In *The Ottawa Citizen* of September 24 again there is another fact. The hon. member does not have to agree with it but it is a fact. The headline was: "Separatist supporters in Hull cheer MP's protest oath". Therefore, Mr. Speaker, you can see where hon. members sincerely would question what is taking place.

I provide this information to you, Mr. Speaker, to assist you in your adjudication, reminding you of Beauchesne's definition of the point of privilege, which is paragraph 24; paragraph 26 which draws the distinction between question of privilege and question of order; and of course paragraph 31, which says:

> A dispute arising between two Members, as to allegations of facts, does not fulfil the conditions of parliamentary privilege.

I give that to you, Mr. Speaker, on your instructions so that you can adjudicate accordingly, but this matter has resulted from certain statements that have been made by hon. members either intentionally or unintentionally.

[*Translation*]

Mr. Speaker: Under the circumstances, I feel there is a difference of opinion as to the facts. I think it would be appropriate to recognize the Hon. Member for Laurier—Sainte-Marie for a very short reply.

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Instead of relying on newspaper reports, Mr. Speaker, Members of the Liberal Party should ask their political minions who had come to the Hull ceremony to cause a row to see whether I had really made disparaging remarks against the Queen or against Parliament. Quite the contrary, Mr. Speaker: We insisted that it is with the outmost respect for Canadian Parliamentary institutions that we are sitting here, while insisting that we would strive to achieve Quebec's sovereignty as soon as possible. That is the solemn promise we made Quebecers. If the Liberal Party does not agree with that, it is, I know, because it does not understand what is going on in Quebec; my impression now is that they do not even want to know. But, that is not our problem, Mr. Speaker. If they rely on newspapers, they will have to correct a lot of things which were said about Jean Chrétien over the past few days. Let them find out from their political minions, paid with taxpayers' money, what I said—

[*English*]

Mr. Speaker: I think that hon. members have heard all that is necessary to be heard, at least for the moment. I am going to consider the matter. I will do the best I can to report back to the House at an appropriate time, in the hope that I can be of some assistance to all hon. members.

[*Translation*]

I thank the Hon. Member for Parkdale—High Park and his colleagues for their comments. Again, I thank all Hon. Members for their eagerness to co-operate with the Chair.

GOVERNMENT ORDERS

[*English*]

ORDER IN COUNCIL

TABLING OF APPOINTMENT AND REFERENCE

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to table, in both official languages, an order in council appointment which was made by the government.

Pursuant to the provisions of Standing Order 110(1), it is deemed referred to the appropriate standing committee, a list of which is attached.

• (1540)

And, while I am on my feet, Madam Speaker, I move:

That the House do now proceed to Orders of the Day.

Madam Deputy Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the yeas have it. The motion is carried.

Motion agreed to.

Mr. Flis: I rise on a point of order, Madam Speaker. By moving to Orders of the Day, I am wondering whether the government realized that it bypassed Statements by Ministers.

As we all know, today is probably one of the most important days in the history of this world. Of course I am referring to the unification of the two Germanys.

There is a national holiday today in Germany commemorating the union of the former two Germanys. I would have expected the Prime Minister, or someone on behalf of the government, to make some statement congratulating the new Germany rather than moving to Orders of the Day.

Madam Deputy Speaker: I do agree with the hon. member that this is quite a memorable day, but there was a motion in front of the House that we do now proceed to Orders of the Day. The motion was passed, so I will now call Orders of the Day.

GOVERNMENT ORDERS

[*Translation*]

HIBERNIA DEVELOPMENT PROJECT ACT

MEASURE TO AMEND

The House resumed from September 26, consideration of Bill C-44, An Act respecting the Hibernia Development Project and to amend certain Acts in relation thereto, as reported (with amendments) from a legislative committee; and motions Nos. 1 and 2 of Mr. MacDougall (p. 13462) and the amendment of Mr. Plamondon (p. 13468).

Mr. Gabriel Fontaine (Lévis): Madam Speaker, on September 14 1990, the Government of Canada announced the conclusion of an agreement with a consortium of private companies concerning the Hibernia development Project.

Today, the House is asked to adopt a Bill that would allow lenders to lend money to that consortium for the duration of the capital project.

The bill does not pertain to the purpose of the project but simply seeks to ensure that the consortium will get the funds it needs and that the federal government will also make certain seems available.

Today, we are asked to say yes to the bill so that the consortium can get the funds or to say no to the bill altogether, in which case, the project would be cancelled or delayed five years.

After the very short period of time allotted for my speech, I will be glad to answer questions from those who need more information.

People have the opportunity to say yes, especially in my riding where we have the best shipyards in North America. The Hibernia Project would bring great possibilities and a lot of work for 1992 and the following years.

We know that in 1992, shipyards in Lauzon will have completed the contracts given them by the federal government in 1985.

So, like the management of the MIL Group in my riding, I say "Hurray for Hibernia, hurray for the agreement, hurray for the work in Lévis and Lauzon"!

Furthermore, this project would provide two to three million hours of direct labour for workers in my riding and from two to three million hours of indirect employment involving draftsmen, management, secretarial work and administrative support. Those jobs, those hours would be feasible in connection with the following major works, and I will mention the main jobs. For instance, the topside ground-based work of the Hibernia project represents 700,000 hours. Dock building and unit construction represents a potential 1,200,000 hours in the shipyards in my riding. As for construction of a supermodule—the people in our shipyards are able to tender a proposal that would be accepted by the consortium—this work represents one million hours.

Madam Speaker, I find it rather incredible that most of the opposition to this project across Canada comes from ridings about the size of my own and from groups that are certainly not aware of the spinoffs. For their information, I will try to explain what the Hibernia project means.

When the project was announced, the consortium was under no obligation regarding the choice of contractors and subcontractors. The consortium went to the private sector, and on September 14, it announced two contracts. The first was with a firm of consulting engineers in Quebec, SNC, which received a contract worth $360 million. This means 600 professionals in Quebec will become experts on processing of hydrocarbons. Thanks to Hibernia, the kind of professional expertise that exists in Western Canada is now being developed in the central and eastern regions of this country. Hibernia will make Quebecers experts in the extraction and processing of hydrocarbons. The second contract, also announced on September 14, was for project management worth $1.3 billion and was awarded to a company that is 60 per cent Quebec-owned, by Atlas and Janin in Montreal. Madam Speaker, this means that the people who design and carry out this project and select input will go with what they know. They will call on Canadian and Quebec services and goods. So we have a leg up in the saddle in Quebec, with the Hibernia project.

There has been a lot of talk about preferential treatment of Newfoundland. They say there will be $1.6 billion worth of work done in that province, and that is true, Madam Speaker. But then that money will go for the construction of the huge base structure that will be built on the Newfoundland shore, for the graving docks that will be needed. This huge concrete island cannot be built in the Great Lakes nor in the West. It must be built on the Newfoundland shore, and then towed 325 kilometers offshore. So, the construction work has to be done on the Newfoundland shore, with all the appropriate equipment. The super modules must be built in Newfoundland, not one after the other, but all five at the same time. That is why Canadian firms will have to tender for all five super modules, and if they can't, then we will have to look elsewhere, Madam Speaker. When all the work is completed, this cement ship will have to be towed to sea, where it will finally be anchored with concrete or some kind of reinforcement. As you see, it is essential that this construction work be done in Newfoundland. Madam Speaker, the only restriction in favour of Newfoundland is that one of these super modules should be built in this province. But any foreign builder could win the bid to build this super module there. And so, no Canadian business has an advantage over other bidders.

• (1550)

I come now to my conclusion, Madam Speaker. My message is: the Hibernia project is good for Canada. It is excellent for Quebec. It carves us a place in the oil industry. It will be necessary, essential, for my riding in the years 1992 to 1996. That is what we, in this government, had in mind when in 1987 we started preparing, developing the technology in my Lauzon shipyard to improve it, and until this program gets under way, in 1992, we will continue to help the people of Lauzon, the MIL people whom we are also supporting in the frigate program they are building for the Canadian government.

So, Madam Speaker, I feel my government is making an excellent contribution to Lévis and to the province of Quebec, a magnificent investment for the whole country.

Mr. Mark Assad (Gatineau—La Lièvre): Having heard what the Hon. Member had to say about Hibernia, Madam Speaker, I would not want to repeat the arguments which were used in the past to support this major project which people have been waiting for over 18 years. It is clearly a major project which certainly was supported by the general public, considering the high unemployment rate in that province. Yet, having seen some of the figures dealing with this project and the huge amounts of money invested by the Federal Government, I became very much interested and I examined some elements. In fact, I feel that the Hon. Member for Richelieu has moved an amendment which I find somewhat interesting for the simple reason that it suggests most contracts should be awarded to Canadian firms. That is clearly desirable. What is clear is that he has failed to consult for instance the MIL, the SNC, the major Quebec firms which know everything there is to know in that field.

The MIL and SNC experts—I am not going to give their names, because they would not want to be quoted as such—provided me with interesting data. They told me that the previous government had a shipbuilding policy. For instance, late in 1979, the MIL had built supermodular drilling rigs in the Gulf of Mexico. It was a great success. MIL built 12 of them. They acquired some kind of expertise in that area. They achieved success in spite of the international competition because the federal government at the time had a shipbuilding policy which no longer exists today whereby they were subsidized in an effort to help them first of all obtain these contracts. Because of a lack of shipbuilding policy, whenever supermodules are build in Great Britain or in Scandinavian countries such as Norway, there is no tarif. The legislation on this is so vague that foreign competition can be unfair. Again, because there is no policy, Canadian firms may experience great difficulties in obtaining most contracts.

But to return to the amendment moved by my colleague the Hon. Member for Richelieu, when we examine the amendment, we realize that it is unrealistic for various reasons. First of all, as far as supermodules for Newfoundland are concerned, the experts say that the five of them must be build at the same time and not one after the other. And I was told that, in fact, even across Canada, we don't have the capacity to build them simultaneously because, for many years, in other countries, technology has improved and we don't have the same capacity. This is one of the factors working against Canadian companies.

Second, if the government insisted on building all five supermodules in Newfoundland, the cost would be higher. Under the agreement now in effect between the international consortium and the federal gouvernment any additional costs would have to be borne by the consortium. In this event, they would be put in a bind and the project would then be in jeopardy. There is talk that they might even withdraw from the agreement.

Consequently, for these two reasons, we must realize that our colleague from Richelieu has tried, in good faith, to help Canadian firms. But we must be realistic! When we get an amendment like the one he has moved, we must look at the facts. One can move totally redundant amendments, but if they are not realistic, they do not mean anything. And that is the case here.

Which forces me, then, Madam Speaker, to move:

That the amendment be amended, by striking out all the words following the word "platform" and substituting the following therefor:

"provide for maximum Canadian content consistent with not harming the project".

This is supported by my colleague, Fred Mifflin, the member for Bonavista—Trinity—Conception.

Madam Speaker, this truly reflects the reality, after consultations with experts from Canada and especially from Quebec, and I present it to you here.

Hon. Jean Lapierre (Shefford): On a point of order, Madam Speaker.

Madam Deputy Speaker: The hon. member for Shefford on a point of order.

Mr. Lapierre: Madam Speaker, I know that you will consider that amendment.

I suggest that that amendment to our amendment negates the present amendment. The latter is intended to create the obligation to go to Canadian bidders first.

The most our colleague from Gatineau—La Lièvre is asking for is what was already announced in all the press releases from the consortia. They say they will do their best. We suggest that their best is not enough, Madam Speaker. We want them to be bound by a legal obligation.

The amendment is basically diluting our amendment to the point of negating it completely. That means that the member for Gatineau—La Lièvre is indirectly saying no to our amendment.

I would ask him to be straightforward. He should just get up and say he is against Canadian companies, not hide behind a sub-amendment. Even his leader said he supported our amendment, Madam Speaker. But now I get the feeling that they are a little twisted in that party because they do not know where to stand. They spoke against our amendment, but their leader said he was for it. They are all mixed up, Madam Speaker.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, on the same point of order, because I think the member for Shefford is loosing his temper for no reason.

One must realize, Madam Speaker, that the amendment to the amendment proposed by the member for Richelieu is precisely intended to add to the contracts and tendering documents for contracts a provision encouraging greater Canadian content without impeding project advancement. That is clear and very precise.

Mr. Lapierre: It is a negation!

Mr. Gauthier: The member for Shefford may think it is, but it is not, Madam Speaker.

• (1600)

Madam Speaker, I believe the motion to be acceptable because it clarifies further the amendment proposed by the member for Richelieu.

The reason for such an amendment, Madam Speaker, is quite simple. Bills are now written simultaneously in both languages. In the French text, there is no paragraph *f*), but in the English version there is one, and it reads as follows:

[*English*]

Such other terms and conditions as the minister considers desirable.

[*Translation*]

But, Madam Speaker, this paragraph is not in the original French text. That is what the government was trying to do. Correct this error, so to speak, and include an amendment which would give the minister the right to decide, when the amendments will be adopted, that there be a highest possible Canadian content, without prejudice to the project itself. Madam Speaker, the amendment complies with the Standing Orders.

Mr. Louis Plamondon (Richelieu): I raise on a point of order, Madam Speaker.

Madam Deputy Speaker: The honorable member for Richelieu raises on a point of order.

Mr. Plamondon: Madam Speaker, the person who can best know whether or not there is a contradiction between this proposition and his amendment is the person who presented it. And in my introduction on this amendment, Madam Speaker—

SPEAKER'S RULING

Madam Deputy Speaker: I am sorry but I have to interrupt the Hon. Member straightforwardly. The person who is most able to dertermine if the amendment is relevant or not is the one who is at the Chair. And, after having examined the amendment presented by the Hon. Member for Richelieu and the amendment to an amendment that has just been presented by the Hon. Member for Gatineau—La Lièvre, I must rule that the amendment to the amendment complies with the Standing Orders and put it to the House now.

Mr. Plamondon: On a point of order, Madam Speaker.

Madam Deputy Speaker: The Hon. Member for Richelieu on a point of order.

Mr. Plamondon: Madam Speaker, I would have appreciated to have been allowed to finish my 20 second argument. You interrupted me after only five seconds, and you made the ruling without hearing what I was going to say.

The whole bill was based on an encouragement to work with Canadian companies and the amendment I have presented is to make coercive the decision the government is going to take on the need to have a Canadian content. It is utterly contradictory to what I have said and to what the government had said.

Madam Deputy Speaker: I interrupted the hon. member for Richelieu, simply because his declaration was denying the Chair the opportunity to rule on the admissibility of the sub-amendment put before the House. The reasons why he originally proposed his amendment are certainly valid, just as much as the reasons for the amendment to the amendment. Nothing will prevent the hon. members, when the amendment to the amendment and then the amendment are put to a vote, from deciding. The decision belongs to the House. At the present time the Chair cannot rule otherwise. Resuming debate. The hon. member for Manicouagan has the floor.

Mr. Plamondon: Point of order, Madam Speaker—

Madam Deputy Speaker: Let me tell the hon. member that I would not like him to question the Chair's ruling at this point. The hon. member for Richelieu on a point of order.

Mr. Plamondon: Madam Speaker, you said you had to interrupt me because you said the ruling is yours, and I can understand that. But, after reminding me not to prejudge, that the ruling was not mine, but yours to take, you did not give me the opportunity to put my argument forward before rendering your ruling.

We did speak the same language. We cannot blame it on a bad translation or something like that. Your point is— Any linguist or constitutional expert would tell you, after comparing the texts, that they are complete opposites. And you ask me not to question your ruling, Madam Speaker? I am sorry, but it goes opposite to what I said, it is the antithesis of what I said, and I would call for a division on this.

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Madam Speaker, I find most regrettable that an hon. member of this House should challenge a ruling of the Chair. For years now, it has been agreed that a ruling by the Speaker should not be challenged. The ruling in case was made by the Chair. The amendment to the amendment is in order. We are now at debate, Madam Speaker, and I suggest that you proceed accordingly.

Mr. Charles A. Langlois (Manicouagan): Madam Speaker, resuming the debate, Bill C-44 authorizes the federal government to contribute financially to the development of the oil field discovered in the Atlantic a few years ago, off Newfoundland. This oil field is known as Hibernia. In June 1990, I sat on the legislatve committee which studied section by section Bill C-44, the one that is debated today. The Minister of Energy, Mines and Resources, when appearing before the committee, spoke at lenght about the benefits to be derived from the project, for the economy as well as the creation of jobs, both in the Atlantic provinces and Quebec.

I readily concluded that it was essential for Canada to gain expertise in the development of our underwater oil resources. We have to look at the situation in Great Britain, in Scandinavia and in Russia to understand how important it is for us, in Canada, to acquire that expertise. Right now, Canada has very little or no expertise in the development of off-shore oil fields. Canada has no choice but to join the group of nations that have acquired the technology to develop those vast off-shore reserves in a cost-efficient way. That is the purpose of Bill C-44.

By joining a consortium of private enterprises that are already involved in the oil sector, the government of Canada makes it possible for the Hibernia project to become reality. Moreover, Canada becomes a partner in the development of new processes and advanced technologies for the extraction of oil from off-shore reserves. Also, the government and the private sector work together to give Eastern Canada state-of-the-art facilities, to allow our engineering firms to acquire the knowledge and expertise they need in the design of supermodules, to give shipbuilders in Eastern Canada an opportunity to join together for the construction of those supermodules and to allow our workers to specialize in trades related to the construction and operation of the necessary equipment.

That is why I supported Bill C–44 when it was referred to the Legislative Committee for clause–by–clause study last June. I have to say that I asked, seconded by the hon. member for Ontario, that the Committee hear witnesses before completing its study of the bill. I wanted to take advantage of the presence of witnesses to ensure that Quebec would benefit fully from the economic impact of the Hibernia project. The minister reassured members of the committee telling them that as a result of discussions between private sector partners and the government of Eastern Canada, including of course Quebec, would get maximum benefit of the positive effects of the Hibernia project. On the basis of this assurance and convinced that the Minister of Energy, Mines and Resources was making every effort to reach this goal, I supported Bill C–44 in the legislative committee. Now that the Hibernia project has been announced and that some information have been made public, we can see that we made the right move in committee. Indeed, when the project was recently announced in Montreal, we were able to learn that a very large part of the engineering works will be done in Montreal by Montreal firms, by Montreal engineers. In addition, some building companies from the province of Quebec and Montreal play a leading role in the joint venture that will perform most of the construction work related to the project.

• (1610)

Madam Speaker, Quebec is already benefitting: some companies already play a big role and are major participants in the Hibernia project. Better still, Hibernia–related business opportunities, unique in that they will lay right at our doorstep, will be provided to our cement companies, shipyards and large manufacturing industries established in the Montreal region in all manufacturing areas from metal parts to highly sophisticated electronics and computer equipment.

Shipping and trucking companies based in Montreal are getting ready to meet the additional traffic Hibernia will generate in the movement of goods manufactured in the Montreal and Quebec region—

Mr. Saint–Julien: Hear, hear!

Mr. Langlois: —toward Newfoundland.

An hon. member: What about Sorel?

Mr. Langlois: I include Sorel in the Montreal region.

It is quite true that because of the Hibernia project Newfoundland will experience an unprecedented economic recovery, and that is good. It will, however, have an impact beyond Newfoundland over the whole eastern part of Canada, including Quebec, of course.

Madam Speaker, the members of the New Democratic Party object to the fact that some of the Hibernia crude oil production will be refined outside of Canada, especially in the United States. Our NDP friends should know that Canada can afford to use some of its natural resources as export commodities.

Should we treat oil differently than we do wood, copper, iron or electricity? I say it should not, Madam Speaker. Some of our oil production can be exported, thus contributing to foreign currencies flouring into Canada and helping us to maintain a sound balance of payments. You should understand that, my friends.

Madam Speaker, Canada has huge oil and gas reserves, both proven and unharnessed. One only has to visit the North of Alberta, as I did recently, to realize the vastness of the oil resources that can be found in the Athabaska oil sands alone. I would invite my colleagues to make such a visit. It is an education.

So, we can rest assured that there is no risk in exporting some of Hibernia oil production. Canada will benefit from it for many years.

[*English*]

There is another reason why I supported Bill C–44 in the legislative committee in June, and also why I support it in the House today.

The Hibernia project will provide job opportunities to the residents of several localities of the lower north shore, the eastern section of the riding of Manicouagan. The Blanc–Sablon area is linked to the island of Newfoundland by a ferry service. Already there is a continuous movement of people and goods between the island of Newfoundland and the Blanc–Sablon area.

It will be possible for the residents of the villages of Old Fort, St. Paul's River, Middle Bay, Bradore, Lourdes–de–Blanc–Sablon, and Blanc–Sablon to apply for jobs on the construction sites. I encourage them to do so.

I am sure that Newfoundlanders, maritimers, and Quebecers will team together in Hibernia. They will work together to bring this great project to its conclu-

sion, making it a truly Canadian project, in the best spirit of co-operation and teamwork.

Let us pool our knowledge, our skills, and our determinations and let us show the world that we, as Canadians, are a proud people and that we are the best when we work to attain the same goal.

Hibernia offers us a great challenge. It is up to us to make sure that this challenge will be met by us by voting for Bill C-44 as soon as possible.

[*Translation*]

Madam Speaker, let's overcome our fears! Let us give Quebecers the opportunity to work with their fellow citizens from the Maritimes and Newfoundland in the development of the Hibernia project.

Some hon. members: Hear, hear!

[*English*]

Mr. Ross Harvey (Edmonton East): Madam Speaker, I rise this afternoon unfortunately having to tailor my remarks somewhat from what I had intended, given the weak-kneed, lily-livered, pusillanimous, nonsensical sub-amendment proposed by the member of the Liberal Party. Anyone who has access to the text can see that it takes what was a perfectly reasonable Canada-first Bloc Quebecois amendment and turns it into a wishy-washy, mushy sort of pap of the kind that, quite frankly, Madam Speaker, Canadians have come to expect of the Liberal Party.

Before moving into the content of these motions, I would like to say something for the benefit of those unilingual anglophone Canadians watching at home who are wondering what all the fireworks are about. There are many of them in my riding, Madam Speaker. I would like to go into just a bit of what has been said here.

This is all about an amendment to Bill C-44, the bill which authorizes the expenditure of public money in Hibernia and other things. It is an amendment to clause 3 of the bill which is on page 4. Oddly, this is all being done strictly in the French language. It is only the French version of the bill which the Bloc Quebecois amendment sought to amend. The French version currently reads that the minister has the authority to do this, that and the other, and eventually gets to subsection (f) "and such other measures as the minister may judge appropriate or suitable". To this, the Bloc Quebecois, in the person of the hon. member for Richelieu, seconded by the hon. member for Shefford, proposed an amendment that would add to it after the "suitable" or" appropriate"—

[*Translation*]

"— notamment l'assurance que les appels d'offres sur les cinq super modules de la plate-forme soient, dans un premier temps, réservés aux seules entreprises canadiennes".

[*English*]

It means basically that the minister may do such other things, especially to guarantee that invitations to tender for the five platforms will be initially restricted to Canadian firms.

The Liberal member has now proposed that the words, which roughly in English are "will be initially restricted to Canadian firms", be replaced with words that basically say that the proposal must provide for maximum Canadian content consistent with not harming the project. That, at least, is how I, in my own admittedly imperfect fashion, come to translate all of these things.

Obviously you can see the difference between requiring that the bids be restricted to Canadians in the first instance on the one hand and seeking maximum Canadian content on the other. It is this difference which forms the reason why we in the New Democratic Party will be voting against the Liberal subamendment and for the Bloc Quebecois amendment. Unfortunately, we will be doing so fully in the knowledge that the Bloc Quebecois amendment, as presented, flies in the face of the free trade agreement.

There are several provisions in the free trade agreement, entered into almost two years ago now, that are quite pertinent here. I would like to note a few. The first article I will quote is from the version of the agreement published in the *Canada Gazette*, Part III, Chapter 65, assented to December 30, 1988. I quote from page 2118 of that Gazette, the following, article 105, National Treatment: "Each Party shall, to the extent provided in this Agreement, accord national treatment with respect to investment and to trade in goods and services".

We come to chapter 14 dealing with services, article 1402, sub (1): "—each Party shall accord to persons of the other party treatment no less favourable than that accorded in like circumstances to its persons with respect to the measures covered by this Chapter". This is the chapter which covers services. Among those services covered by this chapter, it notes in annex 1408 on page 2246 the following: mining services, including oil and gas field services, construction services, including building,

developing and general contracting services, and wholesale trade services.

• (1620)

As well, it covers commercial services, including professional services such as engineering, architectural and surveying services, scientific and technical services, repair and maintenance services and building management services.

I am now to chapter 15, annex 1502.1 dealing with business visitors. On page 2260 of *The Canada Gazette*, it is noted "(a) Business visitors. A business person seeking temporary entry into Canada—shall be granted entry without being required to obtain an employment authorization—upon presentation or proof of United States citizenship and documentation" et cetera.

Those business persons covered include persons doing technical, scientific and statistical research, conducting independent research or research for an enterprise located in Canada. It includes production management personnel conducting commercial transactions for an enterprise located in Canada.

As well, it includes after sales service such as installers, repair and maintenance personnel. It includes general service professionals, including management and supervisory personnel engaging in commercial transactions for an enterprise located in Canada.

Virtually all of the work associated with the Hibernia project, especially in the construction of the various parts of the project, is covered by the free trade agreement, so that in the absence of some indication in the act, a provision for Canada first will be undertaken notwithstanding the free trade agreement, it cannot be done.

Again, I say we will be voting for this amendment, but I am afraid that in the face of the free trade agreement, it would have to fall. We will vote for it, hoping that it will pass regardless, because we think this is precisely the sort of contradiction that Canadians ought to be made aware of.

However, I would note—and I do this with some heavy heart—that we are dealing here, unfortunately, with an amendment proposed by persons who perhaps are not dealing entirely genuinely with this House. I would note that at the time of second reading, report stage and third reading, among those voting for the free trade agreement, the agreement which precludes that which is being sought in this amendment by the Bloc Quebecois, were the members for Lac-Saint-Jean, Verdun—Saint—Paul, Megantic—Compton—Stanstead, Longueuil, Richelieu and Rosemont.

All of those members voted for the free trade agreement at second reading, report stage and third reading.

Two other members of the Bloc Quebecois, the hon. member for Shefford and the hon. member for Hull—Aylmer, were not present at any of those votes, so they did not oppose the free trade agreement.

Now we have the circumstance of a series of members—it would be wrong of me to accuse them of being hypocritical, atavistic reactionaries so I will not do that, Madam Speaker—however, we are confronted with the spectacle of members who, previously having voted apparently with great passion and determination for a particularly odious government measure, are now proposing measures to this House which cannot be implemented unless that prior piece of legislation is in some way overturned or at least put aside in this instance.

I will leave this conundrum to the House. Again, I will say that we absolutely support the goal of maximum Canadian content, of Canada first. We support those measures that would be part of any rational economic strategy involving the maximum upgrading and value adding on our resources here in Canada.

For that reason, we will oppose the Liberal subamendment. We will support the Bloc Quebecois amendment. We will continue to oppose the bill.

[*Translation*]

Mr. Yvon Côté (Richmond—Wolfe): Madam Speaker, I am extremely happy to take part in this debate not only as a member from Quebec, but also as a House of

Commons member, and I will add that as a member of the Committee on Energy, Mines and Ressources, I have been able to notice the point of view—

Madam Deputy Speaker: I recognize the hon. member for Laurier–Sainte–Marie on a point of order.

Mr. Gilles Duceppe (Laurier—Sainte–Marie): We do not have a quorum. We cannot proceed without a quorum.

Madam Deputy Speaker: I believe we have a quorum. The hon. member for Richmond—Wolfe.

Mr. Yvon Côté (Richmond—Wolfe): Before I was interrupted, Madam Speaker, I was saying I am pleased to take part in this debate not only as a Quebec member of the House of Commons but also as a member of the Committee on Energy, Mines and Resources.

I have had an opportunity to examine the scope and consequences of this project. As many of my colleagues pointed out the Hibernia development project will create a great many new business opportunities for all regions of Canada, including Quebec.

This is a major and highly technical oil project which will bring huge benefits to Quebec. It is expected to have a significant impact and contribute to improving existing Canadian know–how and developing new skills.

Supporters of the Hibernia project should keep in mind that the government has set a series of objectives. We want to create as many jobs as possible for Canadians, train highly skilled workers, seek the assurance that contracts awarded to Canadians during the negotiations are of strategic significance and pave the way for more projects designed to develop other petroleum resources. Finally we have done our best to make sure that the work is spread among various regions.

It might be interesting to consider the economic impact of these benefits. The government has been working for a long time now to achieve these objectives. The first step was made when the government enacted the Atlantic agreement provisions concerning the economic consequences for Canada and Newfoundland and when it established the Canada—Newfoundland offshore development fund. The provisions concerning the Atlantic Accord spinoffs have been reinforced by the Canada–Newfoundland Atlantic Accord Implementation Act.

Madam Speaker, a good many Hon. members are aware of the spinoffs which Hibernia will bring to Newfoundland. For instance, the consortium has agreed to build the gravity based structure in Newfoundland. The wellhead module and other elements connected to it will be built and assembled in the same province. Moreover, a large part of the technical design will be done in Newfoundland. This is quite logical in view of the fact that these enormous infrastructures could not be moved either by land or by sea.

I must mention that Hibernia will bring additional spinoffs to other Canadian regions.

Let us have a closer look. As a Quebec member, I am pleased to see that this province will receive its share of the spinoffs, no matter what some independent members may say to the contrary, Madam Speaker. Hibernia will use over 100 000 tons of—

Madam Deputy Speaker: The Hon. Member for Hull–Aylmer on a point of order.

Mr. Gilles Rocheleau (Hull—Aylmer): Could you check and see whether there is a quorum to listen to this Quebec Tory Member?

Madam Deputy Speaker: There is a quorum. The Hon. Member for Richmond—Wolfe has the floor.

Mr. Yvon Côté (Richmond—Wolfe): As I was saying, Madam Speaker, this structure will require over 100 000 tons of concrete which will be provided to a large extent by a number of Quebec plants.

• (1630)

It is also expected that the metal parts for the major components will be largely built in Canada. For instance, some companies could build the top sides and one of the supermodules. Surely you must be aware that on September 14, Hibernia Management and Development Company Limited awarded a contract for an important part of the Hibernia Sea Tanker to les Entrepreneurs Offshore de Terre–Neuve, a joint Canadian–European venture. Two important engineering firms in Quebec, namely SNC and Monenco Limited, are the major partners in this joint venture.

This very important contract for Quebec features two main components. The first one is to provide for the structural engineering and supply work for the facilities at sea. These superstructures account for approximately half of the capital value of the Hibernia project. Over the next thirty months, engineering and supply alone will provide employment for some 600 people at the project office in Montreal: $360 million, 600 engineers for more for 30 months in Montreal. Not to mention other projects worth $5 billion for which contracts have been awarded and approved. The first contract: out of $1.4 billion, $360 million go to Montreal.

The other part deals with the management services for the project.

As stated by Mr. Guy Saint-Pierre, President and Chairman of the SNC Group, the project will provide for the firms located both in Montreal and Saint-Jean involved in the joint venture additional expertise and experience which will raise their international profile.

Some of my other colleagues have given some concrete examples. A second contract, worth $1.3 billion, has to do with the design and construction of the Hibernia gravity structure. Two Quebec firms, Atlas Construction and Janin Construction have a 60 per cent ownership in the Newfoundland Offshore Development Corporation, NODECO, which was awarded the contract. Under this contract, Atlas and Janin will be mostly called upon to develop new skills in the very specialized construction techniques of offshore structures. This aspect of their participation will help improve their image and make it possible for them to operate successfully both in Canada and abroad.

Madam Speaker, I want to mention here that out of these 2 contracts which total $1.6 billion, an excess of between $400 and $500 million will be paid out automatically. Compared with the $1.5 billion total for the contracts awarded so far, the spinoffs will amount to more than the 20 per cent of which some independent leaders were satisfied long before this bill was ever introduced.

Over the past few months during which some of our colleagues left our party to sit as independents, improvements to the project with which their leader was satisfied earlier have been made. All this to say that thanks to the representations made by the members who chose to stay with the government, the benefits are there.

Another Quebec corporation, MIL—I have a clipping somewhere—said it was quite satisfied with the contract. I quote only the heading of the press release: MIL expected to play a major role in Canadian oil development projects. That is the heading of the press release. But to return to MIL. It expects to bid successfully for a large part of the project. MIL has gained tremendous expertise in the construction of drilling rigs, the repair and maintenance of mobile rigs, as well as the construction of shuttle tankers and supply ships.

The company will also offer for these projects installation, start up, engineering, inspection and testing services. Groupe MIL has worked closely with companies located in the Maritimes and Newfoundland. The confidence that they expressed in their press release is confirmed by the wording of the act. I am not afraid to say it and to prove it.

Madam Speaker, all regions of Canada will benefit from the $3 million which will be spent in the country for the bringing into production of Hibernia. I believe that all the members for Quebec and Canada and the people of Newfoundland have the right to be satisfied with this great project which will be profitable for Canada as a whole, for all provinces, and for Quebec in particular.

An hon. member: Hear, hear!

Mr. Lapierre: I rise on a point of order!

[*English*]

Madam Deputy Speaker: The hon. member for Bonavista—Trinity—Conception.

[*Translation*]

The member for Shefford on a point of order.

Mr. Jean Lapierre (Shefford): Madam Speaker, I ask that we now listen to the member for Rosemont.

[*English*]

Madam Deputy Speaker: We have a motion in front of the House. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

Madam Deputy Speaker: Call in the members.

The House divided on the motion, which was negatived on the following division:

(*Division No. 295*)

YEAS

Members

Duceppe	Lapierre
Leblanc (Longueuil)	Rocheleau
Tremblay (Rosemont)—5	

NAYS

Members

Andre	Blenkarn
Campbell (Vancouver Centre)	Clark (Brandon—Souris)
Collins	Dingwall
Hawkes	Kempling
MacDougall (Timiskaming)	Mayer—10

• (1640)

[*Translation*]

Madam Deputy Speaker: I declare the motion lost.

[*English*]

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I feel somewhat refreshed after that vote of confidence to be able to get up and speak on this motion.

I would like to begin by complimenting my colleagues from Manicouagan and from Richmond—Wolfe. I certainly appreciated the comments that they had, and I do believe they put this amendment very much in perspective.

I can say at the outset that on a project of this nature, one of the biggest if not the biggest project that has ever been undertaken in Canada, as a Newfoundlander of course I have my own views, but surely there is enough to go around for everybody on this by the time we get over the details of what is going to follow. I mean we are at the very early stages of the bidding on this particular, very highly technical contract. When we make comments and when it is written in the contract that we are looking at best efforts and we want the best and the maximum, I think we have to put it in perspective.

Like everything in this world this project is a tradeoff. I can tell you, Madam Speaker, that I would love to have this project have everything for Canada, bar none, without exception, but I believe I am a realist and I know that many of my colleagues on both sides of the House are realists as well.

Let me put it to you another way, Madam Speaker. If we waited until we had this particular contract perfect, we would have the contract still being negotiated until the second coming. It would be impossible to have it perfect. Somewhere between the perfection and the doing, the practical nature of getting oil out of Hibernia and the follow on fields in Ben Nevis and Terra Nova, which is 20 miles south of Hibernia, we have got to get moving on it.

Our subamendment asks in its simplest terms to favour the maximum Canadian content without jeopardizing, without delaying the progress of this very important project, not just to Newfoundland or Quebec but to Canada. The whole of the country is going to be involved. If we were to wait until we got all the things that we wanted, we would never ever be able to get the project under way.

The NDP and the independent members of this House, it would appear to me, do not particularly want this project to go ahead. NDP members have already said that. There are a number of reasons why they said it. I was not amused, but I found it passing strange that the hon. member for Kamloops got up and complained about the little time that we have spent speaking on this particular project.

I also recall the hon. member for Edmonton East, just a few moments ago, complaining about various aspects of what went on, what was not done, what should have been done, and that sort of thing. Without playing dirty pool, I remember very distinctly as the quarterback of this bill, certainly for second reading and I participated in first reading, that there was no big fuss about why the project should not go ahead. There were some amendments being proposed. I remember distinctly in committee on June 13 that it took one day because that is what the

committee members agreed to. All we needed was one day.

Therefore, I found a time warp from June 13 to this very day and last Wednesday I found some interesting positions being changed. Some of the members who are now proposing amendments to this particular project previously, at least on June 13, were quite happy to support the project as it stood. I find it very strange that now, when we are ready to pull the trigger on this highly technical and valuable project, they complain that they want all kinds of amendments made to the bill. They want amendments that essentially would make the project not viable if we were to invoke those measures.

The subamendment that I speak to does a number of things. I have to speak about that subamendment in the knowledge that there was a 20–year passage since the Hibernia field was discovered and the development in eastern Canada, indeed across Canada, and the increase in the sophistication in the supply, in technical knowledge and in the skills of offshore drilling. This project is certainly the first offshore oil project that will come into production in Canada and it takes a long time to develop expertise.

We do have a lot of expertise in Newfoundland, in eastern Canada, Quebec, all over Canada, but it has taken 20 years to develop it. This is why the Canadian content in the entire project is between 60 per cent and 65 per cent. It is not 100 per cent, but 60 to 65 per cent is more than twice as much as there was about 20 years ago when the Norwegians and the British became involved in the development and production of North Sea oil. That is a quantum jump, to say nothing of the fact that there are certain elements in the highly technical nature of the concrete structure, the five modules, the delivery systems, and perhaps even the tankers themselves that are going to deliver the oil.

I do have some knowledge of the shipbuilding business. I have some knowledge of marine things. I can assure you that as a ship's captain and overseeing staff, we could not produce in Canada all the items we needed to build a ship. Perhaps it is too long ago for me to count the number of years, but the point is that had we relied on 100 per cent Canadian content for our radar, machinery and in the case of the older destroyer, for our Y–100 machinery, the valves, the seam stops in our submarines, making sure it was safe to go to sea and to die, we would have had to shut down the navy. There would be no navy. There would be no ships. There would be no repairs.

If my choice as a parliamentarian, politician, Newfoundlander and as a Canadian is to look for the perfection in this particular project that my NDP colleagues are looking for with respect to Canadian content, including their reluctance to spend $2.7 billion on this very worth–while project, it would never leave the ground, as the hon. member for St. John's said a couple of days ago. We would be here arguing, cajoling, debating, amending, putting motions and all these kinds of things about Hibernia when we are all old men. That is unsatisfactory. That is unacceptable.

We have 42,000 unemployed people in Newfoundland right now. I am prepared to get up here and talk about any amendment for the rest of my life to get one more job, because one more job is another person who will have some measure of satisfaction and dignity and can make one more contribution. It is not that people in Newfoundland do not work. The jobs are not there. To me every single job counts.

When I get people looking for perfection but that search impedes a project that will employ 10,000 people in eastern Canada, a lot of Newfoundlanders and permanently employ 1,100 people, considering the number of people who are unemployed, I will go to any length to fight the amendments that slow it down and I will support the amendments that speed it up.

We have been talking about this Hibernia project for a long time. It just did not start with the first reading of this bill. It has been going on for 10 years.

• (1650)

As I said the other day, how many times do we have to sign this? How many times do we have to debate it? How many motions do we have to have?

Madam Speaker, I am aware of the work my friend from St. John's East has done on this project and I know how close it is to him. Indeed, I know I speak for the majority of the members of this House who have had enough of the i–dotting and the t–crossing and who want to get on with getting this project under way.

I believe, Madam Speaker, our motion is a way to facilitate that. It is a great opportunity for us to move ahead and develop the technical expertise so that by the

time Terra Nova comes onstream we may be able to go for 80 or 85 per cent Canadian content.

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): I am happy to rise to take part in the debate.

Madam Deputy Speaker: I recognize the hon. member for Longueil on a point of order.

Mr. Nic Leblanc (Longueuil): I move that the hon. member for Rosemont do now speak.

Madam Deputy Speaker: I am sorry. I cannot accept the motion at this time. The hon. member had already started his remarks. The hon. member for Abitibi.

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, it is a pleasure for me to rise and speak about this famous project. We have been talking in Canada about the Hibernia project for twenty-five years. There is nothing new there. Between 1980 and 1984, the oil field was surveyed and evaluated. Eight out of the nine wells that were drilled proved to be worth developing and worth the cost of $465 million. They can go on talking. I am very pleased they noticed that there are conservative Quebecers who have been defending Quebec's interests since 1984. We did not wait until 1990 to start defending those interests, Madam Speaker. We have been doing it since 1984 while some of the hon. members on the other side were travelling around the world a couple of times—

Madam Speaker, in February of 1985, the Atlantic Accord was signed. The funniest thing of all is that, on May 10, 1988, when the Atlantic Accord was voted on, the New Democrats voted with the government in favour of the Accord. I see also that the member for Mégantic—Compton—Stanstead voted in favour of the Accord on that day, and it seems somewhat bizarre today to see the other members sitting on the other side, the member for Longueuil, the member for Richelieu who was not present—maybe he was gone on a trip around the world— Madam Speaker, in this project, all regions of Canada have the opportunity to benefit from the $3 million that will be spent in Canada to get the Hibernia project off the ground. We know that companies in Quebec are in a very good position to get their share of the contracts that will be awarded to Canadian companies.

Madam Deputy Speaker: Point of order. The hon. member for Rosemont has the floor.

Mr. Benoît Tremblay (Rosemont): I would like to remind you, Madam Speaker, to listen carefully to what the hon. member is saying. If some members of this House did make inappropriate trips on official business, then that may be considered an insult to the House.

Madam Deputy Speaker: I do not see how the hon. member for Rosemont can feel threatened by a comment not intended for him. After all, the Chair cannot be responsible for each and every word uttered in this House. The hon. member for Abitibi.

Mr. Guy Saint-Julien (Abitibi): Thank you, Madam Speaker. I am glad his point of order has been ruled inadmissible. I never talked about official trips. I think, everywhere in the world, when people talk about the whole wide world, they also mean Quebec. I want to thank my colleague. Since Quebec has already carried out similar projects, for example, some hydro projects, and I think I am in a position to talk about hydro projects, since I come from the largest riding of the ten provinces, and the Bay James project has had an enormous impact— All of the equipment was built in Quebec, and then brought to my constituency. These people have some experience in the shipbuilding field. Quebec businesspeople will surely be able to compete when bidding for the Hibernia contracts. It may be that I know nothing of the sort, but I won't refrain from rising because I am a Conservative from Quebec. And it is not the member for Rosemont who will stop me from speaking in the House of Commons. Stay in your small Montreal. You never came to Abitibi. Stay home!

Madam Deputy Speaker: Order!

The Chair would ask the member for Abitibi to address himself to the Chair and not directly to one of his collegues. This would help to maintain order in the House. The member for Abitibi.

Mr. Guy Saint-Julien (Abitibi): Thank you, Madam Speaker. I admit you are right. You are perfectly right. In both cases, Quebec companies already own majority interest in the consortia which obtained the contracts. Discussions on the contracts have begun in Montreal. More than 600 individuals, Madam Speaker, will work on designing surface modulars for Hibernia.

Quebec companies are also hoping for contracts related to Hibernia. I agree with the Quebec Conservative

Members and I agree with the Bloc Quebecois members that we have to stand up for Quebec interests in this project. We all agree and that is why we speak today.

Madam Speaker, the significance of what Quebec is getting is not measured only in terms of value of the contracts flowing from the Hibernia project, but also in terms of acquiring new and valuable expertise in the field of design and construction of offshore structures that Quebec will be able to use on the international market over the years.

People in Quebec should be reminded of one thing, Madam Speaker, it is that the hon. member for Lac-Saint-Jean voted for Hibernia. When he was minister of the Environment he had managed to get 2 million man-hours for Newfoundland. What is even more surprising, Madam Speaker, it is that the hon. member for Roberval and Minister of Industry, Science and Technology, and the hon. member for Berthier—Montcalm and Minister of the Environment, have done better. They got 4 million man-hours. Four million man-hours is quite an achievement! I wish to thank them for that. Some other people should also be thanked, Madam Speaker, the hon. member for Manicouagan—

Madam Deputy Speaker: The Hon. Member for Rosemont on a point of order.

Mr. Benoît Tremblay (Rosemont): Madam Speaker, I did not rise earlier when the hon. member for Richmond—Wolfe mentioned that some government members had voted, abstained or kept silent when the bill was in the House. I was Parliamentary Secretary to the Minister of Industry, Sciences and Technology then, Mr. Speaker. I am prepared to take risks whenever what I believe in is at stake.

Madam Deputy Speaker: I fail to see what Standing Orders could could have been infringed upon in the hon. member's words. The hon. member may want to debate it at some other time, but he has no point of order. The hon. member for Abitibi.

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I would like to mention the contribution and the efforts of the member for Manicouagan, who is right here beside me. He is a new and very good member. I am extremely pleased to do it, because he was a member of the Standing Committee on Energy, Mines and Resources. He worked very hard for Québec and Canada to have that project.

An hon. member: That is true, Guy!

Mr. Saint-Julien: As my colleague for Duvernay, Vincent Della Noce, used to say: "That is one of the biggest projects for Canada and for Quebec". I agree with him.

Madam Speaker, we could talk about many things regarding that project, but we all stand for it before the voters and the people. It is normal for Quebec members to seek assurances that a good chunk of the 2.7 billion dollars Ottawa has coutributed to the project will be spent in Quebec. But it is not certain that their approach is, in the long term, in the interest of Quebec.

It is the duty of the federal government to make sure that its contributions be handed out equitably through out Canada to be used in the most cost-efficient way. It means that Quebec will never have more than its fair share of the federal windfall. Therefore it is important not to try and grab the whole thing but to enhance our chances to get what will do the most for the economic development of Quebec.

• (1700)

Mr. Langlois: And quality!

Mr. Saint-Julien: And quality, of course, Madam Speaker, as my colleague the member for Manicouagan, who is seated at my left, said. What is important is quality made in Quebec.

Madam Speaker, this whole debate about Hibernia and the allocation of work would not be, were Hibernia a purely financial project. If it were, the participating oil companies would then be completely free to go for the lowest bid, whether it came from Quebec, Korea, Singapore or Italy. Politicians would have no say in the matter. However, the financial involvement of the government introduces a political element and there is no indication as to where political involvement must cease and sound project management begin.

As my colleague the member for Manicouagan said, he immediately stood up for Quebec and the Quebecers as well as for Canada. The project is excellent, I agree.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker—

Mr. Duceppe: On a point of order, Madam Speaker.

Mr. Boudria: Is there a point of order, Madam Speaker?

Madam Deputy Speaker: The hon. member for Laurier—Sainte-Marie on a point of order.

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Madam Speaker, the member for Rosemont stood up at the same time as me. I would ask that he be heard.

Madam Deputy Speaker: The hon. member for Glengarry—Prescott-Russell had already started his address. The motion is therefore inadmissible. The hon. member for Glengarry—Prescott—Russell.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I welcome the opportunity this afternoon to speak to this House and to this important bill. I was anxious to hear what the hon. member for Rosemont had to say, but I am sure that sooner or later we shall have that opportunity. I am certainly looking forward to hearing the hon. member on the subject, as are all Canadians, because as you know—

An hon. member: Sit down!

Mr. Boudria: I suggest the hon. member for Richelieu listen carefully, since he moved the amendment that would allow only Canadian firms to bid on the platform contracts. In fact, the hon. member is to be commended for his spirit of renewed federalism as reflected in his desire to help the industry across Canada. A great federalist, the hon. member for Richelieu, proposed this amendment! I must say it is edifying to see this Pan-Canadian spirit among members of the new party, the *Bloc canadien*. So the *Bloc canadien* moved this Pan-Canadian amendment, seconded of course by another ultra-federalist member, the hon. member for Shefford. He supported the federalist amendment, because we must not forget they want to help Canada as a whole with this amendment.

Madam Speaker, I am sure all our colleagues from Alberta, Ontario, Newfoundland, Nova Scotia and the other provinces will be proud of this renewed interest in Canada, as demonstrated by these two members. We could almost ask some members to renew their oath of allegiance to our country, almost, perhaps, but not quite.

Although it arises from the great spirit of renewed federalism to which I referred earlier, the amendment, notwithstanding its federalist imprint, was not well prepared. The hon. member for Gatineau—La Lièvre, however, did his homework. He did some research and drafted an amendment to the amendment, to improve the text. I want to congratulate the hon. member for Gatineau—La Lièvre who, I am told, consulted SNC in Quebec as well as MIL and several other organizations.

Following this thorough consultation, the Hon. Member for Gatineau—La Lièvre who, as always, is showing utmost dedication in his efforts to promote the interests of Canadians generally and Quebecers in particular, hastened to move this amendment which certainly has improved the Hon. member for Richelieu's federalist mention.

Once amended, the amendment would read:

> *f*) les autres mesures que le ministre juge souhaitables, notamment l'assurance que les appels d'offres sur les cinq supermodules de la plate-forme—

His proposal would guarantee an optimum Canadian content without delaying the project.

What the hon. member for Gatineau—La Lièvre has done, Madam Speaker, is to move an amendment to the amendment which will help achieve the purpose of the hon. member for Richelieu, this great federalist, while making sure that it will not hinder of the project. As you can see, Madam Speaker, the amendment in question—

Mr. Lapierre: The amendment to the amendment. . .

Mr. Boudria: Yes, the amendment to the amendment, as the Hon. Member for Shefford, who knows the rules, is saying. Because of his regular attendance in the House of Commons, he is well informed of the procedure of the House, Madam Speaker.

I want to praise this new interest for federalism on the part of our colleagues, especially the Hon. Member for Richelieu and the Hon. Member for Shefford. I should like to add, for instance, that a true message of congratulations should be unanimously sent to our colleague the Hon. Member for Gatineau—La Lièvre who, as a result of his dedication, has put together this amendment to the amendment which I hope will be adopted by the House of Commons.

[*English*]

I join with all my colleagues who, I am sure, want this project to go ahead very soon. It is to the benefit of the great province of Newfoundland and I am sure that all of us want Canada's newest province to achieve a state of

prosperity that it has not yet enjoyed. The proud people of Newfoundland want this project.

All members of the House who represent the province of Newfoundland have spoken eloquently about this bill. It is our hope that the amendment to the amendment offered today by the member for Gatineau—La Lièvre will make this bill even better and will achieve greater prosperity not only for Newfoundland, but for all Canada. Again, it is my hope that we will vote in favour of this bill and we will adopt it unanimously later today.

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Madam Speaker, it is a great honour for me to have the opportunity to speak—

[*Translation*]

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

Mr. Leblanc (Longueuil): Madam Speaker, I rise on a point of

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

Madam Deputy Speaker: The hon. member for Timiskaming had the floor. He had started his remarks—

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

Madam Deputy Speaker: There is a member of this House who clearly expect the Chair to look in all directions and see everything at once. Unfortunately, this is not a privilege which comes with the job.

• (1710)

According to the normal rotation that applied all through proceedings on this bill, the next speaker should be somebody from the government side.

I have recognized the hon. member—

Mr. Lapierre: On a point of order!

Madam Deputy Speaker: The hon. member for Shefford on a point of order.

Hon. Jean Lapierre (Shefford): Madam Speaker, I ask and move that the hon. member for Rosemont be now heard.

Mr. Leblanc (Longueuil): I second the motion, Madam Speaker.

Madam Deputy Speaker: The hon. member for Timiskaming had been recognized and had started his remarks.

The hon. member.

[*English*]

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Madam Speaker, I know this has been a very difficult—

[*Translation*]

Some hon. members: That is not true!

Hon. Jean Lapierre (Shefford): You are being partisan, Madam Speaker.

Madam Deputy Speaker: I recognize the hon. member for Glengarry—Prescott—Russell.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, it is a tradition of this House—

Mr. Lapierre: Madam Speaker is neutral.

Mr. Boudria: —that all members respect the authority we ourselves entrusted in the Speaker. The authority of the Chair is not imposed on us. We gave that authority to the Chair.

Therefore, by that very fact, the Chair has the confidence of the House. If the House decided otherwise, it would freely address the issue.

In the meantime, Madam Speaker, I find it unacceptable that any member challenge the authority of the Chair because that would be challenging the authority we entrusted in the Chair.

This is the basis for my objection, Madam Speaker. I consider it is an insult, not only to the Chair, but in fact to the whole House which has decided who should preside over its proceedings.

Mr. Lapierre: On the same point of order!

[*English*]

Mr. Nunziata: Madam Speaker, I rise on a point of order. I have sat in my seat patiently all afternoon trying to listen to the debate. I would like to commend you for the patience you have shown during the deliberations all afternoon.

Any objective observer of the deliberations today would conclude that there are certain members in the House who have attempted all afternoon, not to engage in legitimate, intelligent debate, but to disrupt the proceedings in the House. You have been patient and have recognized points of order after points of order in a shameful display by certain members of the House.

If they were truly interested in debating this most important bill before the Parliament of Canada, surely they can show respect for other members in the House but, more importantly, respect for the Chair.

You made a ruling, Madam Speaker. The member for Shefford called your ruling into question and, in effect, accused you of being partisan. I take great exception to that and I am sure the overwhelming majority of members of the House take exception to the absolute insult the member for Shefford has shown to all members here this afternoon.

[*Translation*]

Madam Deputy Speaker: Let me comment briefly on a remark made by the hon. member for Shefford.

The hon. member said he had seen the Chair make a sign to an hon. member on the government benches. It will make things easier if I explain what happened and we will be in a better position to sort out the issues.

First, let me repeat that, according to the pattern we followed all day since the beginning of this debate, it would normally have been the time for a member on the government side to speak. So I simply turned to the parliamentary secretary so that he could tell which member on his side would speak. He told me he would take the floor himself and I agreed.

The previous speaker concluded his speech, I recognized the hon. member and he immediately set out to make his speech. At the same time, a point of order was made. Before I had time to recognize it or even say "point of order", the speech had begun. The law and the rules being what they are, I agreed to explain in detail everything that had occured. Enough of it, now, let us go on with the debate. That is the reason we are here. The honourable member for Timiskaming.

[*English*]

Mr. MacDougall: Madam Speaker, I would like to start off by—

[*Translation*]

Mr. Plamondon: Point of order, Madam Speaker.

Madam Deputy Speaker: The honourable member for Richelieu raises a point of order.

Mr. Plamondon: I simply wish to remind the member who criticized us for raising many points of order that I learned that when I sat with the party in office. And to the member for—

Madam Deputy Speaker: This is not a point of order. The honourable member for Timiskaming.

[*English*]

Mr. MacDougall: Thank you very much, Madam Speaker. By entering into today's debate I first want to say to you and to those Canadians who this afternoon may have been watching the ongoing process of the House of Commons and debating of legislation that Bill C–44 is probably one of the most important pieces of legislation that all Canadians have seen for a great long while.

I say that for a reason. It goes back to the development of a government in 1984 that recognized the regions of the country, the concerns of those regions and developed policies, programs and economic development in those regions.

In July 1988 the Prime Minister of this country and the Minister of Energy signed a statement of principles in which Hibernia, the Government of Canada, the Government of Newfoundland and the premier of Newfoundland had negotiated in order to finalize a legal binding agreement incorporating the principles of the statement.

I had the opportunity a few weeks ago, and it was an historic time to be in St. John's, along with my colleagues from St. John's East, the Minister for International Trade, the Minister of Energy, Mines and Resources, officials of our department,the premier of Newfoundland and the minister of energy to be at the signing of history. At that time there were four former premiers of the province of Newfoundland there. It gave an opportu-

nity for Canadians to understand how important this deal was, not only for Newfoundlanders, but for all Canadians.

This $5.2 billion project represents $3 billion expected for Canadian business. This business is not only going to be taking place in the province of Newfoundland, in Nova Scotia, in New Brunswick, in Ontario or in Quebec but across the land. It is an opportunity for all Canadians to be able to benefit from this project.

If we look back to the project in the North Sea, Norway and Great Britain had only 25 to 40 per cent of the project's budget. Madam Speaker, I must say to you, this project is important to all Canadians. It is so important because it gives an opportunity for individuals across Canada to benefit.

I refer to the province of Quebec's expertise in so many areas, where they were looking at the fabricating side of it, where they were looking at Hydro Quebec. Let me give two examples of companies which will receive a large share of the winning portion of the consortiums. SNC, with its partners, have a 70 per cent interest in a joint venture. Newfoundland Offshore Contractors have won a $360 million engineering design project management contract for Hibernia. This contract will begin in Montreal where about 600 people will be employed in designing the topside modulars of the Hibernia project. That gives one example of exactly what this project is going to mean for all Canadians.

• (1720)

Over $1 billion that is going to go into that project that will go into the province of Quebec. I hear from my socialist friend from the great province of Alberta who does not understand the opportunities that are available for all Canadians. I sometimes wonder when I listen to the socialists, who are supposed to be so concerned for the individual Canadian, the small guy, the individuals living in the small communities across this country and the individuals living in the small ports in Newfoundland. The socialists are just not concerned for them at all. They are ready to fold up and vote against this bill.

It certainly indicates to me that what used to be the NDP standing up for the individuals across this country is no longer so. The people who are standing up are the people who are in this House and this government. They are ensuring that the opportunities for individuals across Canada is going to be recognized with the Hibernia project.

As we go on and look at some of the values of this project, it is interesting to see how, as an example, a small outpost in Newfoundland where individuals, for a very good reason, have only been able to gather so many work weeks each year because of the options that they had, and those options were very few. It could have been in the fishing industry or just small seasonal jobs. Now, all of a sudden, there is a new way of life for these Canadians, a new way of life for people who want to be able to have that opportunity. That is really what Hibernia is all about. This project is for all Canadians. It is an opportunity for us to diversify and for Newfoundlanders to have the opportunity to be able to gain some of the recognition, skills and development of a region of their country. That is really what we are talking about.

It has been an honour for me to deliver a few words supporting Hibernia and the aspect of the fact that this is going to be a beneficial project for all Canadians. I thank you for that opportunity, Madam Speaker.

[*Translation*]

Madam Deputy Speaker: The honourable member for Chambly.

Mr. Lapierre: I raise on a point of order.

Madam Deputy Speaker: Point of order. The honourable member for Shefford.

Hon. Jean Lapierre (Shefford): Madam Speaker, I move:

That the Hon. Member for Rosemont now be heard.

Madam Deputy Speaker: The motion is in order.

[*English*]

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed to the motion will please say nay.

Some hon. members: Nay.

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

And more than five members having risen:

Madam Deputy Speaker: Call in the members.

The House divided on the motion, which was negatived on the following division:

(*Division No. 296*)

YEAS

Members

Duceppe	Lapierre
Leblanc (Longueuil)	Plamondon
Rocheleau	Tremblay (Rosemont)—6

NAYS

Members

Blenkarn	Campbell (Vancouver Centre)
Clark (Brandon—Souris)	Collins
Cooper	Dorin
Gauthier	Kempling
MacDougall (Timiskaming)	Mifflin
Riis—11	

[*Translation*]

Madam Deputy Speaker: I declare the motion lost. The honourable member for Chambly.

Mr. Edmonston: Madam Speaker—

Mr. Lapierre: Madam Speaker, there was no quorum!

Madam Deputy Speaker: The hon. member knows as well as I do that we had a quorum. Seventeen members thought fit to vote, and that is good enough for me. The hon. member for Chambly.

Mr. Phillip Edmonston (Chambly): Thank you, Madam Speaker, for recognizing me after all this time.

I simply want to support the amendment put forward by my friends of the Bloc Quebecois. I think the amendment to the amendment presented by our Liberal colleagues does not really solve anything. You have to understand that we want to get the most benefits out of this Bill for the Canadian people. I understand what the members of the Bloc Quebecois are trying to do. I think their proposals are desirable and very important. I want to remind you though that we are facing a huge deficit, so huge that the government of Canada spends at least a third of every revenue dollar just on the interests. The Conservative government talks about deficit control, but at the same time, like my NDP colleagues and the members of the Bloc québécois pointed out, they are writing a blank cheque for this Hibernia project. I find this Bill very dangerous, because it is, in fact, a blank cheque. I am not against Hibernia. I am not against the project as such but this bill is risky. And I will give you a few reasons why I think we cannot accept that legislation as it is now.

Firstly, we will be handing out roughly $2.7 billion on what guarantees? I am talking about firm and concrete guarantees. There are not many. What will be the actual windfalls of this project? What we usually call equity.

[*English*]

What will be the equity that we will be able to have out of this project? When we are talking about investing, we usually talk about what we will get, what guarantees of what we will get, as Canadians, across the country.

[*Translation*]

So, as far as guarantees go, that is a return on our money, I see none of that in this bill. That problem has not been resolved in that bill.

Second, I heard that it would cost $900 000 for each and every one of the 1100 jobs that will be created, and I mean long term jobs.

An hon. member: Shame!

Mr. Edmonston: My colleague just said that it was a shame!. That is so true, especially when we consider that this government keeps saying that there is no money left to spend. But it wants to spend $900 000 to create one job. Of course that is a shame!

• (1730)

Third, about the environment, this bill amounts to giving a blank cheque. What guarantee do we have that the environment will be preserved and that it will not be contaminated from carrying out the project itself? None. So, for the people who really care for the environment, and I think people do, this bill bring no answer. It does not provide them with the reassurance they are looking for. Instead, it makes them worry because it does not take the environment into account. That is the third reason for finding this bill faulty, to the point of being inacceptable.

The fourth point I want to raise, as my colleagues from the Bloc Quebecois and from the NDP did earlier, is this: What will be the financial benefits for the rest of Canada? Will Quebec only send a little sand or a little technology or will other provinces send a little manpower? Are those the benefits we are looking for? I surely don't. I want real jobs, permanent jobs across Canada and jobs in the high technology sector. Why not make sure that we are not simply going to pump oil for the Americans? Why not refine that oil somewhat to sell gasoline and possess another technology?

I can tell you about the situation in eastern Montreal. A number of refineries closed down, putting hundreds of workers out of work in the area. Why introduce a bill that does not attend to that problem? I find that this project does not create many spin-offs, not to mention spin-offs in the sense that refineries could treat oil produced at Hibernia. I find that senseless, unacceptable.

Finally, I want to say that we have a problem even if all garanties have been— The government has accepted the demands, which means that the Canadian companies will benefit the most from this Hibernia project.

The Free Trade Agreement is causing us serious problems. This is what I want to tell you about my collegues from the Bloc Quebecois and the Conservative Party who are responsible for the present situation in which we can't even force Americans or whoever will obtain the contracts to hire Canadians. Moreover, Americans will say that it goes against free trade. Who signed this treaty?

An hon. member: Not us!

Mr. Edmonston: What government? I'm sorry. But I can tell you, my collegues from the Bloc Quebecois, not now that they are in that group, but when they were members of the Conservative government—

An hon. member: Not us!

Mr. Edmonston: My NDP collegue, the member for Alberta, already said that the members of the Bloc Quebecois voted for free trade when they were members of the Conservative governement. And it is because of free trade that we can't do anything to improve the situation.

I support my collegues of the Bloc Quebecois, but I deplore that many of them are responsible for the situation in which we find ourselves today. With the best intentions in the world, there is not much we can do because, after all, they helped the government to pass the Free Trade Agreement.

So I find it sad that, today, when he wants to defend the interests of Quebec and of Canada— because I heard my Liberal colleague saying gladly that since the Bloc Quebecois wanted all Canada to receive the most financial spin-offs from the project, it means that they are Canadian and in favour of the status quo— I am not prepared to say that—

Mr. Lapierre: For the time being.

Mr. Edmonston: —for the time being. But I would like to say that there is a contradiction at the moment. We want to defend the interests of Quebecers, but we have created a sad situation in the sense that we cannot defend those interests with the Hibernia project, because the free trade treaty keeps us from doing it.

An hon. member: It is not true.

Mr. Edmonston: Now, in conclusion, Madam Speaker, I think it is necessarry to have projects like Hibernia and projects elsewhere in Canada. I am not necessarily against the people of Newfoundland or people from elsewhere in Canada. However, this legislation is not fair, neither for Quebec nor for the rest of Canada. And I think particularly, and this is the most disastrous point in this bill, that it is the reason why I support the amendment of my colleagues from the Bloc Quebecois. And I am extremely sorry to see that my colleagues from the Liberal Party could move an amendment to the amendment which is so opportunist that it is utter nonsense.

Mr. Vincent Della Noce (Parliamentary Secretary to the Minister of National Revenue): Madam Speaker, it is a great pleasure for me to rise to—

Hon. Jean Lapierre (Shefford): Point of order, Madam Speaker.

Madam Deputy Speaker: The hon. member for Shefford has a point of order.

Mr. Lapierre: Since I raised a point of order before the member for Laval-East spoke, I want to introduce the following motion:

That the member for Rosemont be now heard.

Today, you will have heard all the speakers of all other parties except one from the Bloc Québécois. We have had enough. Let him now be heard!

Madam Deputy Speaker: There is a motion before the House. Is it the pleasure of the House to adopt the said motion?

Some hon. members: Agreed.

Some hon. members: No.

[*English*]

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

Madam Deputy Speaker: Call in the members.

The House divided on the motion, which was negatived on the following division:

(*Division No. 297*)

YEAS

Members

Duceppe	Edmonston
Lapierre	Leblanc (Longueuil)
Riis	Rocheleau
Tremblay (Rosemont)—7	

NAYS

Members

Andre	Baker
Blenkarn	Cadieux
Campbell (Vancouver Centre)	Clark (Brandon—Souris)
Collins	Della Noce
Dorin	Epp
Fontaine	Kempling
Lopez	MacDougall (Timiskaming)
McKnight	Mifflin—16

[*Translation*]

Madam Deputy Speaker: I declare the motion lost. Debate. The hon. member for Laval-East.

• (1740)

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Madam Speaker, I welcome this opportunity to speak. If my colleagues would only listen, I have things to say to them.

Madam Speaker, when the Hibernia project was under consideration some months ago, I was very much in favour of it but after some discussion, I must say it no longer appealed to me, because the province of Quebec was not getting much out of it.

Back then in 1988, one of our members—the hon. member for Lac-Saint-Jean, now leader of the Bloc Québécois—was Quebec's political minister and Minister of the Environment. He sat on the priority committee and approved the project with a guarantee of two million man-hours for Newfoundland, but none for Canada or Quebec. The people of his group are now turning this House into a circus. Whenever my children watch the proceedings on television, Madam Speaker, they ask me serious questions about the House. I do not know if it is due to the fact the hon. member for Shefford lacks experience or has been here too long, but I was so ashamed when I saw those people show no respect for the Speaker. The things we heard in this House! In the six years I have been here, Madam Speaker, I have witnessed stormy debates and fights, but I was really ashamed of what I saw today. Anyway, Madam Speaker, people on the other side tried to talk about the project, but they spent much more time talking about the rules of the House they still do not know very well. We talked about Hibernia, about the fact it does not bring enough economic spin-offs to Quebec. As I said, there were none at the time.

But I can tell you that there are members on this side of the House, like the hon. member for Lévis, who understood and went out to get their share. At the last meeting I attended, we were given background information on this matter, but someone stood up, Madam Speaker, and I regret that he is not here because I will mention his name, and I don't usually mention the name of a member who is absent from the House. Somebody even told me—

I accept your remarks, Madam Speaker. It's a shame that one of the members whose riding will benefit from the economic impact of the Hibernia project left the party and is now on the other side, trying to turn this

place into a circus. All that was missing was the member for Quebec who came here yesterday to prove to us once and for all that all they want to do is disrupt the proceedings of the House. They don't want to talk, but I would like to hear what they have to say about this bill. I was really affected when people talked to me about that.

We have today the member for Lévis, who is beside me, Madam Speaker—

Mr. Lapierre: There was nothing at all.

Mr. Della Noce: The hon. member says that there was nothing. There are four to six million hours of work in his riding. For them, it's nothing. I can also tell you that the opposition to this project comes from one place only, and it is the place that will benefit the most from the economic impact of this project. That place is Quebec, and the opposition comes from the Bloc Québécois. Of course we would like Laval to benefit from the fallout instead of Quebec, but unfortunately we don't have any company that works in that field. We are very happy anyway that the Quebec area will benefit, weather it be Lévis or Richelieu.

My colleague opposite says that there is nothing at all. Maybe we will try to give some figures in a few moments. I mentioned earlier the names of the two corporations from Quebec, Madam Speaker, but I will repeat: Monenco and SNC. The latter was saying to its employees a month ago to do something about the empty spaces. Empty spaces will have to be rented. The Chair said immediately after that the contract—

Madam Deputy Speaker: I am sorry but I have to interrupt the Hon. Member.

[*English*]

It being 5.45 p.m., pursuant to order made in accordance with the provisions of Standing Order 78 on Tuesday, October 2, 1990 it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the report stage of the bill now before the House.

The first vote will be on the amendment to the amendment to Motion No. 2, standing in the name of Mr. Assad.

Is it the pleasure of the House to adopt the amendment to the amendment?

Some hon. members: Yes.

Some hon. members: No.

Madam Deputy Speaker: All those in favour of the amendment to the amendment will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion, the nays have it.

Pursuant to Standing order 76(8), a recorded division on the amendment to the amendment stands deferred.

[*Translation*]

Consequently, the question on amendment and motions Nos. 1 and 2 will be put only when the House will have voted on the amendment to the amendment.

[*English*]

Mr. Nelson A. Riis (Kamloops) moved:

Motion No. 3

That Bill C-44 be amended by adding immediately after line 27 at page 13 the following new clause:

"23.(1) The Minister shall each year prepare a report with respect to the Hibernia Development Project during the preceding calendar year and shall lay it before Parliament on any of the first fifteen days that either House of Parliament is sitting after he completes it;

(2) The report prepared pursuant to subsection (1) shall indicate

(a) the net direct and indirect economic benefits in each Canadian province which result from the Hibernia Development Project;

(b) the net employment benefits in each Canadian province which result from the Hibernia Development Project, including an analysis of job classifications and salary levels;

(c) the quantities and percentage of oil production which are exported in un-refined or semi-refined states."

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

Some hon. members: Yes.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*Translation*]

The House will now proceed to the recorded differed division at the report stage that is now before the House.

The first question is on the amendment to the amendment presented by Mr. Assad. Call in the Members.

The amendment to the amendment presented by Mr. Assad is negatived on the following division:

(*Division No. 298*)

YEAS

Members

Anawak
Assad
Baker
Berger
Boudria
Catterall
Copps
Dingwall
Finestone
Fontana
Gaffney
Gauthier
Guarnieri
Harvard
Jordan
Kilger (Stormont—Dundas)
Lee
MacLaren
Maheu
Marchi
McGuire
Milliken
Nunziata
Parent
Proud
Simmons
Vanclief
Wappel

Arseneault
Axworthy (Winnipeg South Centre)
Bélair
Blondin
Callbeck
Comuzzi
Crawford
Ferguson
Flis
Foster
Gagliano
Gray (Windsor West)
Harb
Hopkins
Kaplan
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
MacLellan
Manley
Martin (Lasalle—Émard)
Mifflin
Nault
Pagtakhan
Peterson
Rideout
Stewart
Volpe
Wood—56

NAYS

Members

Anderson
Angus
Attewell
Beatty
Bernier
Bjornson
Blaikie
Blenkarn

Andre
Atkinson
Axworthy (Saskatoon—Clark's Crossing)
Belsher
Bird
Black
Blais
Bosley

Bourgault
Brewin
Browes
Cadieux
Casey
Champagne (Champlain)
Clark (Brandon—Souris)
Collins
Cooper
Corbett
Crosbie (St. John's West)
Danis
de Cotret
Desjardins
Dobbie
Dorin
Duplessis
Edwards
Fee
Fisher
Friesen
Funk
Gibeau
Guilbault
Halliday
Harvey (Edmonton East)
Heap
Hogue
Horner
Hovdebo
Hughes
Johnson
Jourdenais
Kempling
Kristiansen
Langlois
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacKay
Martin (Lincoln)
Mazankowski
McCurdy
McDougall (St. Paul's)
McLaughlin
Mitchell
Monteith
Nicholson
Oberle
Plourde
Pronovost
Reimer
Richardson
Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Skelly (Comox—Alberni)
Sparrow
Stupich
Tétreault
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vézina
Vincent
Weiner
Whittaker
Wilson (Etobicoke Centre)
Worthy

Boyer
Brightwell
Butland
Campbell (Vancouver Centre)
Chadwick
Charest
Cole
Cook
Corbeil
Côté
Crosby (Halifax West)
Darling
Della Noce
Dick
Domm
Duceppe
Edmonston
Epp
Ferland
Fontaine
Fulton
Gardiner
Greene
Gustafson
Harvey (Chicoutimi)
Hawkes
Hicks
Holtmann
Horning
Hudon
Jacques
Joncas
Karpoff
Koury
Langan (Mission—Coquitlam)
Lapierre
Layton
Lewis
Loiselle
MacDougall (Timiskaming)
MacWilliam
Mayer
McCreath
McDermid
McKnight
Merrithew
Mitges
Moore
Nystrom
Plamondon
Porter
Reid
Ricard
Riis
Rocheleau
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sobeski
Stevenson
Tardif
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Venne
Vien
Waddell
Wenman
Wilbee
Winegard
Young (Beaches—Woodbine)—162

[*English*]

Madam Deputy Speaker: I declare the amendment to the amendment negatived.

• (1820)

[*Translation*]

Before moving to the next question, I notice that some members have on their desks objects that do not belong there. Any sign that does not normally belong in the House of Commons must be removed at once. Thank you.

[*English*]

The next question is on the amendment to motion No. 2.

The House divided on the amendment, which was negatived on the following division:

(*Division No. 299*)

YEAS

Members

Angus
Black
Brewin
Duceppe
Edmonston
Fulton
Gardiner
Heap
Karpoff
Langan (Mission—Coquitlam)
Leblanc (Longueuil)
McCurdy
Mitchell
Plamondon
Rocheleau
Stupich
Waddell
Young (Beaches—Woodbine)—35

Axworthy (Saskatoon—Clark's Crossing)
Blaikie
Butland
Duplessis
Fisher
Funk
Harvey (Edmonton East)
Hovdebo
Kristiansen
Lapierre
MacWilliam
McLaughlin
Nystrom
Riis
Skelly (Comox—Alberni)
Tremblay (Rosemont)
Whittaker

NAYS

Members

Anawak
Andre
Assad
Attewell
Baker
Bélair
Berger
Bird
Blais
Blondin
Boudria
Boyer
Browes
Callbeck
Casey
Chadwick
Charest
Cole
Comuzzi
Cooper
Corbeil

Anderson
Arseneault
Atkinson
Axworthy (Winnipeg South Centre)
Beatty
Belsher
Bernier
Bjornson
Blenkarn
Bosley
Bourgault
Brightwell
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Clark (Brandon—Souris)
Collins
Cook
Copps
Corbett

Côté
Crosbie (St. John's West)
Danis
de Cotret
Desjardins
Dingwall
Dorin
Epp
Ferguson
Finestone
Fontaine
Foster
Gaffney
Gauthier
Gray (Windsor West)
Guarnieri
Gustafson
Harb
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Joncas
Jourdenais
Kempling
Koury
Larrivée
LeBlanc (Cape Breton Highlands—Canso)
Lewis
Lopez
MacDougall (Timiskaming)
MacLaren
Maheu
Marchi
Martin (Lincoln)
Mazankowski
McDermid
McGuire
Merrithew
Milliken
Monteith
Nault
Nunziata
Pagtakhan
Peterson
Porter
Proud
Reimer
Richardson
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Stewart
Tétreault
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vanclief
Vankoughnet
Vézina
Vincent
Wappel
Wenman
Wilson (Etobicoke Centre)
Wood

Crawford
Crosby (Halifax West)
Darling
Della Noce
Dick
Domm
Edwards
Fee
Ferland
Flis
Fontana
Friesen
Gagliano
Gibeau
Greene
Guilbault
Halliday
Harvard
Hawkes
Hogue
Hopkins
Horning
Hughes
Johnson
Jordan
Kaplan
Kilger (Stormont—Dundas)
Langlois
Layton
Lee
Littlechild
MacDonald (Dartmouth)
MacKay
MacLellan
Manley
Martin (Lasalle—Émard)
Mayer
McCreath
McDougall (St. Paul's)
McKnight
Mifflin
Mitges
Moore
Nicholson
Oberle
Parent
Plourde
Pronovost
Reid
Ricard
Rideout
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Stevenson
Tardif
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Van de Walle
Venne
Vien
Volpe
Weiner
Wilbee
Winegard
Worthy—180

Madam Deputy Speaker: I declare the amendment lost.

The next question is on Motion No. 1. A vote on this motion will also apply to Motion No. 2.

The House divided on the motion, which was agreed to on the following division:

(Division No. 300)

YEAS

Members

Anawak
Andre
Arseneault
Atkinson
Axworthy (Saskatoon—Clark's Crossing)
Baker
Bélair
Berger
Bird
Black
Blais
Blondin
Boudria
Boyer
Brightwell
Butland
Callbeck
Casey
Chadwick
Charest
Cole
Comuzzi
Cooper
Corbeil
Côté
Crosbie (St. John's West)
Danis
de Cotret
Desjardins
Dingwall
Dorin
Edmonston
Epp
Ferguson
Finestone
Flis
Fontana
Friesen
Funk
Gagliano
Gauthier
Gray (Windsor West)
Guilbault
Halliday
Harvard
Harvey (Edmonton East)
Heap
Hogue
Horning
Hudon
Jacques
Joncas
Jourdenais
Karpoff
Kilger (Stormont—Dundas)
Koury
Langan (Mission—Coquitlam)
Larrivée
LeBlanc (Cape Breton Highlands—Canso)
Lewis
Lopez
MacDougall (Timiskaming)
MacLaren
MacWilliam
Manley
Martin (Lasalle—Émard)
Mayer
McCreath
McDermid
McGuire
McLaughlin
Anderson
Angus
Assad
Attewell
Axworthy (Winnipeg South Centre)
Beatty
Belsher
Bernier
Bjornson
Blaikie
Blenkarn
Bosley
Bourgault
Brewin
Browes
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Clark (Brandon—Souris)
Collins
Cook
Copps
Corbett
Crawford
Crosby (Halifax West)
Darling
Della Noce
Dick
Domm
Duplessis
Edwards
Fee
Ferland
Fisher
Fontaine
Foster
Fulton
Gaffney
Gardiner
Gibeau
Guarnieri
Gustafson
Harb
Harvey (Chicoutimi)
Hawkes
Hicks
Horner
Hovdebo
Hughes
Johnson
Jordan
Kaplan
Kempling
Kindy
Kristiansen
Langlois
Layton
Lee
Littlechild
MacDonald (Dartmouth)
MacKay
MacLellan
Maheu
Marchi
Martin (Lincoln)
Mazankowski
McCurdy
McDougall (St. Paul's)
McKnight
Merrithew
Mifflin
Mitchell
Monteith
Nault
Nunziata
Oberle
Parent
Plourde
Pronovost
Reid
Ricard
Rideout
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sobeski
Stevenson
Stupich
Tétreault
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vanclief
Vankoughnet
Vézina
Vincent
Waddell
Weiner
Whittaker
Wilson (Etobicoke Centre)
Wood
Young (Beaches—Woodbine)—207
Milliken
Mitges
Moore
Nicholson
Nystrom
Pagtakhan
Peterson
Porter
Proud
Reimer
Richardson
Riis
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Skelly (Comox—Alberni)
Sparrow
Stewart
Tardif
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Van de Walle
Venne
Vien
Volpe
Wappel
Wenman
Wilbee
Winegard
Worthy

NAYS

Members

Duceppe
Leblanc (Longueuil)
Rocheleau
Lapierre
Plamondon
Tremblay (Rosemont)—6

Madam Deputy Speaker: I declare the motion carried.

The next question is on Motion No. 3 standing in the name of Mr. Riis.

The House divided on the motion, which was negatived on the following division:

(Division No. 301)

YEAS

Members

Angus
Black
Butland
Edmonston
Fulton
Gardiner
Heap
Karpoff
Kristiansen
Lapierre
MacWilliam
McLaughlin
Nystrom
Riis
Skelly (Comox—Alberni)
Tremblay (Rosemont)
Whittaker
Axworthy (Saskatoon—Clark's Crossing)
Blaikie
Duceppe
Fisher
Funk
Harvey (Edmonton East)
Hovdebo
Kindy
Langan (Mission—Coquitlam)
Leblanc (Longueuil)
McCurdy
Mitchell
Plamondon
Rocheleau
Stupich
Waddell
Young (Beaches—Woodbine)—34

NAYS

Members

Anawak	Anderson
Andre	Arseneault
Assad	Atkinson
Attewell	Baker
Beatty	Bélair
Belsher	Berger
Bernier	Bird
Bjornson	Blais
Blenkarn	Blondin
Bosley	Boudria
Bourgault	Boyer
Brightwell	Browes
Cadieux	Callbeck
Catterall	Chadwick
Champagne (Champlain)	Charest
Clark (Brandon—Souris)	Cole
Collins	Comuzzi
Cook	Cooper
Copps	Corbeil
Corbett	Côté
Crawford	Crosbie (St. John's West)
Crosby (Halifax West)	Danis
Darling	de Cotret
Della Noce	Desjardins
Dick	Dingwall
Domm	Dorin
Duplessis	Edwards
Epp	Fee
Ferguson	Ferland
Finestone	Flis
Fontaine	Fontana
Foster	Friesen
Gaffney	Gagliano
Gauthier	Gibeau
Gray (Windsor West)	Guarnieri
Guilbault	Gustafson
Halliday	Harb
Harvard	Harvey (Chicoutimi)
Hawkes	Hicks
Hogue	Horner
Horning	Hudon
Hughes	Jacques
Johnson	Joncas
Jordan	Jourdenais
Kaplan	Kempling
Kilger (Stormont—Dundas)	Koury
Langlois	Larrivée
Layton	LeBlanc (Cape Breton Highlands—Canso)
Lee	Lewis
Littlechild	Lopez
MacDonald (Dartmouth)	MacDougall (Timiskaming)
MacKay	MacLaren
MacLellan	Maheu
Manley	Marchi
Martin (Lasalle—Émard)	Martin (Lincoln)
Mayer	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	McGuire
McKnight	Merrithew
Mifflin	Milliken
Mills	Mitges
Monteith	Moore
Nault	Nunziata
Oberle	Pagtakhan
Peterson	Plourde
Porter	Pronovost
Proud	Reid
Reimer	Ricard
Richardson	Rideout
Robitaille	Roy-Arcelin
Saint-Julien	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Siddon	Sobeski
Stevenson	Stewart
Tardif	Tétreault
Thacker	Thompson
Thorkelson	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Valcourt	Vanclief
Van de Walle	Vankoughnet
Venne	Vézina
Vien	Vincent
Volpe	Wappel
Weiner	Wenman
Wilbee	Wilson (Etobicoke Centre)
Winegard	Wood
Worthy—173	

[*Translation*]

Madam Deputy Speaker: I declare the motion negatived.

• (1850)

[*English*]

Hon. Jake Epp (Minister of Energy, Mines and Resources) moved that the bill, as amended, be concurred in.

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

Some hon. members: Agreed.

Madam Deputy Speaker: Carried.

Motion agreed to.

[*Editor's Note: See Hansard, pages 13769 and 13770, and Votes and Proceedings for October 4.*]

Some hon. members: Oh, oh.

Madam Deputy Speaker: I did ask the question.

[*Translation*]

Nobody objected. The Chair asked the question and nobody objected. Objections were raised, as the tape will show, I think, only after I said "carried ".

When shall the bill be read for the third time? At the next sitting of the House?

Some hon. members: Agreed.

Madam Deputy Speaker: It being 6.54 p.m., this House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.54 p.m.

HOUSE OF COMMONS

Thursday, October 4, 1990

The House met at 11 a.m.

Prayers

[*English*]

POINT OF ORDER

CONCURRENCE IN BILL C-44

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I rise on a point of order regarding a set of serious concerns I have about the vote yesterday evening on concurrence at the report stage of Bill C-44, the Hibernia development project bill.

I have reviewed the tapes and have reviewed *Hansard* for that moment, and I would like to bring the following to the House's attention.

Yesterday, when the Deputy Speaker put the question, I and other members of my caucus said no. The Chair did not hear us, and I assume that others around her did not either, or they would have advised her of the dissenting voices. However, Mr. Speaker, we did not say no. I can only assume that our dissent to this bill was drowned out by the collective voices of the Liberals and Conservatives who were much closer to the Speaker than ourselves.

The result of this inability to hear was that our caucus was unable to vote against this stage of the bill. Yet, we have spoken repeatedly against this project at second reading, during report stage debate and debate on the time allocation motion. Surely the House should have anticipated that a bill which required time allocation would not be adopted unanimously.

This is not the first time that the House has encountered difficulties on important divisions, but I would like to think that this will be the last.

I seek your guidance, Mr. Speaker, on finding means to ensure that our voices are heard by the Chair in the future. In the meantime, however, the record shows that concurrence at report stage was given unanimously. This is clearly an incorrect record. I would like that division to be taken again but understand of course that the Chair and the House would be reluctant to do so.

At the very least, I would like to move that the record be corrected to show that concurrence was not given unanimously. I have an appropriate motion which I think will indicate very simply that. I would like to read the motion and then seek unanimous consent to have it put. I move:

> That the record of debate at report stage of Bill C-44, an act respecting the Hibernia development project and to amend certain acts in relation thereto, be amended by deleting the words "Accordingly, the bill, as amended, was concurred in at report stage" and replacing them with the following: "Accordingly, the bill, as amended, was concurred in at report stage, on division".

I would like to seek unanimous consent to be able to put that motion. That would then not change what happened yesterday. Of course a decision was made. I think that inadvertently, because of the rather exuberant mood of the House at that moment, the noes that were stated at that time simply were not heard by the Speaker.

If the House were to accept this motion, it would simply clear the record, and we would be able to move on with the business of the House.

Mr. Speaker: I do not want to make the same mistake twice, the alleged mistake. The motion has been put.

Mr. Cooper: A point of order, Mr. Speaker.

Mr. Speaker: In one minute. I took it that the House is in agreement with the motion.

Mr. Cooper: Mr. Speaker, I just want to confirm that in fact what we are agreeing to is the motion itself and not putting ourselves in a position of debating the motion. I want to make sure that we are all agreeing to pass it by unanimous consent.

Mr. Speaker: That is my understanding. Is that the understanding of the hon. member?

[*Translation*]

Hon. Jean Lapierre (Shefford): On the same point of order, Mr. Speaker, I fully support the motion of the hon. member for Kamloops. Under the circumstances I should think it would satisfactorily indicate there was indeed division with respect to that vote.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): We also agree, Mr. Speaker, provided that the motion not be debated, and that the question be put and the motion be adopted forthwith.

[*English*]

Mr. Speaker: The House has heard the terms of the motion. Is there agreement?

Some hon. members: Agreed.

Motion agreed to.

Mr. Speaker: I want to say something. There has obviously been a complaint made. I have heard representations. It is very important that in this place we understand some things very clearly and, that is, that if there is a complaint about things in the House it is probably better to bring it to me on a personal basis and to do so immediately.

If—and I am not saying for one minute that that is the case—an error is made, especially on a vote, it is not possible for the Speaker to undo it unless the House wishes to do it as it has done this morning.

I want to say to the hon. member for Kamloops—and I can say it to some other hon. members also—that I appreciate very much the civil way this matter has been dealt with this morning and resolved. I thank hon. members.

Some hon. members: Hear, hear.

* * *

PRIVILEGE

BUDGET LEAK

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, last April 27, 1989, the first thing in the morning that day, the Minister of Finance rose on a question of privilege concerning the leak in his budget that had occurred the previous evening. Hon. members will recall the events of that day. We now have had extensive coverage of those events in the press.

• (1110)

I gave Your Honour notice of my intention to raise this question a week ago Monday. I waited until today to allow the government some time to prepare its response and for us to deal with the issue in a non-urgent way because of course I think the urgency is gone, but I think it is an important question that was not dealt with on April 27.

I want to raise it again because of the fact that the court cases that were involved following that leak are now completed. The matter is no longer *sub judice*. Accordingly, we can deal with it in this House.

Hon. members will recall the sequence of events. In fact we now know there were two leaks of this budget that occurred on or about April 24, 1989. The minister became aware of one of those leaks, as did the whole country, on April 26 when Mr. Small appeared on television brandishing his copy of *The Budget in Brief*.

The Minister of Finance came into the House and through the Minister of Justice tried to get the House to sit late that evening. There was no agreement to do so. The minister released his budget on national television, and then the next day the question of privilege was raised by the Minister of Finance.

I notice that in the minister's question of privilege, which was the first one raised that day—and Your Honour indicated that you had received notice of many—there was no request by the minister for any reference to a committee of the circumstances surrounding the budget leak or anything to do with it.

Indeed, I do not know exactly what the minister's question of privilege was. He gave Your Honour notice of one, but he did not actually come out with anything that indicated a breach of his privileges.

I submit that while he may have been embarrassed by the leak, I do not think that he personally suffered a breach of privilege any more than the rest of us did, but the rest of us did suffer subsequent ones: one because the budget was dealt with outside this House, which I will come back to in a moment, but also the subsequent conduct of the Minister of Finance and the other ministers who spoke on April 27. In my view this prejudiced the opposition members of Parliament and thereby deprived us of privileges that we might otherwise have enjoyed.

Mr. Speaker: I have received notice of this. I made it very clear to the hon. member that I think he was completely right. At the time when I received the notice it may not have been the day to raise it.

I am having a bit of difficulty. This is all a long time ago, and I would hope that the member could come to the point of alleged breach of privilege. There may be other members who will want to rise, but I think we should get to that as soon as possible in the argument.

Mr. Milliken: Mr. Speaker, I am trying to do that. I just wanted to refresh the memory of some hon. members in relation to the events, because they are very important in determining the breach of privilege that occurred.

I submit that it arose out of the statements on April 27 in large measure. This is not the only basis, but I think the statements on that day are very important. If Your Honour looks at page 1005 of *Hansard* for that day, you will see the following statement of the Minister of Finance:

Hon. Michael Wilson (Minister of Finance): The premature release of details of the Budget appears to have resulted from a breach of trust, a wilful criminal act against which there can be no certain security.

I could read extensively, but I will not bore Your Honour or the House with the additional quotations.

The Secretary of State for External Affairs referred to a thief being involved. The Minister of Justice referred to the fact that there had been a theft of budget documents. The Deputy Prime Minister made statements along the same line, and the Prime Minister himself alleged that there had been criminal activity involved in this case.

As a result of that, we all know that a series of charges were laid against, among others, Mr. Doug Small. We know that there was one conviction obtained of possession of a stolen document on a Mr. Brian McCuaig, but no other charges succeeded in court. All other accused were acquitted of any wrongdoing in connection with this case.

I wanted to read from the judgment of His Honour Judge Fontana. I submit that this is very relevant to the question of privilege before us because in his judgment the judge said:

> Since Mr. Small is charged, specifically, only with possession, his conduct in disclosing the contents of the budget on a telecast is not an issue before this court. Some might argue, for instance, that he could have fulfilled his journalistic obligations by revealing only the fact that budgetary secrecy had been breached, without revealing the details and contents of the document. Whether such bare-fact disclosure, without details, would have carried the credibility and impact appropriate to such a serious problem is doubtful. A society that recognizes the importance to the democratic process, of the free dissemination of news, should not be offended if that dissemination takes place with the measure of dramatic flair demonstrated by Mr. Small. Notwithstanding Professor McLuhan's observation, sometimes message overcomes medium. Indeed, Small's revelations on television and the resultant immediate response by the Minister of Finance, may well be viewed as having forestalled any real mischief with regard to the "Mutual Life" leak. Staff Sergeant Jordan raised this speculation early in his deliberations. Mr. Small's conduct in his subsequent dealings with the law enforcement authorities appears to have been exemplary.

He goes on talking about another case which I need not deal with. The hon. judge goes on to conclude:

> If budget confidentiality continues to be a matter of quasi-constitutional concern in this electronic, technological age, then it is for Parliament to address the issue promptly with appropriate specific statutory provisions.

He concludes with:

> There is no legal canon prohibiting the application of common sense. Based upon all of the foregoing considerations, I find that abuse of process has been made out in this case on a balance of probabilities. An order will go staying the further prosecution of these charges against all accused persons.

I submit that what happened is that we had a situation where these persons who are alleged to have committed wrongdoing had, at worst, stolen confidential information. There is a case in the Supreme Court of Canada—

Mr. Speaker: I will hear the hon. member. I am impelled to raise a matter. I, of course, have read the judgment of the court, part of which has been cited to us by the hon. member.

Whatever was said that is being complained about, was that directed at any particular person?

Mr. Milliken: Mr. Speaker, if Your Honour is referring to what was said in this House, I am saying yes, it was. It was directed at that time at Mr. Small or at the persons who supplied Mr. Small with the information.

Mr. Speaker: Were those people named in this Chamber? What we seem to be dealing with here is that the hon. member feels that what was said in this House ought not to have been said, especially in view of the judgment. When it was said, was it said and directed at

these other individuals who were the subject of the prosecution?

Mr. Milliken: Mr. Speaker, if you will hear me for a moment. I do not think I am complaining about what was said in terms of the individuals. I am complaining about in terms of our rights, and I am coming around to that in a second.

It is my submission that when the government—

Mr. Speaker: The difficulty I am having is that the hon. member is now looking at a court judgment *ex post facto*, after the event. The complaint is directed at statements made in this Chamber, which the hon. member says have affected his and other members' privileges. The question I am trying to make clear is when those statements were made, were they directed at any of the individuals who in fact became the subject of the prosecution afterward by name? Or, is it just an opinion on the part of a minister or ministers that whatever had caused the leak had been caused by somebody who had done something improper. That is what I am trying to get at.

Mr. Milliken: I do not think that is something we can determine. I suspect and I think it is open to conjecture as to whether these comments were directed at Mr. Small whose name, after all, was known. He did appear on national television with the document. I submit that in the light of the events that followed, they clearly were directed at Mr. Small. We had the situation here where, you will recall, the police sergeant had resigned from this case because he refused to lay these charges—

• (1120)

Mr. Speaker: I am going to hear the hon. House leader in just a moment. I think most of us know the story. The hon. member is getting back into the case, but his complaint it seems to me stems from something that was said in this Chamber many, many months ago.

Mr. Small was not the only person who was involved in the prosecution, and the hon. member acknowledges that. I am having difficulty understanding how it can be a breach of the privilege, in other words how anyone in this Chamber had difficulty carrying out their duties because a minister said that a leak was or was not the consequence of theft or whatever other accusation is going to be made.

That is my difficulty and I would ask the hon. member to come exactly to the point and to shorten it up a bit.

Mr. Milliken: Mr. Speaker, I was just coming to that. That is what I have been trying to get to. The point is these charges were made against these persons—

Mr. Andre: Order. Get to the point of privilege.

Mr. Milliken: I am getting to it. If the government House leader will control his inner emotions—

Some hon. members: Oh, oh.

Some hon. members: Order.

Mr. Speaker: I think on this issue there is very likely to be quite a debate as to whether it is privilege or not, but I will ask the hon. member to conclude his remarks because I am having trouble finding it.

Mr. Milliken: Mr. Speaker, I think it is quite clear that what the government did was, knowing that there is a case in the Supreme Court of Canada which says the theft of confidential information is not an offence, make these statements. It said that there had been a criminal act here, when I submit that there may or may not have been. They proceeded to hush up the inquiry in this House on the basis that this matter was *sub judice*. There are answers given—

Mr. Speaker: I am going to hear the hon. House leader in just a moment.

The hon. member is saying that because there is a Supreme Court of Canada decision that some opinion expressed in this place that may be contrary to it is a breach of privileges of any member. That is taking the whole question much farther than I can go with the hon. member, but as I say, I will listen to the hon. member close his argument. I am having difficulty.

Mr. Milliken: I did not say that. I said that what happened was that in making those statements the government ought to have been aware of the decision of the Supreme Court. It made the statement. It said that there had been a criminal act, and I can quote chapter and verse on that.

As a result of those statements, charges were laid and then—

Mr. Andre: False.

Mr. Speaker: Just a minute. The hon. member is taking a quantum leap here. That is a suggestion that because of something said here, charges were laid. That may be a

matter of debate. But how can the hon. member lay that down as a factual basis for a question of privilege?

The hon. member just said that he knows.

Mr. Andre: Perhaps we could bring this to a close if he would cite the proper section of Beauchesne.

Mr. Speaker: The hon. member knows I am having a great deal of difficulty with this. I am having difficulty because no matter what the complaint may be, I am having great difficulty finding it as a question of privilege.

I would ask the hon. member to conclude his argument.

Mr. Milliken: I have four immediate points to satisfy the government House leader as to how our privileges have been breached, Mr. Speaker.

Mr. Speaker: It is not a question of satisfying the government House leader. The question is whether you are satisfying the Chair.

Mr. Milliken: The constant interruptions from across the way make it difficult, Mr. Speaker.

First, our right of freedom of speech, one of our rights in this House, a privilege of all members, has been denied because we were not permitted to ask questions because this matter was placed before the courts. We were denied that opportunity—

Mr. Speaker: Please. That is not a question of denying a member's privilege. That is a rule of the House. That is a convention. While something is before the courts, especially in criminal matters, we do not allow questions here. We do not all it because it would offend against the rights of either the Crown or the defence. In the case at point, I remember very clearly being deeply concerned at the time because if questions had been asked here, if I had allowed those questions, it might very well have prejudiced the defence that was going on.

Mr. Milliken: Notwithstanding that, Mr. Speaker, I am submitting that if these charges had been properly considered and not laid, there would not have been that problem.

Second, our right to deal with the budget in this House first was denied because the budget was released on television, and I made that point on April 27, 1989.

Third, the statements by the Prime Minister, by the Minister of Finance and by other ministers in this House, that I could have quoted at length but have refrained from doing to save time, made it difficult, if not impossible, for the police to carry on their investigation without appearing—

SPEAKER'S RULING

Mr. Speaker: This entire matter went through months in the courts. It has been determined. It does not seem appropriate to me to redebate it in the Chamber. It does not matter what I think about the rights or wrongs of it. The question is, we could, under the guise of a question of privilege, bring all kinds of things back into the Chamber.

I have got to tell the hon. member that I do not think there is a question of privilege there, and I am going to close it off right now.

* * *

POINT OF ORDER

BUDGET LEAK

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, this could have been closed off by citing Beauchesne, paragraph 19(1), which states:

> A dispute arising between two Members, as to allegations of facts, does not fulfil the conditions of parliamentary privilege.

Clearly on the question of the rules the hon. member knows, as he smirks at me from over there, that in fact—

Some hon. members: Order.

Mr. Speaker: I have made the ruling and I am not going to reopen the issue. If the hon. member wishes to rise on a point of order, but not on the same point of privilege, a point of order—

Mr. Andre: Mr. Speaker, accusations have been made unfairly and allowed to be made to reopen an issue. The statement that led to this was a statement by the Minister of Finance that a criminal act had been committed. As the hon. member himself said, there was a plea of guilty to that. So not only was he wrong in terms of the rules as to what is privilege, he is wrong on the facts. He is wrong on both counts and should not have wasted 20 minutes of the House on this specious point of privilege.

Mr. Speaker: On a point of order, the hon. member for York South—Weston.

Mr. John Nunziata (York South—Weston): Mr. Speaker, my colleague was in the middle of a point of privilege. He was given an opportunity to present his case and then you indicated that the matter was over. Then you proceeded to hear the Government House Leader, in effect reopening the matter.

I would like the opportunity to make some very brief submissions on this point if in fact the matter is still open.

Mr. Speaker: I am going to help the hon. member. First of all, I insisted that the government House leader rose on a point of order, not the point of privilege. The ruling has been made.

If the hon. member wishes to help the House and the Chair on a point of order, I of course will hear him. The hon. member for York South—Weston.

Mr. Nunziata: In your submissions, Sir, you indicated that the court has dealt with the matter. As you know, it was a criminal court dealing with the criminal law. That court was not considering the conduct of ministers of the Crown and government accountability—

Mr. Speaker: Just a minute. The point I am making is that the matter has been dealt with by a court. Now, the suggestion is being made that somehow or other this matter ought to be all redebated in the House under the guise of a question of privilege. If the House wants to debate the matter further, that is the business of the House, but I am bound by what is or what is not a question of privilege.

I have had to say to my hon. friend from Kingston and the Islands, who is a very good proceduralist, that no matter what merits his argument may have, in political terms or other terms, in my view it is not a question of privilege. It is no more appropriate for me to allow a question of privilege to go on, which is in the guise of reopening debate on some matter which, if it is to come in front of this House, should come in another way and it would not matter which side of the House it comes from.

ROUTINE PROCEEDINGS

• (1130)

[*English*]

PETITIONS

GOVERNMENT RESPONSE

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

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

* * *

COMMITTEES OF THE HOUSE

JUSTICE AND THE SOLICITOR GENERAL—FOURTH REPORT OF STANDING COMMITTEE

Mr. Bob Horner (Mississauga West): Madam Speaker, I have the honour to present the fourth report of the Standing Committee on Justice and the Solicitor General, on prostitution and soliciting.

This is a short report which is a review of the legislation which was in effect. As we know, in most cities, the legislation was working well. However, in Toronto and Vancouver, it was not working quite so well. We have made only three recommendations.

We have also noted, since the prostitutes are usually victims of social injustice, child abuse, and so on, that they should not be further punished. We have recommended that social programs be set up to allow them to conduct a safer life-style.

We have made some recommendations because the police did want to identify these people and we have recommended changes to the Identification of Criminals Act.

I would like to table this report.

PRIVILEGES AND ELECTIONS—SIXTEENTH REPORT OF STANDING COMMITTEE

Mr. Chuck Cook (North Vancouver): Madam Speaker, I have the honour to present, in both official languages, the sixteenth report of the Standing Committee on Privileges and Elections, in relation to Private Members' Business.

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

* * *

CANADA ELECTIONS ACT

MEASURE TO AMEND

Mr. Nelson A. Riis (Kamloops) moved for leave to introduce a Bill C-332, an act to amend the Canada Elections Act.

He said: Madam Speaker, it is indeed an honour to present a bill to amend the Canada Elections Act, seconded by my hon. colleague, the hon. member for Prince Albert—Churchill River.

The main goal of the bill is to lower the federal voting age to age 16. It seems to me that, in a country that enables young people to drive on our highways at age 16 and to enlist in the Armed Forces of Canada, it is certainly time that we give 16-year-olds the right to vote.

I must say that in the many times that I have spoken with youngsters of age 16, it certainly encouraged me to suggest that they are as well aware of the issues and the concerns facing Canada as many of their elders.

We look forward to consideration of this bill. I will be making an appeal to my hon. friends on the government benches, as well as my hon. colleagues in the Liberal Party, of course, to give this some consideration in terms of enabling it to be debated and referred to the appropriate committee. It would be nice, before the next federal election, to have 16-year-olds voting.

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

* * *

[*Translation*]

PETITIONS

OPPOSITION TO GST

Hon. André Ouellet (Papineau—Saint-Michel): Madam Speaker, I am pleased to present to the House a number of petitions signed by residents of my riding of Papineau—Saint-Michel who firmly oppose the Conservative government's new tax on goods and services.

Your petitioners strongly urge the members of the Liberal Party of Canada to do their utmost to prevent the adoption of this measure because it would do untold damage to low- and middle-income Canadians, not to mention the fact that it would make the tax load unduly unbearable and boost inflation, interest rates and unemployment throughout Canada.

[*English*]

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is indeed an honour to present a petition, pursuant to Standing Order 36, on behalf of citizens of Kamloops, Clearwater, Logan Lake, Chase, Westwold, Monte Creek and Monte Lake, as well as Red Lake and Savona, who are concerned that the Government of Canada is intending to impose the 7 per cent tax on the printed word.

I think this will make Canada the only country in the world that taxes literature. The petitioners are asking the government to reconsider this decision to tax reading material, particularly reading material for young children.

I have another petition to present which is topic indirectly related, on behalf of constituents of New Westminster, Vancouver, North Vancouver and Burnaby. The petitioners point out that they are against the goods and services tax. They point out a whole set of reasons why they oppose this tax and why they think this is the last tax we should be considering right now. They are asking the Parliament of Canada to defeat it, which in this case would mean the Senate.

Mr. Rex Crawford (Kent): Madam Speaker, once again it is an honour to rise in the House, pursuant to Standing Order 36, and present four petitions with regard to the GST. Three of them state that, wherefore, the undersigned, your petitioners, humbly pray and call upon Parliament to re-affirm the historic principles embodied in tax-free status for the printed word by retaining the zero rate in the GST legislation and regulation.

The other petition states that the undersigned, your petitioners, humbly pray and call upon Parliament to reject the proposed goods and services tax and to axe the tax.

GANNET ROCK LIGHTHOUSE

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, I am pleased to rise to present a petition, pursuant to Standing Order 36, from the residents of Carleton—Charlotte urging Parliament to maintain the current staffing of the Gannet Rock Lighthouse station.

The Gannet Rock Lighthouse station was built in 1831 and has been used as a navigational aide since that time. The residents of Grand Manan Island primarily depend very heavily upon this lighthouse. In terms of the environment, it is imperative that lighthouse be maintained. I am very proud and pleased to present this petition on their behalf.

[*Translation*]

Mr. Guy H. Arseneault (Restigouche—Chaleur): Madam Speaker, today it is my privilege, pursuant to Standing Order 36, to present a petition signed by residents of my riding who live in Petit Rocher, Robertville, Beresford, Nigadoo, La Plante and Pointe-Verte.

Your petitioners call upon Parliament to reject the new goods and services tax.

• (1140)

[*English*]

LOW-LEVEL FLIGHT TESTING

Mr. Neil Young (Beaches—Woodbine): Madam Speaker, it is my honour and privilege to present a petition signed by Canadians from across the country who say that because we support Canada's aboriginal people's traditional use of their lands, and because we seek new Canadian initiatives of peace through common security and disarmament, and because the NATO and NORAD low-level flights disrupt the traditional society and tend to pre-empt peaceful and sustainable development in much of Canada, the undersigned residents of Canada respectfully call upon Parliament to join with the Assembly of First Nations, the Innu of Labrador and other aboriginal peoples of northern Canada, in opposing use of their lands for NATO and NORAD attack training flights.

GOODS AND SERVICES TAX

Mr. Ross Harvey (Edmonton East): Madam Speaker, I rise today, pursuant to Standing Order 36, to present a petition signed by a number of people from Nova Scotia and Ontario that calls upon Parliament to reject the current proposal for a goods and services tax, to reform the taxation system so there is an effective minimum tax on wealthy individuals and corporations, and to cause the government to cease with the proposal that will shift the tax burden onto ordinary Canadians through a regressive consumption tax instead of through real tax reform.

I should note that I am a bit reluctant to present this today because, of course, it is the increasingly widely spread and held opinion that Parliament is no longer legally constituted. However, in the interests of presenting this wisdom of the Canadian people, I shall waive that objection at this time.

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, it is my duty and honour to present two petitions today. The first is signed by residents of Prince Albert in my constituency, Red Deer, Alberta and Rosetown, Saskatchewan.

The petition calls on the government to see the folly of their ways with respect to tax reform and to bring in a fair taxation system rather than the goods and services tax which it has ramrodded through the House and is attempting to do through the Senate.

LOW-LEVEL FLIGHT TESTING

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, the second petition which I present is signed by people from Winnipeg, Morden, Winkler, and other communities in southern Manitoba.

This petition calls on the government to have respect for the traditional way of life of aboriginal Canadians, to seek new initiatives in terms of common security and disarmament, and therefore to end low-level flights in the territories that traditionally are those of aboriginal Canadians.

GOODS AND SERVICES TAX

Mrs. Christine Stewart (Northumberland): Madam Speaker, it is my privilege to present two petitions today from constituents in my riding on different topics but both related to the GST.

So many constituents speak to me about their anxiety and concern about the government's proposed goods and services tax. The petitioners understand that despite government rebates they will be worse off after this tax comes into being. This petition asks the government to repeal the GST.

The other petitioners are very concerned about the government's tax of reading materials. They realize that we are at a great disadvantage with so many illiterate people in the country who must be encouraged in every way to learn to read and ask the government to repeal the GST on reading materials.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, the following questions will be answered today: Nos. 298 and 307.

[*Text*]

WINE INDUSTRY

Question No. 298—**Mr. Whittaker:**

To the knowledge of the government do (a) Canadian (i) consulates (ii) embassies (iii) trade missions (b) Crown Corporations (c) the Department of External Affairs (d) Government House (e) the Prime Minister's Office purchase Canadian wines for their functions and if so (i) from which provinces are such purchases made (ii) for each province, what are the dollar amounts spent (iii) what is the porportion of Canadian to foreign wines purchased, based on total dollar amounts expended?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): I am informed as follows:

External Affairs and International Trade Canada

a) Canadian consulates, embassies and trade missions purchase Canadian wines for official functions.

Of 69 posts surveyed, 23 or 33% used Canadian wines in 1989/90.

i) In 1989–90, wines from Ontario, British Columbia and Nova Scotia were purchased for use at official Canadian functions abroad.

ii) Dollar values of Canadian wines purchases:

Ontario	$34,772
Brithish Columbia	4,026
Nova Scotia	95
TOTAL	$38,893

iii) The proportion of Canadian to foreign wines purchased is 17%.

c) The Department's Canadian wine purchases for use at official functions in Ottawa correspond to 38.3% of total wine purchases. The dollar values by province for 1989–90 were:

Ontario	$15,000	31.9%
British Columbia	3,000	6.4%
Foreign Countries	29,000	61.7%
TOTAL	$47,000	100.0%

Governor General's Office

d) Yes

i) Ontario

ii) 1989–90

Ontario: $660.00

iii) Proportion:

Canadian: 3%

Foreign: 97%

Prime Minister's Office

With regard to official government events hosted by the Prime Minister:

e) Yes

i) All provinces in which Canadian wine is produced.

ii) Accurate dollar figures are not currently available; however, purchases are usually made from the province in which the event is held.

iii) Mostly Canadian wine is served; approximately 97% Canadian, 3% foreign. For all events hosted by the Prime Minister, including those held in honour of foreign leaders, every attempt is made to serve at least one Canadian wine.

Crown Corporation

b) Forty-five Crown Corporations were requested to provide information and have reported as follows:
Ten Crown Corporations did not purchase wine/Canadian wines for their functions or had no receptions in the last year;
Eight Crown Corporations spent minimal amount for "official entertaining" for which wine would be purchased and the related information as requested is not recorded or is not centralized;
Twenty-one Crown Corporations arranged their functions with commercial establishments or caterers (including wine, if appropriate) and do not have the information as requested; and
Six Crown Corporations have provided the following information:

1.	i)	ii)	Ontario	$75.00
		iii)	50%	
2.	i)	ii)	British Columbia	$76.20
			Ontario	78.00
		iii)	72%	
3.	i)	ii)	Mostly Ontario	$341.85
		iii)	7%	
4.	i)	ii)	British Columbia	$976.00
		iii)	100%	
5.	i)	ii)	Alberta	$632.00
			Manitoba	200.00
			New Brunswick	150.00
			Nova Scotia	50.00
			Ontario	2,590.00
			Quebec	670.00
			Saskatchewan	200.00
		iii)	73%	
6.	i)	ii)	British Columbia	$137.60
			Ontario	5,077.73
		iii)	58%	

GOVERNMENT EXPOSITIONS CENTRE—EMPLOYEE BUYOUT

Question No. 307—**Mrs. Gaffney:**

Has the government bought out, or is it in the process of buying out, employees in the production department of the government's exposition centre and, if so (a) what number of employees are involved in the buyout (b) what are the conditions of the buyout (c) what is the cost of the buyout to the government?

Hon. Paul Wyatt Dick (Minister of Supply and Services): On April 30, 1990, the federal government accepted a proposal for buy-out of the exhibit production facility. The assets for the service have been purchased by LG Expositions Inc. These were purchased at a fair market value established by the government Crown Assets Distribution Group. There is no cost to the government as the assets were either purchased by the employee company or declared surplus through regular channels.

The new company was formed by a group of employees. Ten employees have agreed to join the new company. These employees received the usual government departure entitlements.

[*English*]

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

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, if Questions Nos. 222 and 320 could be made Orders for Return, these returns would be tabled immediately.

Madam Speaker: Is it the pleasure of the House that Questions Nos. 222 and 320 be deemed to have been made Orders for Return?

Some hon. members: Agreed.

[*Text*]

SOFTWOOD LUMBER INDUSTRY

Question No. 222—**Mr. Gardiner:**

Have any projects received funds in assistance for the softwood lumber industry from the government and, if so (a) what number of projects (b) what total amount of money (c) what are (i) the names of the projects (ii) their locations (iii) their descriptions?

Return tabled.

JUSTICE PROGRAMS

Question No. 320—**Mr. Robinson:**

1. Are there criteria for funding under the (a) Access to Legal Information Fund (General and Special Projects PLEI) (b) Young Offenders Act (Systems Development, Program Development) (c) Human Rights Law Fund (d) Special Projects—Legal Aid (e) Other Native Projects (Justice Canada Annual Report 1988–1989, p. 59) and, if so (i) what are they (ii) is multiculturalism included as one of those criteria?

2. In fiscal year (a) 1988–89 (b) 1989–90, did funding recipients under the above projects receive money and, if so, in each case, what amount?

3. In fiscal years (a) 1988–89 (b) 1989–90, did any funding recipients come from Quebec and if so, out of the total, what number?

Return tabled.

[*English*]

Mr. Cooper: Madam Speaker, I ask that the remaining questions shall be allowed to stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

HIBERNIA DEVELOPMENT PROJECT ACT

MEASURE TO AMEND

Hon. Jake Epp (Minister of Energy, Mines and Resources) moved that Bill C-44, an act respecting the Hibernia Development Project and to amend acts in relation thereto, be read the third time and passed.

He said: Madam Speaker, I am delighted to be addressing the House today on the occasion of third reading of Bill C-44, the Hibernia Development Project Act.

As I have had occasion to do previously in this House, I want to thank members both from my party and members opposite who have debated this bill but who have always supported the development of Hibernia.

They have supported it possibly for reasons the government proposed or possibly for additional reasons, and while the emphasis from time to time might have been different on the two sides, the bottom line on Hibernia has been co-operation. There has been a serious attempt within this House to examine carefully what is the best

arrangement on the Hibernia project. Today, they have come together to work for the completion of this project. I thank them for that.

The Hibernia project goes back a long way. Some people who possibly saw the first activity on the Grand Banks have become not old men and women, but definitely people more experienced and in some cases possibly even cynical. I would suggest that this act today within this House will remove another portion, another facet, of the cynicism which I believe began to erode as we were able to sign the agreement in Newfoundland September 14 last.

It has been an eventful 10 days, and possibly something happened here that does not happen too often in this House. I want to go on public record to thank members of the Public Service, both from the Government of Canada and the Government of Newfoundland and Labrador.

As well, I thank the advisers of the companies that form the consortium. They have worked not hours, not days, not weeks, not even months, but literally years on this process. They worked not only from a professional point of view but also from a mandate that they were given from the different parties, relative to the agreements relating to Hibernia. They worked, I believe, in the best interests of our country. So it has been an eventful time.

I know this summer, even though it slipped by for most of us, the fact of the matter is that I saw men and women giving up much of their time, quite apart from the professionalism which we expect from them, to get this work done.

What has happened is that the bill, which was introduced last November, has had a very detailed process both in this House and in the negotiations which culminated in the signing of the document escrow and closing agreements on September 14. This event has locked in the business deal and is only subject to final approval by Parliament.

As has been noted, many of us had the pleasure of participating in the signing ceremony in St. John's together with a number of my federal colleagues, officials from the Government of Newfoundland and Labrador and members of the Hibernia consortium.

I also want to thank the Prime Minister. I do not do this only because he is Prime Minister or because he is my political leader. Many members in this House will know that in the post June 24 period there was much debate in our country as to what would be the state of federal-provincial relations.

Despite the rumours I would read in the newspapers or the commentary that I would see on television or hear on radio, the Prime Minister throughout that summer gave me, this process and this project not only his total support but also always kept his eye on the purpose of the Hibernia project. He described it himself when he said: "This is more than oil or barrels of oil. This relates to fairness and to dignity."

• (1150)

Hopefully, in some tangible measure, the Hibernia project will bring that not only to the people of Newfoundland and Labrador but to Canadians generally.

I do not want to be one of those politicians who, from time to time is accused of overstating the case, but I believe this event, this project, marks a major breakthrough for Canada's petroleum industry.

The Hibernia development project will contribute to the ongoing diversification of Canada's energy supply sources. The effects of this development will also be long lasting, not only for the people of Newfoundland and Labrador, but for Canadians across the nation. We believe that Hibernia is only the first step in building the new skills, the expertise, and technology required to meet the challenges of frontier development.

I had occasion this summer to meet with some of the men who worked at the first oil well in Leduc, or what is known as Leduc No. 1, back in the last part of the 1940s, 1947-48. I am reminded of one particular gentleman, a farm boy from Saskatchewan in those days, who worked at Leduc. This gentleman told me about what happened on those days.

He told me, for example, that the night before Leduc was to come in, there were farmers and people from around the whole area along what are called section roads in the west, waiting for the events of the next day. He told me, as if it had happened yesterday, what Leduc No. 1 meant, not only to him personally, but to Alberta at that time.

We should remind ourselves that Alberta at one time had to come cap in hand to the government of Canada for help, and how today the province of Alberta benefits all of us not only by a secure oil supply—and we only have to take a look at events in the Persian Gulf to be reminded of that—but also Albertans have been contributing to equalization and the well-being of all Canadians for many, many years, partly because of the hard work of some people who possibly did not know what they were building back in the latter part of the 1940s.

He told me, for example, of the next wells that came in, the gushers and the problems they had from a technological point of view. He told me how they had to dig ponds to trap oil they had hit and which they did not know how to handle. In one area they recovered approximately one and a half million barrels hat way, literally by oil flowing down trenches into holding ponds.

That sounds primitive today, but it was real. It was from these humble beginnings that an oil industry was developed which today in world standards is seen as one of the very best.

I do not think that Canadians who really look at Hibernia and the risks that any of these large projects mean for all of us, that the risks of Hibernia in today's context are much different from what happened in Alberta in the latter 1940s.

I look at places like Stevanger in Norway and see what happened in that community in terms of servicing the offshore oil industry in the North Sea, or what happened in northern England or Scotland and the technology they developed. Too often as Canadians we take for granted for instance what the Dutch, or the Norwegians or some of the Pacific nations have been able to learn from these kinds of projects and that we as Canadians somehow will be left out.

I believe that Hibernia can be for all of us as Canadians that next frontier. I sincerely believe that. I do not think I have overstated the case. I would hope that for all of us that is what Hibernia will mean.

I spend a fair bit of my time time in Alberta because of my responsibilities. I have been meeting people time after time who have said to me: "Make Hibernia go". We want to see it completed because we believe it is going to help the energy industry of Canada. I thank them for that viewpoint as well in respect to this project.

While we will get some new skills, expertise, technologies from other countries obviously, we should not ever have the view that we have all the ideas. But we want to develop them for ourselves as well. I look forward to Hibernia doing that. We will develop engineering experience in the offshore that we should be able to market in other parts of the world. These are the kinds of spin-offs that we as a country have to examine.

Although the binding agreements have been finalized, they are being held in escrow by an independent third party until one remaining hurdle is cleared. That brings us to our task at hand today, the passage of Bill C-44.

Members of this government, along with many of our colleagues on the other side of the House, are very anxious to finalize this enabling legislation. There has been much debate over the matter of federal participation in the Hibernia project. It has been clear for some time that the Hibernia project is simply too costly and massive an undertaking to proceed without public support. In recognition of this in 1988 we joined the Government of Newfoundland and five private sector firms in signing a statement of principles to develop Hibernia. Bill C-44 will authorize the government to enter into legally binding agreements to fulfil its commitments made in the statement of principles.

This is also not unique. There is criticism from time to time about the so-called megaprojects but energy, generally speaking, is a megaproject. It is its very nature and while, yes, there has to be emphasis on smaller electrical projects—and I will be coming forward with programs on that later this year—I remind members that today as we look at the world around us, that because of oil and its development, we for example do not face the realities of our neighbour to the south who is now looking at importing 50 per cent of its oil and gas supplies. Surely with the long lead times it behoves us to move forward on these projects.

When Suncor came onstream did it make a lot of sense? One might have questioned the economics of it. Syncrude made more sense. I remember in 1979 , as Indian affairs minister, we were working on the Cold Lake project because there were a lot of native people involved. It makes sense today. Surely the frontier is a blessing, an opportunity that has been given to us as Canadians. We have not done anything to deserve it, nor have we done anything to put it there. It is our responsibility to use these resources not only for our benefit but for the larger community.

I want to explain the federal government's, that is the taxpayers' involvement, in this project and why we did it. More than $5 billion Canadian will be spent bringing Hibernia into production. Approximately $3 billion will be spent in Canada, including $1.6 billion for work to be done in the province of Newfoundland. In addition to the $5.2 billion in capital spending needed to bring Hibernia to production there will be a further $3.5 billion expenditure over the life of the project. This project, while extremely important for the province of Newfoundland and Labrador, is obviously a project that has national importance.

As was outlined in the statement of principles, the Government of Canada will provide the consortium with a cash contribution for 25 per cent of eligible pre-production capital costs up to a maximum of $1.04 billion. We will also guarantee loans for 40 per cent of those costs to a maximum of $1.66 billion. I want to tell hon. members that that is—and I want to use the word very specifically—a loan.

• (1200)

Yes, we could have gone the other way. We could have made it a Government of Canada and Government of Newfoundland project, but I hear criticism around this place that we should have done it all at the taxpayers' money. Then I imagine the governments would have been accused of exposing ourselves to too much risk. The risk is $5.2 billion then.

I ask members to look at this project very carefully, the loan, the provision we built into Hibernia on the lender risk sharing, as well as the pay-back depending on the price of oil. Surely members have to be realistic about whatever the price of oil will be when oil comes on in 1996 and then consider the period of time of the life of the field. It will have to be determined at that period of time what the return on investment is going to be, the ROI.

I ask members opposite if any one of us starts a business today can he or she guarantee for me 20 years hence what the return will be? Obviously there is a matter of financial return that we try to look at very carefully and the need to bring on a new source of supply. One always has to balance those two issues.

There has been some confusion in the press as to the true cost of the federal loan guarantees. Let me emphasize that the guarantees are a back stop, to be drawn upon only if the project revenue is insufficient to repay the debt. I can assure the House that the government will not agree to have provided these guarantees if it had any concern about the ability of the project to repay those loans.

Benefits emanating from the development of Hibernia for all Canadians are going to be substantial. Hibernia will play an important role in enhancing Canada's oil supply. I will comment further on that in a moment.

The project establishes a new frontier for Canada. It will diversify Canada's oil supply and offset the expected decline in conventional light oil production from western Canada. With the production of 110,000 barrels per day, Hibernia will account for approximately 12 per cent of Canada's light oil production by the year 2000.

Very often Canadians forget the matter also of the type of oil we are going to get. I am concerned about the reduction or decline of the light oil production in the western sedimentary basin. What are those reserves? That is why we have to move into *in situ* oil, for example. That is why we need the Lloydminster upgrader and use the heavy oils, even with the differentials in price. That is why we have to seriously look at how to plan the next projects relating to the oil sands and what are our projects for northern Canada. These are our opportunities because these are resources given to Canadians, I say, by a divine hand.

Out of this comes another question. People say: "Well, yes, you are going to get the 110,000 barrels, but it is all going to go to the United States". That is an interesting concept because the 110,000 barrels will be bid on and, most likely at this present point in time, they would go to the United States.

There is an issue relating to how much to change refining capacity to refine that oil because of its heavy waxing quality. Are we better off for example to get other oil, offsetting this 110,000 barrels with offshore oil which we get through Portland, Maine and which we send to various refineries in eastern Canada up to Montreal?

Those are the types of questions which I think logic drives one to examine from the best economic position one can get.

I also hear from certain refiners in eastern Canada that with some modification obviously they will have to look at it from a financial point of view. There might be in an opportunity to bid on Hibernia oil. I would suggest that the marketplace is the best place to examine that issue.

The same thing could be said about Cohasset–Panuke, which I personally hope will come into being before the end of this mandate of this government. It is a light distillate. There is tremendous interest in that type of product. Even though that is a relatively small project by international standards or even Canadian standards, how best do we develop that resource so that the people of Nova Scotia will get some benefits and through that benefit the people of Canada?

The Hibernia project will dramatically bolster Newfoundland's economy. We saw a bit of that even when we had a reception. I imagine there was even some bolstering of the hospitality economy in Newfoundland during that day. I dare say that possibly that activity has even continued beyond the time I was there.

My good friend opposite talks about people ready to work building a road into Great Mosquito Cove. I hear complaints of people who say: "I want to work. Will I get hired?". So often around here we look at the large issues. What we sometimes have to do is step back and look at what is happening in the bush. What is happening in the muskeg? What is happening at the coast? What is happening to people? That is why I am excited about Hibernia.

Every dollar invested in this project will yield several dollars in primary and secondary benefits to Newfoundland. It is estimated that approximately 10,000 person–years of work will be created in Newfoundland during the construction phase. Perhaps even more important, over the long term new technical skills will be developed in the province's workforce, as well as that of other provinces, that will position us to take advantage of future offshore development in other areas of Canada.

Yes, I believe that Hibernia will rank in terms of names and recognition with places like Leduc. People will come to know Terra Nova, Ben Nevis, and Cohasset–Panuke. This is Canada. This is our opportunity. I am pleased that so many members opposite recognize these facts and with the strong support I have had from my own caucus.

In early 1989 the Hibernia consortium undertook to redesign the top side facilities of the project. The main support frame was eliminated. The number of modules was reduced from 20 smaller units to five supermodules. As a result of this redesign, the industrial benefits provisions outlined in the statement of principles were renegotiated in a way that will provide significant benefits for all of Canada.

The agreement goes beyond the statement of principles as a result of the consortium's commitment to undertake an additional two million person–hours of metal fabrication work in Canada. These new commitments are approximately to two supermodules, and this should be kept in mind.

I say to hon. members that as they evaluate this project for the last time in this House they should remember that the governments pursued a regional benefits objective package for Newfoundland and Labrador and wanted it expanded not only to that province but to the larger Canadian communities.

As a consequence the Hibernia consortium has agreed to fabricate one of the supermodules in Newfoundland and will use its best efforts to build a second supermodule in Canada.

What is the effect of all of this? The impact of Hibernia on the province, as we said, will be substantial. However, I remind members that when the first projects in the North Sea came into being—and nobody today questions North Sea—the people of Norway and the United Kingdom realized approximately 35 per cent of the expenditure for domestic placing of contracts within those two countries. It was about 35 per cent.

In the statement of principles we were shooting for Canadian content in the area of 45 per cent. With the changes in the negotiations which are now incorporated in this bill and the agreements we have in escrow right now, it will be in the area of 55 per cent to 60 per cent.

• (1210)

I believe that Canadians will deliver. Time after time I hear in this House questioning: "Can we do it"? We have done it before. The oil industry has shown it can do it and it will do it again. We will do it with Hibernia as well.

Those are the facts. As a result, in every region of our country plants and industries are poised to meet the engineering and construction demands which will flow from the project.

Let me be very practical. This summer in my own backyard there was a looping of the trans-Canada pipeline. That is not very important, I imagine, in terms of larger Canadian energy projects and in terms of the length of time spent on the work they were doing. However, it was important because not only did it bring us new capacity which we so desperately need if we are going to move gas out of the gas fields but it had impact in the Manitoba economy.

Fellows got into their half-ton trucks at four o'clock in the morning and drove 80 miles to work. They were not concerned about the 80 miles. They were not even concerned about four o'clock. They wanted to go to work. These were farm fellows and people from the urban community.

Economic activity driven this way works. Canadians have always responded. If I can be very personal, my first exposure to this whole process was after I had graduated from high school and I was working for a car dealership in my home town. The trans-Canada pipeline was going through about 10 miles from our home town. At that time there were fellows there from Alberta and Saskatchewan and, granted, there were a lot of Oklahomans and Texans around. However, that was the year we sold more cars in that dealership than we had for many years before and would for many years after. Those are the practical impacts, the spinoffs.

I remind members—maybe there is even a chuckle or two—of what happens in this House with these some time almost prosaic kinds of discussions. Back home people know what this means.

Another point I want to mention concerns the environmental impact of energy production and energy transportation. I am aware of those impacts. I am committed, as is the industry, to ensuring that environmental considerations are integrated into the government's energy policy process. Environmental assessments are a crucial component of the government's over-all evaluation of any energy project. All such projects are subjected to detailed environmental scrutiny and review designed to minimize potential adverse consequences.

The government has made it clear that projects will not proceed if they are not acceptable in environmental terms. The Hibernia project has undergone a rigorous environmental public review which provided an opportunity for all interested parties to voice their concerns and have those concerns addressed. Based on the review, the Canada-Newfoundland Offshore Petroleum Board decided in 1986 that the Hibernia project could go ahead once the recommendations of the environmental assessment panel were adequately addressed. This requirement is being satisfied and at the same time my officials have assessed the environmental implications of the changes to the project design and the movement of the gravity base construction site to Trinity Bay.

I want to assure the House that the government is satisfied that all adverse environmental impacts have been addressed and, further, that all effects identified are insignificant or cannot be mitigated.

As I close, one point that I would like to emphasize is that it will give Canada and Canadians an unprecedented opportunity to develop a higher level of technical expertise in the development of the offshore energy source.

The design and construction of the Hibernia project will provide a wide array of important new business opportunities. These opportunities should be made available to Canadians. I know that the project will challenge the skills of Canadians and take them to the leading edge of technology.

Companies that meet the high standards demanded by Hibernia will be in a position to play an even larger role in future offshore projects in Canada and around the world. I find it exciting that through the joint initiative of two governments and the private sector, enormous economic benefits from Hibernia are now upon us.

I know this is a partisan place, but I want to say very clearly that for those of us who came from western Canada and even from a province like Manitoba where our production of oil is very small relative to Canadian production, when the western accord was signed, it was important for us because it was another plank in the long struggle for prairie provinces which, when we entered Confederation, had not been deemed worthy of ownership of our resources. That has been a long struggle.

It was a struggle which culminated in 1930 with the Natural Resources Transfer Act. There is still unfinished business in that bill. It relates to the satisfaction of Indians and claims that our native people have, which we in western Canada have to fulfil and complete.

Just as that was in my mind a step forward in bringing fairness to western Canada, who knows what would have happened had the Natural Resources Transfer Act of 1930 not taken place? Who knows?

The same thing applies to the Atlantic accord. I know my hon. friend opposite—and I want to end on this personal note—will understand when I speak of a man who came from Ireland, became a Canadian and was an institution in his own outport on the western coast of Newfoundland, the late Dr. Hugh Twomey.

Dr. Twomey was minister of health when I became—

An hon. member: He was a good Tory.

Mr. Epp: He was a good Tory. They are all good Tories.

I remember when I met with the late Dr. Twomey as minister of health, we were discussing in September and October of 1984 how together we were going to implement the Canada Health Act.

As the hon. Speaker would know, there was some controversy about that act and how it might impact on the delivery of health services in the provinces.

I had visited the province of Nova Scotia in the morning, Prince Edward Island in the afternoon and Newfoundland in the evening. Then I wanted to return to Ottawa. There were a number of issues I wanted to discuss with the minister of health of the day.

I do not know what kind of a day he had had, but he did not want to discuss the Canada Health Act. He wanted to discuss everything else. Never have I heard more stories about Newfoundland and never did I have a better evening.

What I remember that evening—it was late by the time we left—Dr. Twomey got up. In the small gathering, he said: "Jake, you wanted to discuss the Canada Health Act. I did not want to, and that is rather evident."

But he said: "What I want to tell you is this: Go back to Ottawa. With the signing of the Atlantic accord, I believe sincerely that the people of Newfoundland and Labrador will not only make their living based on our traditional activities of fishing and making a living from the resources we have in place at the present time, that the Atlantic accord will give us an opportunity not only to develop the economy for our people, but also improve the conditions of their daily life."

He said: "I believe that just as things changed in Alberta, Hibernia can contribute to the development of our province. We will become not simply the recipients of equalization, but possibly some glorious day we will be in a position where we can pay other Canadians for the years of equalization that we received from them." He finished his little speech that evening with one statement which remained with me as we discussed Hibernia. He said simply this: "Mr. Minister, go back to Ottawa"—in this case it was the Canada Health Act—"and do for Newfoundland what you would do for other provinces and we will trust you".

• (1220)

I believe that it was not my work; I was the recipient of the Atlantic accord. It was the vision of the Prime Minister to change a long history, a history based not only on changes that were needed, whether in one province or the other. In this case it happened to be Newfoundland's turn. I want to thank the Prime Minister for the vision and for the reality that this bill brings to us today.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Madam Speaker—

Madam Deputy Speaker: The hon. member for Longueuil, on a point of order?

Mr. Leblanc: I have a question for the minister, Madam Speaker.

Madam Deputy Speaker: I would refer the hon. member to Standing Order 43 which says that the first

two speakers—the minister and the first member speaking in reply to the minister—have unlimited speaking time and that there are no questions or comments after their speeches. The hon. member for Bonavista—Trinity—Conception.

[*English*]

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, as the associate energy, mines and resources critic and as a Newfoundlander, indeed as a Canadian, and even as a Liberal member of Parliament, I am delighted to respond to the excellent presentation given by the hon. minister. It gives me an opportunity to put together a number of things that have been said in the House by members on both sides and both ends of the House, an opportunity really for the public perhaps to see the entire package as it started, some of the snags that we have had, some of the comments we have had in the House, some of the difficulties we are going to have in the future and perhaps some of the prognostications with respect to what this project may bring, mostly on the good side.

Incidentally, may I welcome you to the chair. It is nice to see you in the chair and I look forward to more times with you as the Assistant Deputy Speaker.

However, Mr. Speaker, to continue, and to put this in a perspective of time, when I first heard of what has become Hibernia, I was a young lieutenant in the navy. I drove a small Renault car. I could fill the tank for less that $5. You could buy a four-bedroom house for $15,000 and you could have a sumptuous meal in a restaurant for less than $35, including tip. That was a long time ago and a lot of things have happened in the interim.

What I would like to do today, in the capacities that I mentioned and on third reading of this bill, is address myself to the package that has become Hibernia. I want to speak to the background and I want to give a more detailed description of what it is. I think there is a general combination of misunderstanding and, if not a lack of knowledge, a thirst for knowledge of exactly what this project is going to do.

I want to speak to some of the reservations regarding the project, in general for megaprojects and this one in particular, many of which were raised in the House. I want to go into some detail regarding the employment opportunities and the potential that this project has both in the short term and in the long term. Then I want to wrap up with a summary of the project's commitment to Canada. I will parallel in many respects the comments that were made by the hon. minister, but I am delighted to report that my comments are not repetitive in the sense that they are the same as his, but if you talk about Hibernia, it does follow the same general pattern. Therefore, for the organizational sense of those listening, that will be the structure.

To begin with, Hibernia P15 was the sixtieth well drilled in the Newfoundland and Labrador offshore area. Between 1980 and 1984, in eight of nine delineation wells—a delineation well is when you drill out to see how far the resource extends—they encountered significant quantities of oil, to their entire satisfaction. Even at that time, the recoverable reserves were estimated to be between 525 million and 650 million barrels.

In May 1985, Mobil Oil Canada, on behalf of the Hibernia consortium, submitted economical and environmental impact studies to the Government of Canada and the Government of Newfoundland and Labrador. These studies in turn led to public hearings and to the release of a document entitled: *The Report of the Hibernia Environmental Assessment Panel* in January 1986. A downstream development plan, including a benefits plan, was submitted to the Canada-Newfoundland Offshore Petroleum Board—and for future reference I will just call it the offshore petroleum board—in September 1985 and subject to the resolution of certain technical, employment and industrial benefit issues, that I will speak to later, was given the Offshore Petroleum Board approval in general in June 1986.

Two years later, in July 1988, the consortium—that is, the Government of Canada and the Government of Newfoundland and Labrador, plus the oil consortia—signed the Hibernia statement of principles which established the general terms and conditions under which the development would take place. As an aside, I was in the Hotel Newfoundland on that particular day and I must confess it was a day of great jubilation and a day of great hope. While we have had to wait a little longer than was promised for that, I believe we would agree, it has been worth the wait.

Subsequent to the signing of the statement of principles, as the hon. minister mentioned, the platform topside facilities were redesigned from, I think, 22 smaller modules to five supermodules. This revised plan was submitted to the Offshore Petroleum Board in March 1990 and was approved in August of this year.

Since the signing of this statement of principles, all parties have been negotiating to finalize the legal agreements. The agreement announced on September 14, again in another atmosphere of great hope and jubilation in fact that this was more progress in what hopefully will soon be the final enabling legislation for this project, allowed the project to proceed. All the agreements, including those related to royalties, financing, industrial benefits and related matters have been finalized, and as the hon. minister said, placed in escrow pending passage of Bill C-44—that is what we are in the process of doing now—by the Parliament of Canada.

What happened on September 14? The three parties entered into an initial engineering development and project agreement using the offshore development fund from which they borrowed $95 million. This was made available to the consortium to cover its costs until parliamentary approval is obtained and the agreements are formally executed. This will happen when Bill C-44 goes through the Parliament of Canada and, hopefully, that is not long away. At that time any moneys advanced will be repaid and by this mechanism the way has been cleared to allow the project to proceed immediately.

The Hibernia development plan envisages a concrete platform, 83 development wells, a crude oil loading system, sub-sea facilities and three specially built shuttle tankers of 120,000 tonnes. The platform will be designed to produce a maximum of 150,000 barrels of oil per day and withstand harsh environmental forces, including the impact of icebergs. Storage facilities for 1.3 million barrels of oil will be provided within the platform base itself, representing storage for approximately two weeks of production. It is estimated that an average of 110,000 barrels of oil per day will be expected during the peak production period.

• (1230)

The pre-production capital expenditures are estimated to total approximately $5.2 billion and that will be spent between 1990 and 1996. A further $3.3 billion in capital expenditures will be incurred after production begins. After production begins, the operating phase expenditures are estimated to total around $10 billion over the projected 18 to 20-year production life of the oil field.

Two major project contracts have been awarded, one for the engineering and construction of the gravity based structure, and the other for the project management and topside engineering. As I have said many times in the House, and I am very proud to say, the work on the construction and assembly site near Bull Arm and Great Mosquito Cove is expected to begin now.

The expenditures and resulting oil revenues will boost the economies in all parts of Canada. Although there is no question that Newfoundland will benefit from this perhaps more than any other province, Hibernia will provide business opportunity to shipyards, equipment suppliers, cement producers, and hundreds of other businesses throughout the country. Canadian goods and services will account for, as the minister said, 60 per cent to 65 per cent of the project expenditure during construction, and over 65 per cent during its operation. This is double what happened in previous megaproject examples. Most of the people employed during the construction will be Canadian residents, Newfoundlanders, and it is expected that most workers during the operations will be the same.

As part of the introduction, I think I can safely say, and I think there is general agreement, that the Newfoundland offshore opportunity that I am discussing here presents new challenges, not just in Newfoundland and the Atlantic provinces, but to the whole Canadian petroleum industry. Hibernia will meet these challenges and will put Canada, Newfoundland, and Labrador on the leading edge of offshore technology.

At this point in time, I want to bring up the subject of the controversy that this megaproject has conjured up. I am not surprised. I think anyone who has been involved in a megaproject before should not be surprised. You are dealing with a lot of money. You are dealing with technological advances. You are dealing with state of the art technology, and you are dealing with human factors. You are dealing with bruised egos. You are dealing with the not-invented-here syndrome. You are dealing with people who are competing for contracts, companies that

are competing for opportunities, and people who are competing for jobs. The stakes are high. It is a big poker game, and in big poker games, in big games of chance, the emotions are high, the stress is high. The arguments are big and long and go into the night. This is what we have here, because we are dealing with something that will happen 25 years from now.

Look at what happened last year in the world. People were saying that Germany would never unify. That was a year ago and it happened yesterday. The uncertainty in dealing with the world today and one year from now is complex and there are so many surprises. Good heavens, 25 years from now is very uncertain. We are dealing with risk and uncertainty. When dealing with risk and uncertainty—and I have been trained in that area—one has to make certain assumptions and you have to take certain chances. This is what is happening in the Hibernia project.

I want to talk about two aspects of this. The first is the technological advances. The hon. minister said not too long ago that politicians were sometimes accused of overstating the case. I will quote a gentleman who is fairly well known, C. K. Chesterton. He who said that there are times and circumstances when it is necessary to exaggerate in order to reveal the truth.

The enduring truth today in the growth of technology is undeniable. I just want to give some indication of this and I appreciate that there are a lot of people here who are trained in this business, but equally there are a lot of people who are trained in the arts and humanities side. I think it would be perhaps instructive to give some indication of what we are dealing with, the sheer range of technology in the world today.

We are probing phenomena that are as small as 10–15 centimetre. That is a hundred thousandth of a billionth of a centimetre. We can deal with things so small that there are systems in the world today that will allow one to etch a million angels on the head of a common pin. That is mind-boggling. I cannot really conceive that, but it can happen. That is on the small side.

On the large side we are dealing with a universe the edge of which, we are told, is 10 with 23 zeros, 1023 miles away. If I am right, that is 10,000 billion, billion miles away. So, we have this minute capability in a universe that is just endless.

It is similar with time. We are studying phenomena so short-lived that today it occurs in 10–23 of a second. By contrast, our astronomers and our astrologers tell us that the universe is 20 billion years old.

The sheer scale of explorable nature has burst beyond yesterday's wildest assumptions and imaginations. No where is this better illustrated than the world of the computer, and the computer is a very large part of this system that we are dealing with.

It was recently noted that the Industrial Revolution increased productivity by a factor of 100, while the microchip has raised data base technology by a factor of one million. Today a single microchip has the capacity of one million transistors and, it is estimated that in about 10 years time, it will have the capacity of one billion transistors. Perhaps I could be more illustrative on this point.

In 1960 the computing capacity that would run the battle control system of a modern warship would fill the area the average living room. That was in 1960. By 1980, 20 years later, it could probably fit on the top of two desks. Today, it can fit in one of those very razor-thin briefcases. The cost in 1960 was around $5 million. In 1980, it was around $100,000, and today, about $1,000 or less.

It was estimated that if the automobile industry had done what the computer industry had done in the past 30 years, a Rolls-Royce would cost $2.50 and would get two million miles to the gallon. That is the kind of strides that have been made.

Again, we talk about $5.2 billion and $3.3 billion. We throw them around. What is the difference between $5.2 billion and $5.1, or $5.3? As politicians, program managers, and business administrators, we use these terms. I can imagine $1 million, I can see it over there in the corner, in $1 bills or $100 bills. But $1 billion is very difficult for me to conceive, so I sat down last night and I tried to work it out in a metaphysical sense so I could appreciate what $1 billion would mean. This is what it means to me in two senses, in time and in space.

If I took $100 bills when I was 40 years of age and started counting them, one every second, I would be 70 years of age before I counted $1 billion. In terms of space, if you took $100 bills and put them end to end and went around the equator, do you know how many times you could go around, Mr. Speaker? Two hundred and seventy-fives times, with $100 bills end to end. That is what we are dealing with. And we are dealing with 5.2 of those in the design and construction phase, and 3.3 of

them in the production phase. Mind-boggling, Mr. Speaker, absolutely mind-boggling.

There is another pragmatic thought which is relevant to the subject because it gives some indication of the kind of technology we are dealing with today in this project and why there are so many uncertainties, and why there are criticisms and rightly so.

• (1240)

Ninety per cent of the body of knowledge that exists in the world today has been created since I left high school. It will double again before I become eligible for the old age pension. That gives some indication of how rapidly the world of knowledge is expanding. Something is designed today and by the time it is produced, it is out of date. If it is not totally outdated, it is in the process of becoming so. Whether it is one year or ten years, as in the case of ships that I am familiar with, it is designed for something and, by the time it is built, it is not the same state of the art.

There is something more disturbing perhaps, and I am sorry to have to report this, but I hear it from university professors and presidents of universities and I feel I stand on good ground when I make this statement.

There is no doubt that the technological leadership in any country has become a strategic factor in determining the economic performance of a country, a region or a province. In this regard, I regret to say that Canada lags behind its industrial competitors. Atlantic Canada, in particular, lags behind other provinces in its per capita basis in production and retention of human resources. In Canada, on a per capita basis, we employ one-half the number of engineers and scientists that our competitors employ. Let me talk about one aspect of which I am very familiar.

Although we are the world's largest fish exporter, it was suggested at a recent conference that Canada's fisheries are now where Europe's were 15 years ago. Think about what our fishing industry could be doing without this technological lag. Think about the kinds of fisheries policies we could have without this impediment. Think about what addressing this problem alone could do for Newfoundland and all its communities, none of which are unaffected by the fisheries.

We are dealing with technology, sophistication, and cost that it is almost impossible for any one but the totally brilliant to be able to grasp, integrate, conceptualize, work out assumptions to cope with the uncertainties, do the risk analysis and to manage.

I would like to address some of the difficulties that my colleagues have had with this project. Members from the NDP expressed concerns about the amount of money invested and the risk that we are taking as a government. They have also expressed some concerns about the environment. In fact, I was very upset to hear that they were not really for this project. I hope when they campaign in Newfoundland, whenever the next election is going to be, they will remember that they did not support this project. I hope it has developed, at that point in time, where a lot of these uncertainties have disappeared and the early benefits of this project will be evident, not just for Newfoundland or eastern or Atlantic Canada, but indeed for the whole of Canada.

I had to satisfy myself before I spoke in support of this bill that there had been studies done, assumptions made, and money spent on the environmental aspects of this. I, too, have concerns about the fishing industry. One cannot go into this with blindfolds on. I satisfied myself that, yes, there is always risk, but I believe the risk has been minimized. I would like to tell you about what I know about this particular aspect. It is an uncertainty and it it something that has been discussed at length in the House. I am speaking now about the environmental aspect.

The governments of Canada and Newfoundland, the main partners in this, decided that an environmental impact on the Hibernia project should be reviewed by a joint federal-provincial environment assessment panel. Mobil Oil, the head honcho in this, representing the Hibernia consortium, conducted environmental studies and they produced an environmental impact statement. These documents were reviewed publicly by the joint federal-provincial panel at hearings held throughout Newfoundland. In December, 1985, almost five years ago, the panel concluded that the Hibernia project should proceed. That was not the end of it, it went on from there. The Federal Environmental Assessment Review Office, called FERO for short, recently reviewed the 1986 panel report and, they concluded that the report was prepared in accordance with the environmental assessment and review process, EARP for short, and they were happy with it. The Canada-Newfoundland

Offshore Petroleum Board, I will refer to it as the offshore petroleum board for short, reviewed the Hibernia development plan, which was submitted in December of 1985, and it approved the development plan in June of 1986.

Mobil Oil then submitted the development plan update in March, 1990. The offshore petroleum board decided that the update constituted a revised development plan requiring board approval. It then carried out a detailed environmental review of the update and submitted, to federal and provincial ministers, this update. This was then reviewed under the EARP guidelines by the Canadian oil and gas lands administration as the lead initiating agency.

The whole point of this is that this review was co-ordinated with other departments, it got public input, and there was prepared an initial screening decision, as required by the EARP guidelines. The Canadian oil and gas lands administration concluded, and here is the kicker, that there are no significant environmental effects identified at this stage of the project review. It did not say that there were none, it said that there were "no significant", and that was enough to let the project proceed.

Now there have been other concerns expressed in this House with, perhaps, the same magnitude as those concerns expressed about the environmental impact of this particular project. These had to do with why we have to settle for 25 per cent of this and 40 per cent of that and the totality, even of 65 per cent Canadian input in the whole project.

I was somewhat disappointed that this deficiency or apparent deficiency, or concern, was not really addressed and I think it was not addressed because time did not permit. We were speaking on motions, amendments to motions, and amendments to amendments to motions, and I think sometimes the impact of the concern gets lost in the procedure. I am not great on procedure myself, Mr. Speaker. Procedure is all good stuff and I know that you are very learned in this area. I am interested in the substance and I have hon. members, such as the hon. member for Kingston and the Islands, who instruct me on procedure. I regret the hon. member is not here today so if I mess up in procedure, you will have to forgive me.

I would like this bill to leave the House of Commons after third reading with, if not the sort of political support of those members who are somewhat recalcitrant about this project, at least with their support for the spirit of the project. They may vote against it at third reading but I would like to believe that they have the spirit. This is the reason I am addressing their concerns. I could gloss over them, I could leave them out, I could speak only about the good things about this project, but I am a realist, as I said yesterday, and I want to speak to this. I want it on the record and I want them to hear the concerns and why we get 65 per cent and not 100 per cent Canadian content.

I want to talk about two things; materials, that is the raw materials, the steel and the concrete bars, and the equipment, that is the generators, the man-made equipment. These are two separate items. Let me talk about the materials first.

The price of the materials required for this project will total around $300 million. That is a lot of money. These materials include such things as steel plate, pipe and piping, casing, cement, wire, cable, valves and instrumentation. These are the raw materials for this project. More than 30 per cent, by value, of the steel plate and tubulars required for the structure is available from mills throughout Canada, that is the availability factor.

In addition, Canadian suppliers are capable of producing smaller diameter well casing which accounts for about 50 per cent of the smaller casing requirements. Seventy-five per cent of valve requirements can be supplied by Canadian sources. However, there are some limitations. Heavy duty ball valves may not be available in Canada and the ballast water and other sea water piping, fittings and valves, used on the platform will likely be made of titanium or austenitic stainless steel which is currently, to my knowledge, not available in Canada.

• (1250)

I think the important thing here is that the Canadian supply capability in instrumentation—these are the valves, dials, readouts and printouts that we get—varies

widely, according to the item. The average capability is estimated at between 65 per cent and 75 per cent.

We range on availability in Canada right now between 30 per cent and 75 per cent of the materials needed for this project.

I think, Mr. Speaker, you have heard a couple of members say in this House that the project will require about 100,000 tonnes of cement which will be supplied by plants in Quebec, New Brunswick, Nova Scotia, as well as Newfoundland, and approximately 50,000 tonnes of reinforcing bar and prestressed cable for the precast concrete that will be needed. That can be supplied by Canadian companies all across the country.

That is the limitation in materials. Again, as I said yesterday, I am familiar with this because I have been involved in shipbuilding and construction of major projects. You cannot get all of the materials from one country, no matter which country you build it in. You have to go offshore to buy areas of expertise that other countries have become experts in. I see nothing wrong with that. This is part of the international order.

I would like to talk about equipment now, Mr. Speaker. These are ready built equipment, motors, generators and that sort of thing. Again, in dealing with the Hibernia project, we are looking at another $300 million. I will give you some examples. Some of the equipment will be pressure vessels, compressors, pumps, motors, electrical units, drilling, well equipment and that sort of category.

While some of this highly specialized equipment will have to be imported, the Canadian industry throughout the country has demonstrated the capability to produce a wide range of the equipment required by Hibernia. This has been done because we have been involved, albeit not in the same magnitude that we anticipate in the future, in offshore development. I told you that when it started, life was simpler and 25 years does a lot to a number of things, but it has allowed us to produce and to develop in this area. Had we started today, I would suggest that we would be back to where the Norwegians and the Brits were, with 30 per cent and maybe even 25 per cent.

We have companies in western Canada, for example, who can supply drilling equipment, such as rotary tables, oil and gas processing equipment, pressure vessels, separators, storage tanks, heat exchangers and transformers, as well as some types of control systems. Why? Because they have been involved in the oil and gas system since the Leduc days in the 1940s. So it is only reasonable that they can do that. As a matter of fact, Mr. Speaker, I have a friend living in western Canada who is in the business of supplying this equipment and I have known him for 25–30 years. He was at it from the time I first knew him.

Companies in central Canada can be suppliers for such items as valves, pumps, compressors, switch gear and power generation units at which they are very good because of their industrial capacity. These are standard industrial items.

Companies in Atlantic Canada are potential suppliers of pumps, smaller valves, tanks and pressure vessels, because as you are aware, Mr. Speaker, we do have some shipyards in the Atlantic provinces. In fact, we are very good at that business. So these would be fallouts from that particular aspect of the industry.

Again, to summarize, it is estimated that between 40 per cent to 60 per cent of the components of the drilling package in the equipment area could be manufactured in Canada, indeed across Canada; from western Canada all across this great country.

Canadian capability in sub-sea equipment is limited, particularly to assembly of units, because most of the major components have been developed in the United States and in the U.K.. They have been in the offshore oil drilling business a lot longer than we have been. It is logical and understandable.

Generally speaking, current domestic capability in sub-sea equipment is estimated at between 30 per cent to 40 per cent. I think the point here is that as we jump into the pool and get ourselves concerned about draining the pool or the alligators, we will develop this. There will be mistakes made along the way. There will be people who will be hurt. There will be contracts that will overrun in cost and time. I can almost guarantee that. But that is the nature of megaprojects.

I do not like to dwell on my personal experience but I will have to report to you, Mr. Speaker, that 10 years ago I was the project director, not the program manager, but the project director of the Canadian Frigate Program. Members would know that we are talking of the same magnitude as the $5.2 billion for Hibernia.

I experienced in that a lot of uncertainty, a lot of difficulties in the very concept of a patrol frigate. There were those who said we do not need them. There were those who said we need bigger and fewer, and those who said we need more and less capable. The minister has to make a judgment. I have to make a judgment. My colleagues, everybody in the House here, civil servants who support the minister, people like myself and all those involved with this have to make a judgment. This is judgmental.

There is no computer that says you are doing it right, or you are doing it wrong. There is no computer that will guarantee that the minister, if he is still here as the minister two or three years from now, will have to get up in the House and answer some embarrassing questions. I can almost guarantee that will happen and I might be the person asking them, but that is part of the system.

I want to guarantee anybody who is here and listening to me that that always happens with a project of this kind. The way not to make it happen is not to do the project and then you will not make any mistakes. I do not operate that way. I am prepared to take a risk. God knows, I have made many mistakes in my life, I will probably make some more, and I can guarantee that there will be mistakes on this project, but let us get on with it and let us get it moving.

Mr. Speaker, I know it is getting close to one o'clock, but I want to get into an area now that is of vital concern to every member in this House. We know the employment situation in Canada. I am not making political hay, but the unemployment figures are up a little bit. They are terrible in Newfoundland and I am not saying this for political reasons. I am saying this as a lead in to the employment opportunities and the training opportunities that are under way. People call me on the telephone. Last night, when I got back from a reception after the House closed down, I got a call from one of my constituents. He said, "Can you tell me what is going on with Hibernia. How do you get a job? When are we going to start training for this?"

We do have foresight in Newfoundland. We have a thing called the Cabot Institute, a great institution that has graduated 20,000 people since the mid-sixties. In fact, just two hours ago I spoke with the president, Dr. Linda Inkpen and she indicated to me some of the things that are going on. We have been training people for a year and some to have the skills in Newfoundland and indeed in eastern Canada that are specifically related to the Hibernia project and in some of the spin-off areas like hotel management, hospitality management and just general business management of a kind that could look after some of the spin-off areas that would emanate from Hibernia.

Again, Mr. Speaker, one other point before I get into the detail of this. I have to make this point passionately. I am a believer of hands-on information. Something means more to me if I go to see it, touch it and get a feeling for it than if somebody tells me about it or I read it in a book. I live in Newfoundland. As I stand in this House this morning, there are 42,000 people that do not have jobs. There are 42,000 people that get up in the morning and have no place to go, except perhaps the post office to pick up their mail and chat with their colleagues. Regrettably some of the post offices are closing down, so they do not even have that to do these days.

Mr. Speaker, you and I have a job, and I expect we have always had a job. We have not experienced that. I would suggest that—you say, maybe not. If you have, then to experience the feeling of waking up in the morning and not having a job, I am told, is a terrible feeling and there are 42,000 people like that in Newfoundland. They speak to me. A lot of them are in my riding.

This project, to me, the centrefold of this project—if it were a *Playboy* magazine or a magazine of any kind, an automobile magazine—the centrefold is really the number of jobs and the hope that stems from these jobs.

Mr. Speaker, you would probably want to call it one o'clock and I will continue after Question Period.

[*Translation*]

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

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

TRIBUTE TO LOUISE BRISSETTE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, this week is National Family Week and therefore a wonderful opportunity for me to pay special tribute to a remarkable Quebec family headed by Ms. Louise Brissette.

This 44 year old single woman, a physiotherapist and osteopath, has adopted 14 handicapped children. Only five are able to eat unassisted. Three can walk, but the others are in wheelchairs. The children have major handicaps, but this courageous woman says that, to her, a handicapped child is like a poorly-wrapped gift, a human being encased in an imperfect shell, but nevertheless part of the marvelous world God has created, part of Creation.

A tireless worker and an example to us all, Ms. Brissette plans to open a centre this fall in Sillery to provide temporary accommodation for handicapped children and their parents.

Mr. Speaker, we wish Ms. Louise Brissette and her fourteen children, her "real" family as she points out, all the happiness and success they deserve.

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

* * *

[*English*]

GERMANY

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, today is the first sitting day of the new Parliament of the newly united Germany. The Parliament is sitting at the Reichstag in Berlin 45 years after the creation of and only 11 months after the fall of the Berlin Wall.

It was only fitting that on Monday following the ratification by the four allied powers preparations for the Conference on Security and Co-operation in Europe to be held in November were begun by the foreign ministers of the 35 participating states.

Canada looks forward to playing a significant role in the new Europe and, as assured to us by the Secretary of State for External Affairs, we will strive to achieve a commitment by the heads of state in obtaining new security arrangements for all of Europe and North America.

In closing, the House joins Canadians of German descent in congratulating Germans of former East and West Germany for this remarkable achievement. We share in their joy and hope that this unity will lead to greater prosperity and a better life for all Germans and for all peoples of Europe.

* * *

THE SENATE

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, Roman Emperor Caligula tried to appoint his horse as consul of ancient Rome. This was probably legal because he was the dictator at the time.

This government has packed the Canadian Senate with eight extra Tory horses, now called honourable senators, but is it legal? Does the fact that this extraordinary power has never been used in 126 years make it inoperative? A former Supreme Court judge says that may well be true.

By appointing extra senators from New Brunswick—more than they have members of Parliament—is that a constitutional amendment done unilaterally and therefore would be unconstitutional? The legal experts differ. Even the Minister of Justice is confused about this issue.

We in the NDP believe it is irresponsible for government to proceed with the GST without a court reference on its legality. Why take the chance that later acts of Parliament could be illegal or unconstitutional. This will bring legal and economic instability.

Who does the Prime Minister think—

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

* * *

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, since the August 20 General Agreement on Tariffs and Trade update seminar in Abbotsford, British Columbia, attended by over 700 farm producers, I have received 180-odd follow up letters seeking assurances that supply

management not be bargained away. I share this concern.

The Minister for International Trade and the Minister of Agriculture have continually pledged their commitment to fight for the integrity of supply management in Canada by seeking clarification and strengthening of article XI of the GATT. I encourage the ministers and our negotiators at the GATT to do their utmost to ensure this position stays firm.

Further, we need to preserve the integrity of supply management by exempting supply managed commodities from the application of a damaging aggregate measure of support and by maintaining existing internal support and border measures which are the underpinnings of supply management.

I believe this stand is needed and appropriate.

* * *

HUMAN RIGHTS

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, this past Sunday the world's first ever monument to human rights was unveiled here in the nation's capital. To be in attendance at the unveiling ceremony, the celebration dinner, and the human rights committee, where the Dalai Lama graced the members with his presence, was indeed a pleasure and a privilege.

Three years ago I was part of the negotiating process that secured the Elgin Street site. The hard work of George Wilkes and his committee for a monument to human rights, the chosen design of artist Melvin Charney, and the approval of regional government should each be recognized and commended by this House.

Nobel Peace Prize winner, the Dalai Lama of Tibet, is an outstanding example of dedication to non-violence, conciliation, and maintenance of human rights. Canada should take the initiative in its bilateral relations with China to support the intent of the Dalai Lama's five-point plan for greater Tibetan autonomy and help facilitate a more constructive dialogue between China and the Tibetan people.

* * *

NATIONAL UNITY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, the cause for national unity in Canada prevails more strongly than ever.

In recent months feelings of alienation have intensified in many quarters, not only in Quebec but among native Indians and between regions of the country as well. The search for Canada's vision goes on in Quebec, in New Brunswick, and all across the nation.

This is a process that should be encouraged. It will not be harmful. In fact it will be helpful that citizens throughout Canada stop to reflect seriously about the kind of country we really want and, more important, about how we can attain our vision.

As these examinations mature I am confident that this federal government will lead the consensus toward the obvious reality of a national vision which will express our country's collective and united will as a whole.

I believe that history will reveal we are even now at work in Canada to build a special nation, one that will be a model for the world.

To reach that destiny we must each take a stand. I stand firmly for one united country. In my opinion there is no tolerable alternative for Canada's future.

* * *

[*Translation*]

GOODS AND SERVICES TAX

Mr. Phillip Edmonston (Chambly): Mr. Speaker, something is wrong when readers and writers across this country have to rely on the unelected Senate to block the GST which will do irrepairable damage to their industry.

Quebec's advisory council on books and literature, among others, has stated that sales of French books will decline by 25 per cent, which will have a disastrous impact on Quebec's culture. Similar effects will be felt by the scientific community throughout Canada, Mr. Speaker.

This dire warning of the council echoes those of Quebec Cultural Affairs Minister Lucienne Robillard, the PQ opposition, the Quebec writers' union, and the coalition against taxes on books.

When will the government finally withdraw this harmful bill?

* * *

[*English*]

FORESTRY

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, there is some pressure to reopen the memorandum of understanding between U.S. and Canada regarding the forestry industry.

However, there are strong economic national reasons for maintaining the memorandum of understanding for the long-term good of Canada's forestry industry.

Only after proper replacement measures are in place should any negotiations be considered. Then the ministers and officials should work closely with the industry representatives and MPs from Atlantic Canada to avoid potential countermeasures from the United States.

U.S. representatives are already preparing their case and Canada should move very cautiously.

* * *

THE ECONOMY

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the minister of secrecy has struck again.

In 1989 the Minister of Finance refused to hand over to *The Ottawa Citizen* some 530 pages of departmental documents which showed that during the 1988 election campaign, when the minister was telling Canadians our fiscal house was in order, he in fact knew our economy was headed downward and the deficit was growing out of control.

As if that deception were not enough, we now learn that the minister has also refused an access to information request for the results of an opinion poll commissioned by his department in 1989, which measured reaction to the government's economic policies. Only after a complaint was lodged with the Privacy Commissioner did the minister finally release the results.

By stonewalling and obstructing the minister shows that he and his government will go to any length to keep information from Canadians and that, given the opportunity, they will bamboozle the public at every turn.

Surely the days of such a government are numbered.

* * *

[*Translation*]

FRANCOPHONES

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, while touring New Brunswick last week Jean Chrétien told reporters that apparently, under pressure from governments which support them financially, Acadian organizations had revised their position concerning the Meech Lake Accord.

Well, Mr. Speaker, not only did Jean Chrétien return to politics to put Quebec in its place, but now he is questioning the credibility and intellectual integrity of the leaders of Acadian organizations.

Properly so, the Society of Acadians of New Brunswick and the *Fédération des francophones hors Québec* have asked Mr. Chrétien to withdraw and apologize for his contemptuous remarks.

However, true to the Liberal tradition, Mr. Speaker, Mr. Chrétien chose to go even further instead of owning up to his mistake.

True to the Liberal tradition, Mr. Speaker, Jean Chrétien chose to insult and ridicule those who dare speak freely.

Acadians remember the Liberal régime when dissenting and diverging views were banned.

Mr. Speaker, the more Liberals change the more they remain the same.

* * *

• (1410)

[*English*]

CHILDREN'S RIGHTS

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, the recent world summit on children's rights was not just a gathering of world leaders. It was also an opportunity for young people across the globe to tell the rest of us, the adult world, to stop, take notice and listen to their concerns.

In my own riding there was a whole series of events sponsored through the schools where children wrote essays, drew posters, and where high school students organized a mock summit on children's rights. Delegates to this mock summit presented a whole series of very impressive resolutions which highlighted their own hopes and concerns, hopes that they would want to have expressed by world leaders.

The resolution spoke to the need for more resources for education, sanitation, clothes, and water supplies for children. It called for the establishment of a peace dividend committee among nations of the world to oversee the reallocation of money away from defence spending and toward more productive uses such as housing, substance abuse, and AIDS.

If the world summit has taught us anything, it is that we must listen to our young people and to our children. In the words of Tanya Bailey, a grade 7 student—

Mr. Speaker: I regret the hon. member's time has expired.

* * *

[*Translation*]

FRANCOPHONES

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, in the early 80s, the Liberal government with Trudeau, Chrétien and Leblanc muzzled Acadian groups by making drastic cuts in their operating budgets.

In the early 90s, Jean Chrétien uses more subtle but equally damaging ways to undermine the credibility of spokespersons for the Acadian community.

The Liberals always fall back on their tried and true strategies, so that it should come as no surprise that we now see the same arrogance, contempt and intolerance being shown under the leadership of Mr. Chrétien.

Mr. Speaker, our government is proud of what it has accomplished with the co-operation of Francophone groups across this country. Our approach is based on the principles of justice, tolerance and respect, and we are working very closely with all those who would like to see the francophone presence enhanced in all spheres of our society.

* * *

[*English*]

POVERTY

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, the Canada Assistance Plan Act states clearly that Parliament recognizes the provision of adequate assistance to needy Canadians. As we prepare for Thanksgiving weekend, we are reminded just how dramatically the poor have been abandoned by this government.

Winnipeg Harvest, a food bank in my own province of Manitoba, indicates that nationally there has been an increase of about 30 per cent in Canadians using food banks. Some 40 per cent of these are children.

No longer can we count on the poor being fed. Canadian food banks are facing the worst shortages of food ever due to the drastic increase in users. Who are these users?

They are the low income Canadians soon to be burdened with the GST. They are unemployed Canadians needing jobs. They are refugees caught in the backlog. They are single parents who cannot afford to work and pay for day care.

The inability of the Canadian government to provide food, the most basic need of its poor people, is scandalous. May this government spend its Thanksgiving weekend thinking about the poor they have abandoned.

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

* * *

[*Translation*]

FRANCOPHONES

Mr. Jacques Vien (Laurentides): Mr. Speaker, I rise in the House today to show my solidarity with Acadians in New Brunswick and my own riding, with the *Fédération des Francophones hors Québec*, the *Société des Acadiens et des Acadiennes du Nouveau-Brunswick* and with all Francophone groups and associations outside Québec that today feel they were insulted by Jean Chrétien.

Mr. Speaker, Francophones outside Quebec have suffered an affront without reason. Last Saturday, Mr. Chrétien stated that Acadians changed their minds about Meech Lake under pressure from the governments that subsidized their associations. This statement was severely criticized by the groups in question, and I want to take this opportunity to censure these libellous remarks.

Mr. Speaker, Jean Chrétien's statements are typical of the old-style Liberal Party that was rejected twice at the

polls by Canadians. Jean Chrétien represents all that was petty and arrogant in the Trudeau government. I hope he will have the decency to withdraw his erroneous and unjustified comments and apologize to all Acadians.

* * *

[*English*]

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, once again I feel compelled to rise and condemn the complicity of the Liberal Party in the passage of the goods and services tax.

Do the Liberals really oppose the GST?

Some hon. members: No.

Mr. Riis: Did the Liberal senators refuse to let the GST bill into the Senate?

Some hon. members: No.

Mr. Riis: Did the Liberal senators defeat the GST bill at first reading?

Some hon. members: No.

Mr. Riis: Did the Liberal senators defeat the GST bill at second reading?

Some hon. members: No.

Mr. Riis: Did the Liberal senators use their majority to defeat the GST in April?

Some hon. members: No.

Mr. Riis: In May?

Some hon. members: No.

Mr. Riis: In June?

Some hon. members: No.

Mr. Riis: Did the Liberal senators' bell ringing hold up the Senate business for more than 59 minutes?

Some hon. members: No.

Mr. Riis: In short, the Liberals have no intention of defeating the GST. Their business friends will not let them. Just watch Allan MacEachen fumble the parliamentary procedural ball. They will not block the GST.

ORAL QUESTION PERIOD

[*English*]

THE SENATE

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Prime Minister.

Yesterday, former Justice of the Supreme Court of Canada, Willard Estey, speaking of the controversy over the government's decision to stack the Senate to force through the GST said:

> The federal government could have anticipated all that and referred the thing themselves to the Supreme Court of Canada. That would have been a good move.

I ask the Prime Minister: why will he not take the advice of that distinguished jurist whom he has cited with approval in the past and personally refer this matter of the Senate to the Supreme Court of Canada today? Why does he want this doubt, uncertainty and controversy to continue?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend refers to a statement by the Hon. Willard Estey yesterday.

I have just been informed that former Justice Willard Estey issued a statement which has just been handed to me. It reads as follows:

> I understand—that there is an article in one or more newspapers in Canada, yesterday or today, stating that I had expressed a view about the legality of the appointment of people to the Senate of Canada through the machinery of section 26—
>
> Let me make it absolutely clear at the outset that at no time and in no arena or forum have I expressed an opinion on the legality or otherwise of the appointment of anybody to the Senate at any time and particularly the recent invocation of section 26 of the Constitution.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a further question for the Prime Minister.

I note in passing that the Prime Minister did not quote the words of Mr. Justice Estey about the usefulness for the country of having this question referred to the Supreme Court.

Yesterday, in this House, the Minister of Justice said that this issue is "an arguable one". In 1981, when there was similar argument over the process the then federal government was using to refer the issue of constitutional change and have it decided on, that government, after some initial reluctance, did in fact itself refer the matter to the Supreme Court of Canada for a ruling.

I ask the Prime Minister why he will not follow the precedent of that government, a precedent asked for by his party when in opposition, and refer this matter of the appointments to the Senate to force through the GST to the Supreme Court of Canada today? I again ask him why he wants this uncertainty to continue.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I responded directly to the question and the quote attributed by my hon. friend to Mr. Justice Estey which Mr. Justice Estey had repudiated prior to the House of Commons beginning Question Period.

Inasmuch as my hon. friend then goes on to raise another point in the allegations associated with Mr. Justice Estey, I would refer him to the next paragraph. Mr. Justice Estey, after having denied categorically the statement imputed to him by my hon. friend, says:

> I did say to the reporter that if the Prime Minister had been given the foresight beyond anything I ever witnessed in any other human being, he probably would have thought about referring the whole business to the Supreme Court before some lower court, which, if it were a valid question, would take some time to percolate upwards to the Supreme Court, but I pointed out that in 1981–1982 the then government showed no such foresight and did not put to the Supreme Court a reference as to the legality of the then process being invoked by the government of the day for the amendment and other revisions to the Constitution, then known as the *B.N.A. Act of 1987*. Now, that comes back through hearsay to me through broadcasters calling and inviting me to join their programs as being a comment that the Prime Minister should have made such an application or reference to the court. That is entirely wrong because I have made no such comment.

• (1420)

Some hon. members: Hear, hear.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, in the 80s the federal government did refer the constitutional amendment process to the Supreme Court of Canada. I ask the Prime Minister why is he not prepared to follow that precedent, as requested by his own party when in opposition, and refer the matter of Senate appointments to the Supreme Court of Canada if only to clear up the uncertainty created by a series of related legal cases now before three or four courts across Canada?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, all this has been repudiated by Mr. Justice Estey. The Leader of the Opposition is now asking me for what is the equivalent of a legal opinion. I would draw his attention to Senator Forsey's viewpoint aired on the CBC network, for I think it is a direct answer to my friend's question. Here is how the question was put to Senator Forsey:

[*English*]

> CBC: So what do you think then of these challenges, that are being mounted by British Columbia and Alberta? You are a man that knows the Constitution well.
>
> Senator Forsey: Well, I don't think they will get anywhere. I think the government's legal position and constitutional position on this is perfectly correct.

Some hon. members: More.

Some hon. members: Hear, hear.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is to the Prime Minister. The Prime Minister is in the business now of releasing legal opinions. As he knows from the point of—

Some hon. members: Hear, hear.

Mr. MacLellan: In a letter to the Leader of the Opposition, the Governor General said that he sought independent legal opinion before he made a decision on the question of the eight new senators.

Would the Prime Minister tell us who gave that legal opinion to the Governor General, when it was given, and would he table the results of that legal opinion.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, His Excellency the Governor General will, I am sure, be happy to respond to my hon. friend, if the question were deemed to be appropriate.

My hon. friend is impugning the independence and integrity of the Governor General. He takes his orders from no one. He represents the Queen in Canada.

Some hon. members: Hear, hear.

Mr. Fontana: He takes his orders from the emperor. Hail the king.

Mr. Mulroney: But, Mr. Speaker, there is—

Mr. Nunziata: Do you call him Ray or Your Excellency?

Some hon. members: Hear, hear!

Mr. Mulroney: It obviously depends on the issue.

Some hon. members: Hear, hear.!

Mr. Mulroney: Mr. Speaker, however there is no dearth of opinions around. I understand that Senator Forsey, the most distinguished constitutional scholar, said this:

An hon. member: The latest.

Some hon. members: Hear, hear.

Mr. Mulroney: This is yesterday, hot off the presses of CBC *Newsworld*:

> Mr. Forsey: Yes, because there's a special division in Section 22 of the act of 1867, that this is subject to the provisions of this Act. Well Section 26 provides for the extra senators, the eight extra senators.
>
> CBC: So you don't think the NDP has a hope on this one.
>
> Mr. Forsey: No, not a thing.
>
> CBC: Oh okay. Let's go to Ottawa and Evelyn. Hi, Evelyn.

Some hon. members: Hear, hear.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my supplementary is to the Prime Minister as well. Whereas the Governor General acts on the advice of his ministers, particularly the Prime Minister, will the Prime Minister ask the Governor General to release that legal opinion and from whom he got the legal opinion. Will the government as well tell us what advice it gave to the Queen and did it state the intervention of the Opposition and to what extent was that intervention stated when it sent the message to the Queen?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I can only conclude that Her Majesty, who reads the Canadian papers avidly, and the Governor General were well acquainted with the statements of the new leader of the Liberal Party who said that he was going to kill the GST. I think the Governor General may very well have been acquainted with that. He was also acquainted probably with the statement made by the leader of the Liberal Party to Michel Vastel—

[*Translation*]

—last week when he told Mr. Vastel: "The Liberal senators, 52 of them, will do as I say". What a pejorative comment on the independence of senators!

As to the legal opinion—

[*English*]

I think the answer to my hon. friend's statement is very straightforward. Senator Forsey says:

> —he's asked for the appointment of eight extra senators, he's got the appointment of the eight extra senators. I think that legally and constitutionally the appointment is perfectly proper and cannot be assailed on any possible legal or constitutional ground.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister. We have a very serious matter here of constitutionality and legality by the actions of this government in appointing eight new GST senators. Today Michael Meighen, one of those eight GST senators, said that there should have been a reference to the Supreme Court if there had been time.

Surely, now is the time.

Some hon. members: Hear, hear.

Ms. McLaughlin: Mr. Speaker, the Prime Minister is well aware that only he can end this chaos. Make a direct reference to the Supreme Court. We know from a case that was held last year that he can get a fairly quick reference on a case sent directly to the Supreme Court. So I say to the Prime Minister: Why not take the advice of one of your GST senators? Why not end the chaos? Send this to the Supreme Court now.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I thank the hon. leader for inviting me to take the advice of one of the newly minted senators. Perhaps she could take the advice of her very distinguished senior colleague, the House leader of the NDP, who in regard to Bill C-22 said, and I quote: "Quite frankly, I am very disappointed with the Senate because I don't think the Senate has the right to be holding up legislation."

• (1430)

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, the Prime Minister may not take this issue seriously, but I assure you that the New Democratic Party does.

[*Translation*]

Mr. Speaker, many experts across the country say that the government may have acted illegally. The list is getting longer by the minute and it includes the dean of Queen's University law faculty, University of Ottawa and University of Victoria law professors, and a Montreal constitutional law Ph.D. Apparently the only advice the Prime Minister got came from experts who support his action.

I want to ask the Prime Minister whether he will table these expert opinions in the House, or else withdraw the tax?

Right Hon. Brian Mulroney (Prime Minister): Yesterday, Mr. Speaker, I agreed with the hon. member that there will always be diverging views concerning any legal or constitutional issue raised in Canada. Most writers, law experts and legal advisers maintain that the government acted properly and that the Senate has no right to thwart the will of elected members.

In any event if my friend is not impressed by the member to her right I would urge her to listen to the reaction of her own member to her left.

[*English*]

My hon. friend is clearly not impressed with the statements of the member from British Columbia. The member for Yorton-Mellville, speaking on Bill C-62, said: "I believe the Commons should have the final say. I don't think the unelected body of the Senate should ever usurp the elected body."

Ms. Audrey McLaughlin (Yukon): I have a supplementary question, Mr. Speaker. The Prime Minister refuses to listen to the Canadian people about the goods and services tax. He refuses to take seriously the issues of the legality of his decision to appoint eight new GST senators, in order to ram through the GST. The Prime Minister refuses to show confidence in his decision by making a referral to the Supreme Court, and his disregard of the Canadian public is unprecedented. I say to the Prime Minister: if he will not go to the court, then we will.

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

Ms. McLaughlin: My question to the Prime Minister is this: Will he save the public money?

Mr. Boyer: What argument are you going to use?

Some hon. members: Oh, oh.

An hon. member: Ah, shut up.

Some hon. members: Oh, oh.

Ms. McLaughlin: Mr. Speaker, will the Prime Minister simply start taking this issue seriously, as 80 per cent of Canadians do, save the public moneys, reassure the business community that the government has some plan, and simply make a reference to the Supreme Court to end this chaos now?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I know that I, along with all other members of the House, will live in trepidation and apprehension while waiting for that legal assault that will be coming from the NDP. I presume that it probably is not unconnected to a newspaper report this morning that states:

> NDP Leader Audrey McLaughlin distributed copies of a legal opinion from a prominent Saskatoon law firm with solid NDP connections, saying the appointment of the eight Conservative senators breaches constitutional amendments—
>
> The law firm of Mitchell, Taylor, Mattison and Ching says that under the patriated Constitution of 1982, the composition of the Senate can only be changed by a constitutional amendment.

I have no quarrel with the right of that law firm of the NDP to hold that view and to challenge the government in court.

I refer my hon. friend to a statement made this morning again by Senator Forsey when he said, "So, Mr. Mulroney was faced with a deadlock and he advised the Governor General to recommend to the Queen of Canada the appointment of eight extra senators. I think he was perfectly entitled to do it."

* * *

[*Translation*]

GOODS AND SERVICES TAX

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is directed to the Minister of Finance. Taking care of the environment will involve spending enormous amounts of money on clean-up, recycling waste, research and development and consulting services. Today these areas are not subject to the manufacturers' tax but they will be affected by the GST.

What grounds does the minister have for taxing processes that improve the quality of the water we drink and the air we breathe?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I quite understand the concerns that the hon. member has expressed about the environment and the need to do everything we can to improve the environment in the country. That is precisely why the Minister of the Environment will be tabling a green plan shortly which will set out very clearly what the government's intentions are in that regard.

We appreciate how uncomfortable he is with the position that the Senate is taking on the matter of the GST and we understand that that is a concern that he has, but I think he must realize that the matter of the GST has been dealt with in this House. The matter is now in the Senate. The matter is to be dealt with in the Senate. I am sure that the hon. member, because of the discomfort that he feels about this, will be encouraging his friends in the other place to get on with dealing with the GST as quickly as possible.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my supplementary, certainly given what the minister has just said, is directed to the Minister of the Environment.

The clean-up of the environment implies an industrial revolution of profound proportions. It entails an investment in research and development and other costs which are not currently taxed. Other nations have recognized that sustainable development is not a milk cow, but represents a fundamental shift in values. Other nations are facilitating environmental clean-up. Other nations are funding it; they are not taxing it.

The Minister of Finance has just given the minister the opening. He has said that within the green plan he had the opportunity to reverse the application of the GST as far as it applies to the environment.

Is he going to stop taxing the environment? Is the minister not going to allow himself to be run roughshod over by the Minister of Finance? Will he, in the green plan, deal with the nefarious effects of the GST?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, I can tell my hon. colleague that the green plan, which was developed, as he well knows, in consultation with over 11,000 Canadians over the months of April, May and June and August of this year, will be presented to the House later on this fall.

It is a comprehensive plan. It is a plan that addresses our main concerns about the environment. It touches on every item that has been raised in terms of environmental protection for the future and generations to come. I could only assume that my hon. colleague will applaud the initiatives contained in the Green Plan.

* * *

• (1440)

AIRLINES INDUSTRY

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

Yesterday, the minister signalled the government's intention to negotiate a new and wide open air agreement with the U.S. The minister should know that Canadians will not accept the victimization of our airline industry the way other sectors were in the Canada-U.S. Free Trade Agreement.

I ask the minister this: What guarantees and safeguards is he prepared to make in order to fully protect the viability of our Canadian air industry and the quality of a national service to all parts of the country?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, prior to the announcement yesterday, I discussed in broad terms the possibility of going into a liberalization of the air services between Canada and the United States with the airlines. They both told me they were fully in favour of it.

I suggested to them that there would we would be drafting a negotiating mandate with the interested parties during the fall. That includes the communities, the unions, the airlines, the tourism industry, and the provinces.

We are completely open to their suggestions as to phase-ins and safety nets in order that this can happen for the benefit of all Canadians.

Mr. Sergio Marchi (York West): Mr. Speaker, the key words for both those airlines were that they want negotiated safeguards.

Why did the minister choose to enter into negotiations with the U.S. on a wide open skies basis, when a task force he appointed to study in part the same issue is not due to report until the spring of 1991, and when Canadians have not had a say? Why decide, Mr. Minister, and then ask Canadians for their views?

Hon. Doug Lewis (Minister of Transport): On the contrary, Mr. Speaker, I fully intend that Canadians have the say that my hon. friend quite rightly suggests.

I suggested to my hon. friend yesterday that we take this matter to the Standing Committee on Transport for a full open review by all interested parties for input into the negotiating process.

We think this is going to be a good deal for Canada. The reason is this: The President of Air Canada told me that presently American airlines have access to 90 per cent of our market, and we have access only to less than 30 per cent of theirs. We are going to get that access.

* * *

CORPORATE TAXATION

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, my question is directed to the Minister of Finance.

Surely, the Minister of Finance realizes that at the heart of the matter that is going on in the other chamber right now is the radical unacceptability of the goods and services tax.

Instead of imposing the GST on the country in the various ways in which the government has tried to do this—most recently with the eight senators—when is the Minister of Finance going to announce what he intends to do about the fact that many tens of thousands of profitable corporations in the country do not pay any taxes at all? When is he going to announce what he intends to do about that? Perhaps then we would get to the heart of the matter.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think my hon. friend is in a time warp.

We have done an awful lot of things to—

Mr. Blaikie: I have not.

Mr. Wilson (Etobicoke Centre): He says he has not. I know that he has not been involved in the finance issues, but we have closed more loopholes that were resulting in companies not paying tax.

The statistics that the NDP persist in referring to relate to the year 1987 which is the year—

Mr. Blaikie: I do not quote statistics.

Mr. Wilson (Etobicoke Centre): He says he does not quote statistics, but his colleague down the way has.

Time and again, they refer to statistics that refer to 1987 which is the year before corporate tax reform became effective. Let me give my friend an example.

In 1987, the chartered banks hardly paid any tax at all. This year, the chartered banks are paying $1 billion in taxes.

* * *

GOODS AND SERVICES TAX

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, Canadians know that this minister has no interest in fair taxation. He has told us over and over that people under $30,000 a year in income will be better off under the GST. The minister knows that this simply is not true. He knows the manufacturers will not pass on savings for scrapping the MST. They have told him that. The minister knows that the GST tax credit, the old age supplement and guaranteed income supplement will not be indexed in 1991. The government's own National Council on Welfare said that lower income Canadians will be worse off—

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, as the minister knows, Canadians will be worse off in 1992 than in 1991. Why does the minister not come clean with Canadians just this once and acknowledge that the GST is bad for lower income Canadians or, better still, why does the government not—

Mr. Speaker: The hon. member has put the question.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I heard the hon. member say that Canadians will not see any reduction in taxes in 1991. Let me refer him to some advertisements that are on television right now by the Chrysler Corporation. Chrysler is saying that they are going to reduce prices now so that Canadians who buy a car now will be able to take full advantage of the savings in price that will come as a result of the GST on January 1. If my friend is looking for some very real examples, there is about a $800 example for him.

* * *

HAMILTON HARBOUR COMMISSION

Mr. Stan Keyes (Hamilton West): Mr. Speaker, according to Hamilton Harbour Commissioner, Duncan Beattie, a former Conservative member of this place, the Deputy Prime Minister knew four years ago when he was Minister of Transport that the Hamilton Harbour Commission was interested in buying J. I. Case property and that Peter Lush was an agent for J. I. Case. Mr. Lush was appointed commissioner anyway.

Then last January, Peter Lush became chairman of the Hamilton Harbour Commission. He is still the agent for yet another piece of J. I. Case property. What does the current Minister of Transport know about any of this and when did he learn it?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, there is certainly a difference in substance between the questions from the two transport critics over there. One is substance, the other is slander.

Mr. Boudria: Withdraw.

An hon. member: Which one?

Mr. Lewis: You are absolutely correct. I withdraw the allegation. You are absolutely correct.

Mr. Speaker: Perhaps the minister could answer the question.

Mr. Lewis: Mr. Speaker, the question of a conflict of interest came up last March. The question was cleared by the law firm that was hired to investigate it, Borden & Elliot. I have a full report on it. My hon. friend knows it was cleared at that time. My hon. said so in print. That case is closed.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I cannot help but notice that the minister neglected to read the entire headline in the print to which he refers. It says: "Lush severs firm's ties to harbour land". In fact, the paragraph before my statement says, "Mr. Lush wouldn't reveal the amount of commission his firm could have expected to receive for selling the second parcel of land", but he took the $400,000 cheque anyway. No wonder I said what I had to say.

Today, Hamilton's finance and administration committee has unanimously requested that the Minister of Transport initiate an open public inquiry into this whole matter. The minister will hide behind the Ontario Supreme Court decision, but it states:

> This is clearly a provincial power—

The federal government can hold a full public inquiry.

Can the Minister of Transport tell this House if the Minister of State for Indian Affairs was aware that Peter Lush was the agent for J. I. Case when she asked Mr. Peter Lush to be the chairman of the Hamilton Harbour Commission?

An hon. member: Another one at the trough. Shame.

• (1450)

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, my question is for the Prime Minister. The very day Mr. Peter Lush resigned his patronage appointment as chairman of the Hamilton Harbour Commission because of information revealed in this Chamber, and before the law firm to conduct the investigation in the whole affair was even named, Mr. Glen Shortliffe was moved out of his position as deputy minister of transport and into the Privy Council Office.

Will the Prime Minister guarantee that despite this move, the former deputy minister of transport will be fully available to answer any questions on this issue?

Mr. Andre: I do not believe a question like that is allowed.

Right Hon. Brian Mulroney (Prime Minister): Let me just say two things. I will respond by saying that Mr. Shortliffe, who is an outstanding public servant, has done a remarkable job on behalf of Canada. He will be there to respond to questions whether he is associate secretary of the Privy Council, deputy minister of National Defence or wherever he happens to be in the continued service of Canada.

What I think all Canadians and all members of this House would reject with vehemence is any suggestion, including that inferentially made by my hon. friend, that there is somehow something improper in the Clerk of the Privy Council recommending that senior public servants in the normal course of events be transferred from position to position. It was because of his extraordinary performance throughout his entire career that Mr. Shortliffe and the other appointments were announced at this particular time. I know that my hon. friend will want to stand up and say how proud she is of the public service of Mr. Shortliffe.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, a supplementary question for the Prime Minister. It is difficult for Canadians to have any confidence that public servants will not be pressured and manipulated—

Some hon. members: Oh, oh.

Mr. Speaker: The public may or may not have confidence, but the hon. member is well on the way to making a charge that the Public Service is being manipulated. The hon. member knows that that is just not appropriate. I am going to the next question. The hon. member for Yorkton—Melville.

* * *

GOODS AND SERVICES TAX

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is for the Prime Minister. I think the House knows that Premier Devine of Saskatchewan has in effect thrown in the towel and will not join other provinces in a legal battle against the GST.

We also know, Mr. Speaker, that Mr. Devine has been a bit of a political poodle for the Prime Minister for a long time.

Some hon. members: Oh, oh.

Mr. Speaker: I am sure the hon. member can put his question.

Mr. Nystrom: I did not mean to insult poodles, Mr. Speaker.

Some hon. members: Oh, oh.

Mr. Nystrom: Does this mean, Mr. Speaker, that the Devine government is on the verge of making an agreement with the federal government to collect the GST in Saskatchewan in a similar way that the Prime Minister's other friend, Quebec's Robert Bourassa, is going to do in the province of Quebec? If that is the case, when will that announcement be made? Can the Prime Minister tell us in the House today if that is indeed the case.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, during the the premiers' conference last summer, Premier McKenna of New Brunswick said that it would be irresponsible in the extreme for the premiers to come together and oppose the GST, spend three days in conference opposing the GST if they failed to come up with an alternative.

They met for three days. They failed miserably to come up with an alternative. Premier McKenna, who is not a Conservative yet—

Some hon. members: Oh, oh.

Mr. Mulroney: Premier McKenna turned out to be right.

Mr. Marchi: Are you putting him in the Senate too?

Mr. Mulroney: Well, there are a couple of spaces left.

An hon. member: John is really upset.

An hon. member: John knows there is no future.

[*Translation*]

Mr. Mulroney: The Premier of Quebec decided it was in the interests of Quebec and Canada to harmonize Quebec's tax position in this area with the federal government's. It was a tax initiative and also a major contribution to national unity, and I think that is something that should not be overlooked. The Government of Quebec, by the way, made its own decisions, which were announced by Mr. Gérard-D. Lévesque.

[*English*]

If Premier Devine comes to the conclusion that indeed Premier McKenna was right and it would be irresponsible in the extreme to continue to oppose the GST without an alternative and decided to join the federal program which is designed to create new wealth and prosperity for Saskatchewan—

Mr. Speaker: I think we should move on. The hon. member for Edmonton East.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, my supplementary question is for the Prime Minister. Not all premiers have thrown in the towel just yet.

The people of Alberta from Coutts to Chip, from Lloyd to Lake Louise have had one consistent and compelling message for this government for the last year and a half. We don't want a general sales tax in Alberta.

Will the government continue to ignore the overwhelming majority of Albertans, or will it now withdraw the GST and begin instead to implement a fair taxation system where everyone, including the wealthy and the big corporations, pay their fair share?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, it really astounds me how the hon. member can get up and talk about what we have been doing to the large corporations when we have passed a large corporations tax in this House. The hon. member is supporting the Senate in blocking that large corporations tax as well as other pieces of legislation.

Some hon. members: Hear, hear.

Some hon. members: Shame.

Mr. Wilson (Etobicoke Centre): Let me draw a distinction that my hon. friend may not understand. The Premier of Alberta has said he does not like the GST, but he is a man of principle and he has said: "I believe it has passed the House of Commons, an elected House of Commons, and he, (the Prime Minister) has in fact a duty to appoint the senators".

He goes on to say: "I do feel strongly that elected people are there to govern and they should not be over-ruled by those who have no credibility".

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AGRICULTURE

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, my question is to the Minister of Agriculture. The minister knows that his department has approved funding of $3.5 million for a guarantee for the Southern Ontario Tomato Co-op under the Advance Payments for Crops Act.

This co-operative is an unlicensed facility to process food. It has been charged more than once, has paid fines, is presently charged again, and is operating illegally in Ontario.

Why is government funding to such a massive extent, or to any extent at all, an unlicensed, illegal food processing facility?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, it is my understanding that the producer organization which the hon. member refers to meets all of the requirements under the provisions of that act and so therefore the act is being followed in accordance with the rules and regulations.

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, my supplementary is for the same minister. I would like to point out to the government that this processing facility is unlicensed and illegal in the province of Ontario.

I find it intriguing that in 1986 this facility was given a $1.5 million grant. It has now been funded and guaranteed this. It is still unlicensed. It is still illegal and has been given another $1 million grant on top of this funding back in April of this year.

I would ask the minister if he would explain and account to the taxpayers of Canada why this type of funding and support is being given to this type of facility.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, if the hon. member has some concerns perhaps he may want to also take it up with the members of the Liberal administration in Ontario who also supported this co-operative.

• (1500)

The Alternate Enterprise Program was provided to switch into other production from tobacco production, which I think the hon. member has supported very much. It was under that program that we were attempting to diversify the industry in that particular area.

It was found to be legal in so far as the Government of Ontario is concerned and the federal government took the same position.

Points of Order

POINT OF ORDER

VACANCIES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have a point of order dealing with a very important matter. It is called leadership in this country. It is also called courage in this country.

It deals with the vacancies in two ridings of this country, namely Beauséjour, New Brunswick and York North, Ontario. I would like to ask a question of the government. I take it the leader of the government in the House will be able to answer it.

I have drafted a copy of the required Order in Council to name or to declare the date of that election. If I send a copy to the minister, could he give us the exact date of the by-elections in Beauséjour, New Brunswick and York North, Ontario?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, in 1983 when our leader was elected and did not have a seat in the House, a member of our caucus, the current Minister of Public Works from Central Nova, stepped down to allow the leader to run in that riding.

At that time Prime Minister Trudeau took 20 days to call a by-election. This Prime Minister will call a by-election in Beauséjour well before 20 days.

Mr. Gauthier: Mr. Speaker, 20 days from the date of vacancy would make York North pretty well vacant at this time.

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BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to ask the minister the usual Thursday question. What kind of menu does he have in mind for the coming days, that is, Friday, Tuesday, and Wednesday next?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, tomorrow it is my intention to call report stage and perhaps third reading, if there were to be agreement, on Bill C-37, the bill to establish the Canadian Heritage Languages Institute.

If we make progress on that I would call Bill C-54, the joinder of counts bill, on which I believe there is fairly wide agreement within the House.

Ms. Blondin: What about the aboriginal languages bill?

Mr. Andre: I cannot hear the hon. member for Western Arctic. I am trying to speak. I will listen to her after. Perhaps she would like me to answer her House leader's question first.

Ms. Blondin: You heard me.

Mr. Andre: No, I did not hear you. All I heard was noise and barracking. I will listen later.

Monday, being Thanksgiving, the House will be adjourned. On Tuesday it will be my intention to call an allotted day. On Wednesday there is a number of possibilities that I would like to talk to House leaders about before giving an indication. I would intend to do that before we adjourn for the weekend.

REQUEST FOR TABLING

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, earlier in Question Period today in an exchange the Prime Minister referred to some communication that he had received from a former Supreme Court justice.

According to Citation 159, subsection 3, of Beauchesne's, when the Prime Minister reads from a communiqué it is said that he will table it in the House. I would ask that the Prime Minister do what is expected of him in Beauchesne's and table the communiqué that he referred to.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I believe that was a statement issued publicly by the former Justice Willard Estey of the Supreme Court.

I am certain there will be no problem whatsoever. As soon as I get a copy I would be willing to table it before the House on behalf of the Prime Minister.

COMMENTS IN CHAMBER

Mr. Benno Friesen (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, probably one of the greatest civil rights issues of the present time is the right of the accused to be consider innocent until proven guilty. More and more we see an erosion of that principle. It is even worse when innocent people are accused in this House and rumours are begun in this House in order to make a person look as though they are accused.

It seems to me that the member for Ottawa West drew a very long bow today in starting a rumour rather than even reacting to a rumour regarding a public servant who has no right to defend himself, no forum in which to defend himself.

I would like to know if those kinds of questions are going to be permitted in this House, lest we violate the civil rights of individuals who cannot protect themselves.

Mr. Speaker: I thank the hon. member for raising a matter of some importance. The hon. member for Ottawa West may want to rise to discuss this in a moment.

I have a matter of privilege from the hon. member for York South—Weston which I will come to in a moment. I have another point of order and there may be more.

To reply specifically to the question of the hon. member for Surrey—White Rock—South Langley, he referred to a question which the hon. member for Ottawa West started to put and has asked what I would do under the circumstances. The hon. member will notice that I interrupted the question and went on to the next question. I do not know what the rest of the question was going to be. I felt that it had erred against the very comment which the hon. member has brought to the attention of the House.

CALLING IN THE MEMBERS

Mr. Girve Fretz (Erie): Mr. Speaker, my point of order is very brief but I think nonetheless important to those of us who want to vote in this place. On Tuesday of this week, about noon, I and a number of other MPs were not able to vote. I just want to share with you the circumstances of that particular event, Mr. Speaker.

I left Centre Block about 11.48 and got a bus to go over to the Wellington Building. At the foot of the street, at Confederation Building, I crossed the street, having had to wait for the traffic light. I got into the Wellington Building and, Sir, the bells were not ringing. I took the elevator up to the fifth floor where I was to meet with the CPA in a selections committee meeting at 11.45. When I got to the fifth floor, Sir, the bells were ringing. I immediately spoke to the clerk who said she would find out about the vote, when the vote indeed would take place. She got back as quickly as possible and said that the vote would be in three minutes and that I would not be able to get there in time.

Had there been in the time it took the bus to travel from Centre Block, stopping at West Block and then going down to the foot of the street, some means of alerting members of Parliament in this wonderful world of technology and communications, had we had bells, whistles, lights or something in that little bus, other members of Parliament including myself could have been alerted and I am sure we would have been back, each of us in his place, to vote as he or she wanted.

I make the strong recommendation and suggestion to you, Sir, that we try to have a way of alerting members of Parliament in buses regarding votes that take place here.

Mr. Speaker: I will hear first of all the hon. member for Western Arctic, and then I will hear the hon. member for Shefford.

HERITAGE LANGUAGE FOUNDATION

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, I have a point of order and a question for the House leader opposite.

I would like to first of all state that Bill C-37, the bill to establish the heritage language foundation, is one that is being greatly opposed by the aboriginal leadership and individual groups. They are collectively opposed to being included under the heritage language foundation. They would like to have unanimous consent for the House to proceed on the establishment of an aboriginal language foundation under Bill C-269, which is a private member's bill.

I have written to the leader of the House this summer. He applauded my effort but would not give unanimous consent. The NDP has agreed and the Liberal Party has agreed, but we are lacking support from the Conservative government. Can we have—

Mr. Speaker: The hon. member has risen on a point of order to make a point. However, the hon. member's position is not really a point of order. I suppose that if her hon. House leader had raised it with the hon. government House leader it might have been a matter that would have been appropriate, but it is really

a matter that has to be discussed between hon. members. I know that she would want to do that.

• (1510)

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, one of our colleagues pointed out earlier that the bells rang very fast and stopped quite abruptly.

Mr. Speaker, this is a genuine point of order. Yesterday, we saw the whips more or less make fools of themselves, and I wonder whether this race against the clock to keep members from voting or from getting to their seats is established practice, and would you not agree this is somewhat detrimental to the order of this House?

This is too much! They rush from their seats in such a hurry, they are liable to bump into the mace, Mr. Speaker!

[*English*]

Mr. Speaker: The Whips quite often move with great speed. I think the difficulty which the hon. member for Erie has brought to the attention of the House is a technical one. I am taking it very seriously. I will do everything I can to correct the difficulty.

CALLING IN THE MEMBERS

Mr. John Nunziata (York South—Weston): Mr. Speaker, you are considering the question of voting and the ringing of the bells. We have had on a number of occasions over the last number of days a number of votes called on certain matters. I would ask you to consider the reasons why the members were being called in.

As you know or as you have been advised, Mr. Speaker, the members were being called in because of the obstructionist tactics of certain independent members of this House. They were obstructing the debate that was going on in this House. I would ask you to take into consideration the tactics of the hon. member for Shefford who was causing all these votes to take place yesterday and days preceding.

Mr. Speaker: Provided that the hon. member for Shefford was operating within the rules, there is nothing that the Speaker can do. If there is another kind of complaint, perhaps it will be made in the appropriate way.

However, I want to say to the hon. member for Shefford and all hon. members that if there is a problem in the ringing of the bells, I will have somebody attend to it right away. The question of tactics in the Chamber of course is another matter.

* * *

PRIVILEGE

QUESTION PERIOD

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I gave you notice that I wanted to rise after Question Period on a question of privilege arising out of Question Period itself. Since then there has been a statement in this House in respect of a question I asked during Question Period that certainly needs to be responded to, and I look for your guidance as to whether or not that is a separate question of privilege.

However, on my first question of privilege, it was wrongly implied during Question Period by the Prime Minister that my question was questioning the integrity of a senior Public Service employee. Any objective reading of the question would make it absolutely clear that I was doing no such thing, that I was in fact questioning an appointment, an act of appointment by the Prime Minister, and asking—

Mr. Speaker: I understand the hon. member would not want anybody to misunderstand her motivation or her position. The difficulty with this is that in the exchange that goes on here we could have members getting up all of the time to carry on further debate in the question and answer.

I think the difficulty in this case arises from the fact that if the hon. member had been permitted by the Chair to proceed with her second question the matter might have been clarified.

I would ask that perhaps she consider whether it could be clarified in another question or in another way.

I have let the hon. member go on so that the point is made, but I do not want hon. members to be getting up continually on points of order to re-debate an exchange in the House.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I rise on a different point of order. I am seeking some guidance from the Speaker regarding a very serious matter.

Over the last number of days, we have had legitimate questions from several members of the opposition calling for a public inquiry into a series of circumstances that led to a $400,000 commission being paid to the chairman of the Hamilton Harbour Commission.

Mr. Speaker: Just a moment. There have been questions concerning the Hamilton Harbour and people engaged in it. They have been dealt with in the Chamber. It may be dealt with in the Chamber further, but it is not to be raised on a point of order.

There has not been just one question. There have been a number of questions. It is not appropriate to try to carry that on after Question Period by raising a point of order.

If I have misunderstood the hon. member for Hamilton East, I will listen to a word or two more. But I am not going to permit—I do not think it would be appropriate—carrying on that issue in the way of a point of order after Question Period.

It can be pursued at another time in this Chamber.

Ms. Copps: With all due respect, Mr. Speaker, we spent about half an hour yesterday going through alleged possible points of order and questions of privilege on another matter.

What I have asked you for is a ruling on a very serious matter. There has been an implication by the government upon a legitimate request by the opposition for a public inquiry. The government is somehow claiming that we are running a smear campaign.

This is not debate. During Question Period–

Mr. Speaker: Just a moment. The government may be implying all kinds of things. The opposition may be implying all kinds of things.

That has got to be dealt with in debate and not on points of order. Certainly the hon. member does not have a question of privilege. She may have a complaint, and it may be a very vigorous one, but I cannot let this proceed.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, in defence of my colleague, we had an experience in this House this week when the Prime Minister and the Deputy Prime Minister were allowed 35 minutes on a point of order.

They were allowed to debate. They were allowed to read. They were allowed to put motions that were out of order. I do not understand.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I just want to draw to the attention of the House that today we had members of the government rising to get questions on, which were very important to them as individual members representing their constituencies.

However, they were not given that opportunity. Let us take that into account as well.

Ms. Copps: Mr. Speaker, with respect to the legitimate request, two of our members stood in their places today and asked legitimate questions of the government. You, Sir, with all respect either suggested that their questions were not able to be answered on the floor of this House, or that somehow our members were impugning the integrity of public servants.

Mr. Speaker: The hon. member may very well have a complaint with the Chair.

If that is the case, I would expect her to discuss that with me. If her hon. House leader has a complaint with the Chair or if other members have a complaint with the Chair, I would expect them to see me too.

What the hon. member is doing now is literally arguing an appeal against a ruling I made. That is not appropriate. I am prepared to meet with the hon. member, the hon. House leader and discuss the matter.

If I am at fault, then I shall try to correct it. But I make it very clear: I have given the hon. member more time under the circumstances with that point of order than is appropriate.

Points of order ought not to be used to carry on the debate in Question Period.

• (1520)

Ms. Copps: Just give me 30 about seconds to complete my point.

Mr. Speaker: No. I am sorry. I have asked the hon. member to co-operate. If the hon. member wants to rise at another time in another way, then I will hear her, but I have made my decision. The hon. member for Ottawa West.

Mrs. Catterall: On the point of order strictly, Mr. Speaker. I do certainly intend to come and see you and discuss with you some of the proceedings this afternoon,

but I do not want to miss this opportunity to protect my right, so I am seeking your advice to address a second point of privilege. I gave you notice prior to the termination of Question Period as to a point of privilege arising from the Prime Minister's answer to my question.

My second point of privilege which I did not have the opportunity to address arose from a comment made by another member of the House, following Question Period in which he drew on the Prime Minister's answer, not on my question, to make an accusation. I would like to know if it is not appropriate now, at what point in time is it appropriate for me to make that point of privilege.

An hon. member: It is appropriate now.

Mr. Speaker: Perhaps I can help the hon. member. As soon as she has a chance to consider the *blues*, she could consult with colleagues or with myself. If there has been something unparliamentary done, something which has impinged upon the hon. member's privilege, then I, of course, will hear the hon. member on that point.

In any event, I take it now as notice the hon. member is raising a matter. I would ask the hon. member to take careful look at what *Hansard* shows, and I will hear her further. The hon. member for Ottawa—Vanier.

Mr. Gauthier: Mr. Speaker, with respect, the member for Ottawa West is known in this caucus as one who has human rights at heart. She is one of the greatest defenders of human rights. Her reputation was impugned. Her reputation was taken to task. I object strongly to that, Mr. Speaker, because the member for Surrey—White Rock had no business doing what he did, or being allowed to say what he said.

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, with regard to the point of order which was made by my colleague, the hon. member for Hamilton East, I just want to say that no one is questioning your ruling. In fact, the hon. member said not once, not twice, but I believe three times that she was seeking direction and guidance from the Chair with regard to the proceedings which have happened today.

Mr. Speaker, it should be well noted, and perhaps it should serve as notice, that members on this side of the House are extremely frustrated—extremely frustrated—and annoyed at the way in which hon. members opposite following Question Period are allowed to get up on spurious points of order, debate for extended periods of time—

Some hon. members: Hear, hear.

An hon. member: To debate *ad nauseam*.

Mr. Dingwall: —to debate at length, Mr. Speaker, points of order which in point of fact are not in accordance with Beauchesne.

I ask you, Mr. Speaker, in terms of your rulings which may come subsequent to my intervention as well as other interventions by hon. members on this side that hopefully we would be given the opportunity and the full impact, if you will, of the rules of natural justice and order to present our case on the floor of the House of Commons.

An hon. member: That's right.

Mr. Speaker: I will do the very best I can. I am more than prepared to have a discussion with the hon. member for Hamilton East and other hon. members.

Perhaps clarification is needed. Perhaps there is an approach that would be appropriate. It might very well be a helpful idea to take some of the questions in which there seems to be some feeling that full latitude or enough latitude was not allowed, rise on a point of order, bring them to the attention of the Chair, which I would be very prepared to listen to, and then I will go away and try to respond in such a way that will be helpful to all hon. members.

Ms. Copps: That is what I tried to do, yes.

Mr. Speaker: The hon. member for Hamilton East says that she is what she tried to do. If that is what her purpose is, and the purpose of other members, I just want to say that I would be very pleased to see those particular incidents collected at the appropriate time in consultation with the House leader, rise, bring them to my attention. I may not be able to respond immediately, but I certainly will respond and I will try to be of assistance to hon. members.

In general terms, I do want to say this. It is very difficult for a Speaker to always know what is going to be said before it is said. I sometimes made comments in a wry way about that, but there is a fundamental here and that is that questions ought not to be used in the guise of

allegations or in the guise of imputations of wrongdoing. The hon. members are correct, but by the same token answers given have to respect that also. I would ask the hon. member for Hamilton East, because I know she wants to co-operate with the Chair and I do appreciate that, to collect some of the matters that are troubling members and rise, bring them to me and I will try to deal with them.

Mr. Dingwall: Mr. Speaker, we will certainly abide by your suggestion and your guidance. But, to bring home very clearly for your edification, and perhaps you will have an opportunity in the very near future to watch some of the proceedings and read *Hansard*, the frustration is exacerbated when individuals such as the right hon. Prime Minister make statements in response to questions put to them, which are knowingly, by all members of the House, incorrect.

Some hon. members: Order.

Mr. Speaker: Just a moment. I think if there are some examples which hon. members want to bring to me, where there is a complaint, as I have invited hon. members to do, please do so. It is not appropriate to carry on continually talking about what one person on one side said and one person on the other side said. I have been here for a great many years and I have heard some fierce things said in this Chamber, on both sides. I have also seen a good deal of *badinage*, I suppose we could call it, that goes on in the exchange in Question Period and other places. However, I have invited hon. members to bring their complaints in an appropriate way to me and I most clearly will try to deal with them and I will try to be helpful.

Mr. Dingwall: Mr. Speaker, I will not belabour this point of order other than to suggest to you that perhaps you will review very carefully the comments made by the right hon. Prime Minister whereby he knowingly—

Some hon. members: Order.

Mr. Speaker: If the hon. member has a particular complaint, I have asked hon. members to come to me in a specific way. I am not going to try to rule on things when *Hansard* is not in front of us, when we are running on memory, and when they may very well be barely matters of debate.

I do have a question of privilege which I must under the rules at least start to hear.

The Hon. member for Edmonton Southeast.

PARLIAMENTARY READING ROOM

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, it is the Reading Room point of privilege which was raised on September 24. You will recall that you invited me to contact a spokesman for the Board of Internal Economy, which I did. I have indicated in my letter to you today that the answer that came back did not deal in substantive terms with the point.

I would stress two points today, Sir, one having to do with the fire hazard. As I indicated, you will recall that the fire in 1916 broke out in a small reading room—

SPEAKER'S RULING

Mr. Speaker: I have read very carefully the hon. member's letter. Unless he has something to add to it, I must say that it is not a question of privilege. However, it is a question of the administration of this place, and I would invite the hon. member to pursue it further in two different ways. One, if the hon. member wishes, he can raise and ask a question of the nominated member of the board. There is also another way. The hon. member can come before the Board of Internal Economy and raise his concerns. It is not a question of privilege.

I have to insist to the hon. member. It is not a question of privilege. It may well be a question of the administration of the buildings. It is not a question of privilege.

I have looked carefully at the material that the hon. member has put to me. The hon. member may not be satisfied with the response he got from one of the members of the Board of Internal Economy, and I invite him to come before the Board of Internal Economy if he wishes. This is a matter of administration, not a matter of privilege.

• (1530)

The hon. member for Edmonton East.

Mr. Harvey: I do apologize, Mr. Speaker, if I am doing this wrong, but may I now move that we hear from the member for Bonavista—Trinity—Conception?

Mr. Speaker: The hon. parliamentary secretary.

Mr. Cooper: Mr. Speaker, I think that that is out of order in that you had not recognized anybody by yet calling Orders of the Day. It is a nice anticipatory move, but out of order, nevertheless.

GOVERNMENT ORDERS

[*English*]

HIBERNIA DEVELOPMENT PROJECT ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Epp that Bill C-44, an act respecting the Hibernia Development Project and to amend certain acts in relation thereto, be read the third time and passed.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, on rising I would like to start off by thanking my hon. friend from Edmonton East for his very kind and, I am sure, usual but somewhat unexpected concern and I thank him very much.

An hon. member: He should have been a Liberal.

Mr. Mifflin: Indeed, I am going to work on that, too, I can assure you.

Before we called it one o'clock earlier this afternoon, I had risen to speak as the associate energy critic and as the member for Bonavista—Trinity—Conception where a large part of the construction of Hibernia will take place, to address elements of the project that had concerned a lot of people. I went through some background. I covered some of the details that perhaps were not well known to the House and, indeed, to the public. Then, I specifically covered two areas concerning members of the House, perhaps with the indication and certainly the aim of putting their minds at rest and to make them feel more supportive of this project. After all, it is going to be going on for 25 years.

Just before one o'clock, I looked at the materials and the equipment for this project that will total some $600 million. I gave what I believe to be the reasons why we physically cannot make this a 100 per cent project, purely in the area of materials and equipment.

I will now talk about what certainly in the interim period—the construction and production phase— will be the most important aspect to a lot of Newfoundlanders, to a lot of Atlantic Canadians, and indeed to all Canadians, but I may add the least understood aspect of this particular megaproject. I am referring to of course the employment opportunities.

I read in *The Globe and Mail* this morning, for example, an article with this headline: "Thousands scramble for few Hibernia jobs". The gist of the article is that there are thousands of people lining up and before the end of this year, it states that there will be only anywhere from 40 to 60 jobs.

I welcome the opportunity to speak on this because I have been following this project for a long time. I have spoken to members on the other side of the House, to the hon. ministers involved in this, to the hon. members, my own colleagues here, members of industry, bureaucrats, and those involved in the actual doing of this project. I hope, I say in all modesty, what I have to say will be instructive and informative.

It is well known that Hibernia will create thousands of employment opportunities across Canada. These opportunities will be offered generally, not by Mobil Oil, but by the major contractors or the service companies working on the project. I think that is a very important point. Most of the jobs during the development phase will fall into one of five industrial categories: construction, shipbuilding, manufacturing, engineering, and offshore contracting. There will be a wide range of skills and skill levels that will be required over the six-year project development schedule and during the approximate 20 years of production. I think it would be worthwhile perhaps to get into that in more detail, but, on a general note, employment on the project is measured in terms of person-years.

There sometimes is confusion as to what a person-year is. Very simply, one-year's employment for one person equals one person-year. Sometimes a million of man-hours is the term used, but I will deal with person-years, exclusively, so that we do not switch from one measure to the other.

During the development phase, the project will create an estimated 21,500 person-years of employment with 14,500 of those expected to be in Canada. According to the project schedule, the demand will begin to grow late this year. I have to use a range and am told that it will be between 40 and 100, depending on how rapidly the project gets under way and, indeed, what the weather is going to be like in November and December. But the employment is expected to peak in about 1993-1994, with work on several activities occurring at the same time in different locations.

You can appreciate, Mr. Speaker, that you start off with one aspect of this and then you go on to another aspect and then there are three or four aspects happening at once. Then there are five or six and, then, I suppose, at the end of the project, using a PERT diagram—a very complex mechanism to make sure that everything is co-ordinated in the time schedule—there will probably be hundreds and hundreds of things going on at the same time.

The first six-year phase, the development phase, from now to 1995-1996, can be broken down into seven main activities. First is the gravity base structure, that is, the big concrete platform that is going to be launched, towed out to sea, and sunk in about 250 feet of water, 80 metres of water. This will employ 4,545 person-years. For the topsides that are built onto the gravity base structure it will be 6,305.

There is the articulated loading platform. From this gravity base structure and the modules that I just described will be an undersea component, a manifold, and 1.3 million tonnes will be stored in the gravity base structure itself. The large tankers, of which there will be three at 120,000 tonnes, a fair-sized ship, will load from what is called the articulated loading platforms that are going to be spaced some distance from the gravity base structure itself. Of course, associated with that will be a pipeline, and there will be 290 man-hours.

For the sub-sea manifolds, the mechanism under the sea that is involved in the flow of the light crude oil that will go to the articulated loading platform, there will be 1,110. Then, for the drilling itself, there will be 1,650 and for the vessel construction to which I made reference, the three 120,000 tonne shuttle tankers, 450 man-years. Quite frankly, I think that is conservative but I will use the figures that I was given two days ago. For the startup there will be 150. That comprises the 14,500.

I know there are people listening to this who would like to know with what kind of trades are we dealing. With the indulgence of the Chair, I would like to give you some indication of the trades that are involved. They range from management administration to carpenters. I will just read out some of them: management administration, production management, petroleum engineer, straight engineer, surveyors, draughtsmen, engineering technician, medics, EDP operators, telephone operators, clerks, caterers, divers, drill rig crews, blasting occupations, machinists, sheet metal workers, welders, boiler makers, grinders, supervisors, in a general sense, air craft mechanics, industrial mechanics, instrument fitters, marine fabricators, painters, construction equipment operators, general labourers, electricians, carpenters, concrete workers, insulators, pipefitters, maintenance (general), pilots—that is an air pilot—deck officers for the shuttle tankers, ships' engineers, marine crew, truck drivers, crane operators, material handlers and technical testers. There are more. I just listed about 40 of them.

• (1540)

I will not indulge the Chair in the number of man-hours that are involved from 1990 to 1996. You can imagine, Mr. Speaker, they start low. They peak about the middle of the production stage. They stay a little high, and then towards the end they tail off.

I want to talk about the production phase. Once the platform is built, the topsides are put on and the gravity of the structure is towed out 200 miles southeast of St. John's. It is anchored and connected up. We then get into the production stage.

At this point in time, the project will create 1,150 long-term jobs, long-term being 18 to 20 years or however long the oil field lasts. They will be on the production platform, in other offshore operations, and in related shore based jobs in Newfoundland and elsewhere in Canada.

I referred to the 1,150 jobs directly involved, but there will be business second and third derivatives of this in the St. John's area, in Atlantic Canada, and certainly in Newfoundland that would be presumptuous of me to put a figure on. Using our imaginations, we can see how the industries will be created as a direct result of the production input that I refer to now.

Many of the jobs during the production phase require direct experience in the management and operation of the offshore production facilities. We have not done this in Newfoundland and we certainly will be training for some of them, but I will come to that later.

A number of these jobs will have to come from outside Newfoundland. While certainly the intent of the project is Canadians first and Newfoundlanders first, just as it is with materials and equipments, I think we have to accept in order to make sure this project stays on stream and is done properly that we will have to recruit, if you like, certain restricted areas of expertise.

Through advance recruiting and continuing training programs, most of these jobs will eventually be filled by Canadians. That is, once the outside expertise comes in and we train Newfoundlanders and other Canadians for the job, they will be able to relieve those people who can return to Norway, Britain, Scotland or wherever they are from.

Again, very briefly, I have a listing of the main occupations involved in this. There are five major areas: the platform operations, that is, the involvement of the working of the structure and the business of oil drilling. That will be 540 man-years. For tanker operations it will be 180; marine and air support—

[*Translation*]

Mr. Duceppe: On a point of order!

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member for Bonavista—Trinity—Conception. The hon. member for Laurier—Sainte-Marie has the floor.

Mr. Gilles Duceppe (Laurier—Sainte-Marie): We do not have a quorum, Mr. Speaker.

You won't make a decision, because you know members will be back.

The Acting Speaker (Mr. DeBlois): We do have a quorum, and the debate may continue. The hon. member for Bonavista—Trinity—Conception.

[*English*]

Mr. Mifflin: Thank you, Mr. Speaker. I was making reference to the production phase main occupations, and I will continue.

For platform operations it will be 540 person-years; tanker operations, the operation of the shuttle tankers, 180 person-years; marine and air support, 120 person years; engineering and the omni-present administration that will be required to make this work, 160 person-years; and, the actual well workers themselves, the coal face of this whole operation, 100 person-years.

It must be emphasized that the employment estimates should be considered as orders of magnitude. This morning I made reference to the uncertainties in these kinds of projects. What might be 120 man-years now, may be 110 or 140—hopefully 140—by the time the production phase starts in 1995-96. They are based on preliminary designs, and both the numbers required and the timing may change substantially once detailed engineering is completed.

In fact, with the kind of experience I have had in these megaprojects, I can almost assure you, Mr. Speaker, and the House that there will be changes in both the time and the scheduling, which will I am sure will be flexible over time, but not the cost schedule.

I am going to speak later on about the training but I want to say that a substantial training effort is required to develop those skills in Canada that now do not exist. It is unlikely that the shortages can be completely avoided as I mentioned earlier.

However, since the training must be supplemented with considerable on-the-job training in order to meet the skill levels required, then we have to key ourselves to this kind of activity. The results of Newfoundland employment—I have a chart with that but I am not going to go through that in detail. Suffice it to say that it will start from 40 to 100 persons by the end of this year and the beginning of next year, and it will peak at about 2,145 person-years. The proportion of those jobs likely to be filled by members of the provincial labour force as it gets bigger will start from 60 per cent and hopefully will go up to 90 per cent and, I hope, 100 per cent eventually. And I do not see any problems with that happening.

For the production phase the annual employment that I mentioned earlier will work the same way. There will be on-the-job training and then eventually as the skills are acquired in this relatively new operation, certainly brand new operation, for the eastern coast of Canada then expertise will be developed as people are recruited and as on-the-job training takes place.

Mr. Speaker, I am sure you would be interested to know that not too long ago, a year and a half I think it was, the Newfoundland government sent 37 instructors to Holland and to Norway and the United Kingdom for training so that they would be prepared once Hibernia gets into its stride to embark on exactly the kind of operation to which I made reference.

At the beginning there will be one major impact area and then as the project fans out there will be two and three, and in Newfoundland I visualize that there will be four major impact areas. The St. John's impact area is obvious. St. John's is the capital of Newfoundland and we are going to be involved in employment opportunities in the St. John's area, project management, supply base operations, and support for development drilling. I am very pleased to report and I regret that my hon. friend from St. John's East, although he has heard me say this before, that the city of St. John's and indeed those people who will be employed from the St. John's area have already developed a fair amount of expertise which we have both witnessed ourselves in the last 20 years. Regrettably it has slackened off in the last few years but I recall in 1981 walking down the piers on Water Street and seeing the unforgettable type of activity that was involved in the offshore production at a time when the drilling that has culminated in Hibernia was going on.

So I feel comfortable and sanguine that there is a lot of expertise in the St. John's area and I am not going to speak to that any further.

An area that involves me directly is the Sunnyside—Come-By-Chance area and the employment opportunities in this area of course will be, I would expect, maximum.

As I mentioned, the gravity base structure will be built in Great Mosquito Cove—a beautiful name—at the end of Bull Arm, near Sunnyside, which is close to Come-By-Chance. Mr. Speaker, those are lovely names.

The trades required for the gravity base structure construction are similar to those—and I went into some of them earlier—required for major civil works projects such as a hydroelectric generating station, and we have those in Newfoundland of course, so that there are some skills that are already on the ground. They be involved in doing something else, they may be unemployed, but, Mr. Speaker, they are there. I feel very good about that.

[*Translation*]

Mr. Duceppe: Mr. Speaker, at a time when we are discussing a project worth $5.2 billion, we do not have a quorum in the House.

The Acting Speaker (Mr. DeBlois): I see we do have a quorum. The hon. member for Bonavista—Trinity—Conception.

• (1550)

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, this is not a rebuke to the hon. member who is trying to learn the Standing Orders of the House, but only the Chair can determine whether or not there is a quorum. Members may ask the Chair to decide if there is a quorum. However, no member, except for the Speaker in the chair, may decide whether there is a quorum.

Hon. Jean Lapierre (Shefford): On the same point of order, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): The hon. member for Shefford, on a point of order.

Hon. Jean Lapierre (Shefford): I think it is wonderful that the hon. member for Glengarry—Prescott—Russell is acting as your assistant, Mr. Speaker, but the truth is that it is entirely legitimate for a member whenever he observes a lack of interest in this House, to ask for a quorum. And I believe it was entirely appropriate for the hon. member for Laurier—Sainte-Marie to do so, since as a very junior member, he is particularly aware of the frivolous attitude of a number of members of our traditional parties.

The Acting Speaker (Mr. DeBlois): Since it has been established that there is a quorum, the hon. member for Bonavista—Trinity—Conception still has the floor.

[*English*]

Mr. Mifflin: Mr. Speaker, I was referring to the impact areas in the St. John's area. I had already begun to speak on the Sunnyside—Come-by-Chance impact area.

I talked about the skills that would be used for a major civil works project and they include such trades as ironworkers, scaffolders, reinforcing steel fixers, concrete workers, mechanical and outfitting engineers, elec-

tricians, welders, pipe fitters and heavy equipment operators. I know a lot of heavy equipment operators in the area who will be looking forward to getting some work in this area.

The minimum qualification for most trades would be a journeyman level training and some experience. Indeed, there will be some opportunity for on-the-job experience. Pipe welders will have to be certified according to provincial regulations. Industry standards will likely be required by the contractor to hold all-position tickets.

There are two other areas I am going to cover very briefly. There is the Argentia impact area that will be involved in the putting together of the gravity base structure, the full line fabrication, the deck and the top side of the assembly and the actual hook-up itself. I am going to leave that because that is later on in the project and I think it can be covered somewhat downstream.

Some hon. members: Hear, hear.

An hon. member: Do it now, Fred.

Mr. Mifflin: On second thought, Mr. Speaker, perhaps I should cover this because it is a very important aspect of the area.

Some hon. members: Hear, hear.

Mr. Mifflin: Just to expand on Argentia itself, Mr. Speaker, the full line fabrication and the installation activities of this hook-up are going to involve a lot of man-hours and again the kind of expertise that we hope we will develop between now and the time that this is put together. For this actual job itself, we are looking at 1,960 person-years of employment and that is going to be created in the Argentia impact area.

While it is not in my riding, I know the people from Argentia. I was down there about three weeks ago and I know that they are very concerned about the reduction in the U.S. naval station down there and other activities that have shut down. I say to them that they, as it stands now, will be a very large part of this project.

The whole thing will impact all over Newfoundland and Canada eventually, but the fourth area is the Marystown area. I have spoken to my hon. colleague for Burin—St. George's on this and I know that he was instrumental in fighting for this particular piece of the pie, if you like. He has been instrumental in working together with all our colleagues in ensuring that with the floating system, approximately 1,490 person-years of employment could be generated in the production phase and hopefully just over 1,000 in the production phase itself.

There is work going on in Cow Head, I think it is, across from the Marystown shipyard, basically to bring the shipyard facility up to the state of the art so that they will be in a position to bid on the considerable technical work that will happen downstream.

Mr. Speaker, I want to speak very briefly to the training and the experience required. From the perspective of training and experience, the jobs created by Hibernia will vary widely from occupation to occupation. I want to use these examples from one end of the spectrum to the other. Senior managers and engineers will ordinarily require engineering degrees and several years of direct experience in the design and construction of offshore facilities. Some of the key fabrication and construction occupations will require journeymen status or equivalent and, in addition, may require some upgrading skills to meet special certification standards.

For the other occupations, the standard requirement of the particular industry, whether it is construction or steel fabrication, I expect will be sufficient. That is what is envisaged by the project management team right now.

During the development phase of the project, the major activities that I made reference to, for example, the gravity base structure, will rely largely on the mechanical and civil trades available in the construction industry. The skill levels and mechanical outfitting are required to be higher in some cases but the standard requirement is sufficient in others.

Module fabrication will require mainly the steel fabrication trades, plate and pipefitters, welders, riggers and electricians. Again the skill levels required are high, particularly for fitters and welders.

Then we come to the topside assembly which will require mainly mechanical trades involved in marine fabrication. It is likely that many of those skills, particularly the fitters, welders and electricians will require some upgrading in order to qualify for the jobs with the state of the art techniques required.

In the closing moments of my presentation, I want to just give you some indication of what preparations have taken place in Newfoundland. I am sure that other preparations have taken place across Canada, and I am aware of some of them, but I am directly involved in the preparations taking place in Newfoundland. I just want to make reference to one institution that is well known. I made reference to it this morning, the Cabot Institute.

In 1989 the faculty and administrative staff of the Cabot Institute authorized a strategic plan for the year 2000, which is the time frame for this particular project. The impact of the offshore oil development was a major consideration which influenced the over-all contents of the document. This was worked on for over four years. The people involved worked with management and with the knowledge of the skills required, they travelled to North American and European offshore construction and production sites. Some of the faculty members received on-site training themselves in such diverse disciplines as well logging, dimensional control, pipefitting, structural welding, project management, computer aided design and drafting, computer aided manufacturing and quality assurance and quality control.

As part of this, the computer facilities at Cabot itself have been substantially upgraded and are currently considered to be the best, certainly in our provincial college system, and could rate with any of those in eastern Canada. I may be challenged on that, but I know they are certainly of a very high quality.

There are some other specific things that have been done, again in the Cabot Institute, to make ready the system of education and training in Newfoundland for this project. I mentioned the strategic plan and I will not expand on that any more.

There is a second computer assisted drafting and design lab that recently was installed to serve all the engineering technologies. Riely's Datashare of Calgary—and here we have some involvement from western Canada—has agreed to make available to Cabot Institute a database with a commercial value of $750,000 containing data from over 20 wells in the Hibernia and related geological structures. This, with the relatively scant knowledge I have of the oil drilling operation, is an invaluable resource that will be used by students in the petroleum engineering technology. Another thing, again at the Cabot Institute, a state of the art geographical information system has been purchased and forms the basis of a revised survey and engineering technology program. All other engineering technologies will be made aware of the versatility of the computer software that is involved in this program.

We have another item. This institute has enthusiastically endorsed the introduction of the co-operative education program. In fact, in September it introduced its first co-operative education program, a three-year, eight-term program in computer studies. I do not have to tell you the importance of computers in the operation of this business and in the instrumentation involved. They have a steering committee that will target further current offerings for delivery through co-operative education in 1991 and every year to follow. They have an advisory committee set up specifically to oversee skills related to the Hibernia project. They have other areas, as well.

• (1600)

I spoke with the president of the institute just this morning and I was quite impressed by many of the concerns it has. It is concerned that the appropriate labour relations, education, and training will continue to be offered as part of most, if not all, their 60 programs that they have, with a specific eye on what is required for Hibernia.

Such information will be timely, relevant, and appropriately imparted to give their students a clearer understanding of the labour climate within which they will work and to which they will contribute. It will be to no student's benefit to be denied relevant facts on basic labour relations theory and practice as it concerns management and workers. A labour relations management, of course, would do well to address more fully these issues as we get downstream and more people are employed in these activities.

With respect to the Cabot Institute, during the next few years many of the businesses and companies that will most probably be involved in the Hibernia project will be affected by the graduates of this institute. They have not forgotten their traditional programs and they must continue to educate and train Newfoundlanders, Labradorians, and indeed mainlanders who attend the institute for non-oil related jobs. These are the businesses that will be a spinoff from the project itself. It has been said that perhaps the largest workforce adjustment will occur as indirect effects of Hibernia. Homes must continue to be designed and built and carpenters, electricians and plumbers will continue to work in non-oil related occu-

pations. Business establishments will continue to require quality secretarial and business graduates, and all the education and training facilities must not just reflect Hibernia but the spillovers that will pertain to Hibernia.

Before I wrap up, I would like to summarize one of the main concerns that is pertained in this House from November 7 of last year, which is almost a year ago when we first started to discuss this project. Some will say it is a relatively short time, but it has been the style of the House. It went through first and second reading and committee stage. While some may disagree with the length of time it took, we are now at this stage and third reading.

The one thread that went through this whole thing was the project's commitment to Canada. I think there were well founded suspicions. I never impute the motives of those people who are concerned about how we spend the taxpayers' money. I would like to cover basically what the project's commitment is to Canada.

I take great comfort from the knowledge that I have of this project, but I would like to emphasize that this is a megaproject. There are risks and benefits involved. At this point in time, as we search out into the uncertainty, we on this side of the House believe and I am sure many of my colleagues believe that the benefits are greater than the risks. The Governments of Canada and Newfoundland and Labrador have entered into an agreement with Mobil Oil and the joint venture participants on the development of Hibernia.

A lot of this will be summary, but as a result of the fiscal agreement the Government of Canada will contribute 25 per cent of the pre-production capital costs, up to a value of $1 billion. It will guarantee loans for 40 per cent of the pre-production capital costs, up to a maximum guarantee of $1.7 billion. The Government of Newfoundland and Labrador will remove the retail sales tax on project capital costs, reduce the retail sales tax on operating costs to 4 per cent, accept a price sensitive royalty regime, and provide $10 million to the project for specific engineering activities in the province. In return, the Government of Newfoundland and Labrador will earn net revenues from the project of between $2.6 billion and $5.1 billion, based on 1987 oil prices. I have not yet got the projections for the present oil prices. I can only assume that they will be greater. These are conservative estimates.

Both governments will also earn a substantial share of the profits if the oil prices surge again, which they are now doing, but who knows where they are going to be 20 years from now, and if the reserves prove larger than expected.

I would have to remind you, Mr. Speaker, that I believe like the song says: "This is going to be the start of something big." We know there are two more oil fields. Twenty miles south of Hibernia is the Terra Nova oil field, and not far from the Terra Nova oil field is the Ben Nevis oil field. Who knows, we believe there are more out there.

These revenue figures basically refer to the tax principles and the royalties involved. They do not include the economic benefits that accrue from the creation of jobs or industrial opportunities for individual firms.

As a result of the negotiations that were recently concluded, the commitments to Canada and Newfoundland benefits were reinforced, and certain aspects were incorporated as formal undertakings. These undertakings are summarized.

Regarding the employment and the procurement benefits, in a sense fair opportunity is given where fair opportunity can be given. Indeed, the best efforts are being made to achieve the Canadian and Newfoundland target content on a competitive basis of 45 per cent to 50 per cent. This includes the estimated 40 per cent to 50 per cent of module fabrication and up to 90 per cent and maybe 100 per cent of fabrication of decks and preassemblies in the outfitting of the concrete base.

They are to have their performance with respect to these targets monitored by the Canada-Newfoundland Offshore Petroleum Board, which will examine reasons for possible shortfalls and measures to overcome them.

I will say now I am aware that the Newfoundland government is setting up a combination of the Department of Energy, Mines and Resources in Newfoundland provincially. I do not know the structure or the details. I believe that there is work under way to set up a special monitoring team to make sure that this project does what it says it was going to do and what it really should be doing.

Then we have the main support frame, assembly and outfitting. Of course that will take place in Newfoundland.

The engineering itself is again to make the best efforts to achieve a target of 80 per cent to 90 per cent in Canada for project management. Engineering design is for the gravity base structure, topsides and the articulated loading platform that I described earlier along with the subsea pipelines.

Fifty per cent of the gravity base structure design engineering and 100 per cent of the design engineering for the accommodation facilities—very important—flare boom, helideck and subsea export lines are in Newfoundland.

They are to package the engineering contracts, to promote participation of Canadian and Newfoundland businesses, to encourage the formation of national engineering consortia to qualify for the project, and to award the project services and topside engineering contract to a consortium with a majority Canadian equity participation and commensurate direction. That is in the process of happening now. In fact some of it has happened. Finally, they are to include the assessment of benefits as a key factor in the awarding of engineering contracts.

It has been my great privilege to stand in this House of Commons and to talk about this project. It is one that is dear to my heart. I know my colleagues support it. Many colleagues on both sides of the House see this as a vision that has come to fruition, a vision that is about to become a reality.

Again, I mentioned I was involved in two projects from the very beginning: the concept and the paper that now will be a Canadian patrol frigate program. It was written in 1977. I first saw the frigate as a whole frigate 12 years later. I cannot convey to you, Mr. Speaker, the feeling of translating the vision and words on paper to something that is a reality.

I sense that perhaps it would be inadequate just to summarize and sort of say that I am finished.

I would like to quote King Solomon who I believe was recorded to have said: "Without vision the people perish." This was a vision, but I will say also that without jobs the people starve. Somewhere in between the vision and the jobs, there has been an awful lot of hard word that has gone on—and the hon. minister mentioned it this morning—by politicians, by businessmen, by bureaucrats, by civil servants, by the average person in the field, by everybody involved.

• (1610)

I have not found any one person who has been touched by this project, who has been anything but positive. There are negative people, there are pessimists around and for reason. With the uncertainty involved, there are bound to be some people who will say it is not going to work, you are going to lose money, you are going to lose equalization payments or you will not get all those jobs. That is fair enough and I defend their right to feel that way, but I would say that as this project proceeds those who will be optimistic will far and increasingly outnumber those who are pessimistic about the success of this project and about the kind of benefits that we will derive from it.

There is a spirit in Hibernia. I call it the Hibernia spirit. People ask me: "Why is it called Hibernia". I say: "I don't know. I like the name Hibernia. I am sure there are all kinds of reasons for it". The spirit is there and the other thing that I sense is—I wish I could find a more musical, a more sophisticated, a more esoteric term to call it but I cannot—a psychological kick, and I like that psychological kick. I sense it in the province. I sense it on open line shows. I sense it in the newspaper, and I sense it in my colleagues when we talk about things.

One must not underestimate the power of confidence, both in the business world and among the general public. The tangible benefits of Hibernia itself may still be years away and sustained prosperity may yet still be a dream. I will acknowledge that, but the project will do its job if Canada in general and Newfoundland in particular can milk the mood of optimism and push the economic spectators and pessimists back into the playing field as we forge ahead with this omnipotent, wonderful, welcome, fantastic, project.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Before recognizing the hon. member for Edmonton East, it is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Notre-Dame-de-Grâce (Mr. Allmand)—Official languages; the hon. member for Saskatoon—Dundurn (Mr. Fisher)—Human rights; the hon. member for Algoma (Mr. Foster)—Employment.

[*English*]

The hon. member for Edmonton East has the floor.

Mr. MacDougall: Mr. Speaker, I rise on a point of order. I know my hon. colleague, the hon. member for Edmonton East, has 20 minutes. I certainly do not want to take any part of that from him, but I am wondering if I could get consent for government members to split the time in the next 20 minutes so that two of our colleagues could have the opportunity to speak.

Some hon. members: No.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Is the House willing to agree to 10-minute speeches instead of 20-minute speeches?

Some hon. members: No.

[*English*]

Mr. MacDougall: Mr. Speaker, having been a representative in this House for almost eight years and two weeks, there has always been a gentlemen's agreement that the opportunity—

Ms. Mitchell: What about women?

An hon. member: And gentlewomen.

Mr. MacDougall: And gentlewomen. There has always been consent that the time allocation could be split. I am wondering if maybe we could continue along with the opportunity of individuals having the right to do so.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. DeBlois): The hon. member for Shefford, on a point of order.

Mr. Lapierre: Mr. Speaker, I don't want to harass the hon. member. However, I have been a member of this House for 11 years, and all I can say is that gentlemen's agreements belong to a time when people were prepared to respect the other person's right to speak.

Considering what happened yesterday, and I am referring to the obvious lack of co-operation with requests by the Bloc québécois, we certainly are not prepared to do government members a favour.

The Acting Speaker (Mr. DeBlois): The hon. member for Glengarry—Prescott—Russell, on the same point of order.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I think that if hon. members would care to look it up, they would find that according to Standing Order 43, the Chair has every right to recognize whom it wishes. If the Chair decides to recognize two members of the same party, one after the other, and if these two members decide they will each speak only ten minutes, I think the Chair would be perfectly free to accommodate the members. And if the members in question were each to speak only ten minutes, I would have no objection.

Hon. Jean Lapierre (Shefford): Mr. Speaker, I may remind the hon. member for Glengarry—Prescott—Russell that after those ten minutes, members are also entitled to ten minutes of questions and answers.

Consequently, the matter is not as straightforward as he seems to think. In any case, if the hon. member wants to speak for five minutes or two minutes or whatever— In most cases, however, if they have nothing to say, they should refrain from taking the floor and give our colleagues a chance who do have some important things to say.

[*English*]

Mr. Harvey (Edmonton East): Mr. Speaker, I think on this point of order it is worth bearing in mind that the only reason the question arises at all is because, for reasons known best to them, certainly not understood by us, it was the government that brought in the time allocation that is guillotining this debate a half an hour from now. It is their own damn fault, Mr. Speaker.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am sorry, but I did not hear the question put by the hon. member for Edmonton East.

An hon. member: It's not a question. It was just a comment.

[*English*]

Mr. Harvey (Edmonton East): It is not a question, Mr. Speaker, it was a contribution.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Now, on debate, do you wish to speak?

[*English*]

Mr. Harvey (Edmonton East): Pardon?

The Acting Speaker (Mr. DeBlois): Do you want to speak on the debate?

Mr. Ross Harvey (Edmonton East): Yes, please.

Mr. Speaker, I must admit there were times today when I thought the moment would never arrive at all. I realize the disappointment my rising now must inspire in some quarters of this House, however I feel compelled in the interests of the people of Canada to proceed, regardless, Mr. Speaker.

In setting out so to do I should like to note again for the record a brief remark delivered by the hon. minister close to the beginning of his speech this morning in which he, referring to all members that have participated in the debate over the Hibernia bill, said that they had "debated this bill but have always supported Hibernia".

I would like, Mr. Speaker, if I may, to note this once and for all. The bill that is before this House has received the vigorous opposition of the New Democratic Party caucus at every stage. Mr. Speaker, it is the bill that has received that opposition. We have no objection in principle to the Hibernia project. I wish that to be utterly clear.

Further, if a group of private sector proponents were to come to the Government of Canada and say: "Hey, Government of Canada, we've got all this money here. We want to build Hibernia," and if in so doing they were able to satisfy the EARP process, which by the way to this day has not been undertaken with regard to the Hibernia project, and if they were able to satisfy certain other social and economic criteria, fine, no problem. Let them at it.

But, Mr. Speaker, the minute a penny of public money becomes involved in a project, it is most legitimately the business of this House and it is the duty of the members of this House to closely consider the wisdom of the regime under which it is proposed that public money be spent.

It is exactly the same thing as if I was to stumble into this House one day and say: "Hey, guys, gals, we got this plan out in Alberta. We are going to extract penicillin from cowhide. The only thing is we need a billion dollars. It is going to make all kinds of jobs. I mean, we are going to employ everybody from Coutts to Fort Chipewyan, but we do need the billion bucks."

I would expect that hon. members of this House would look at that, they would sort of scratch their chins and say: "Hm-m-m. Sounds a bit fuzzy but let's have a look."

That would be proper. It would be absolutely proper for the members of this House to adopt that attitude, which is precisely the attitude that the New Democratic Party caucus has adopted in this House. I am sorry if it has disappointed many of the hon. members here that we have declined to join in the hallelujah chorus in this instance, but it is a declination we shall maintain because the terms of the bill are inadequate. It is not a good deal for the people of Canada. In fact, it is a profoundly bad deal for the people of Canada.

I say this in the main because, right at the outset, the bill proposes to give $1,040 million to the proponents of the project. That is: give, Mr. Speaker. In the quaint language of the bill itself, it is called a "contribution". The same thing as "gift". That, we cannot support.

• (1620)

Time and time again I have raised the question, why not equity? If indeed the project is one that has merit— and we believe it is a project with merit— why then must we give the money away if government participation is required, and we are willing to accept the argument, given the risks involved and the huge capital nature of the project? Some public involvement is quite likely warranted. Why can we not invest it as, in fact, do the private sector proponents of the project?

Mobil Oil is not giving money to the Hibernia project. Petro-Canada is not giving money to the Hibernia project. They are investing money in the Hibernia project. It is only the people of Canada, through this bill and, I should note, the people of Newfoundland through the various concessions that have been wrested from their provincial government, that are giving away money to this project. It is not warranted because that public participation could easily be undertaken in the form of

equity, as has been the case in other energy megaprojects.

The Government of Ontario is a 25 per cent equity partner in the Suncor project, the very first of the large oil sands projects in northeastern Alberta. The government of Alberta, through its oil sands equity held by the trust fund is an equity participant in the Syncrude project. The Government of Canada is an equity participant to the tune of more than 31 per cent in the Lloydminster Bi-Provincial upgrader. All of these megaprojects have proceeded with public money. The difference is that in each instance that money has found its way into the project by way of equity earning a return for the people whose money it is; in this instance, the people of Canada.

I would note just in passing that in the 1980s the people of Alberta, from their 16 per cent share of the Syncrude project, reaped over $400 million net because of that equity participation. That is a tidy piece of change.

It is the sort of thing that could lighten the deficit load borne by our poor finance minister. But, no, Mr. Speaker, the bill before this House proposes simply to give that money away.

During the progress of this bill in this House and in committee, I could not help but be impressed by the wonderful congruence of interest apparently displayed by the Conservatives and the Liberals. There is a touching unanimity in this instance that has manifested itself in a number of ways and on a number of occasions from the merely obscurantist to the downright offensive.

In the former category, Mr. Speaker, I would refer you to the fact that on June 12, 1990, in committee, I directly questioned the Minister of Energy regarding the question of where the oil to be produced at Hibernia would go. I asked the minister, and I quote from the record of the committee:

> What was the department's best estimate of the percentage of Hibernia production that will be shipped to foreign market and never seen in a Canadian refinery?

The minister answered:

> Mr. Chairman, it is possible that some of the production over a given period of time entirely could go to a refinery other than Canadian, primarily refineries in the northeast United States. It will depend, quite frankly, on Canadian refineries bidding on some of that crude.

I asked the minister:

> Have you a percentage?

The minister responded:

> I do not think we do.

I asked the minister:

> Have you a ballpark, a guess, a stab in the dark?

The minister responded:

> It will only be that, Mr. Chairman, a stab in the dark.

I urged the minister, "go ahead". The minister responded:

> I cannot say, Mr. Chairman, because it would relate to the oil flow of the consortium and their supplies, both national and international.

I asked:

> So the department does not even have a guess?

The minister responded:

> Well, Mr. Chairman, it gets into the whole matter of companies and their own contracts. That makes it very difficult for an energy minister to try to assert himself at this stage.

A half a year before, appearing in the Senate energy committee where there are only Liberals and Conservatives, where there is a comfortable muzzling of anything that may be raised, the chairman of that committee, a senator from Calgary, asked the minister: "I would like to return to Hibernia for a moment and a question prompted by Mr. Hopper's testimony to the effect that if Hibernia crude comes onstream it will probably move to the United States". The minister responded: "There is no question about probably, Mr. Chairman, it will move to the U.S."

It must be a terrible thing to be a minister of the Crown, to have what was certainty in December change to the ineffable, the indefinable, the airy and ethereal, by June. That is what happened here, or perhaps it was the change in altitude between the committee room, being a room in the Senate, and the committee meeting room in the House. But regardless of what it was, straightforward answers, answers with some kind of relation to reality, were not to be had, at least not by me in the committee.

We now move to the more grotesque elements of suppression of information here. In this very House yesterday, when a motion taking at face value the assertions of those who hold that this project will be a virtual economic second coming for the people of Newfoundland and for many others across Canada as well, that this will result in a level of prosperity and employment that will just leave everybody leaping up and down with joy, taking all that at face value, the hon. member for Kamloops, the House leader of the New Democratic Party, proposed an amendment at report stage which would simply ask that once a year somebody in government put together a detailed presentation on how wonderful it had become.

We asked in this motion that a report be presented annually to the House indicating (a) the net direct and indirect economic benefits in each Canadian province which results from the Hibernia development project; (b) the net employment benefits in each Canadian province which results from the Hibernia development project, including an analysis of job classifications and salary levels; and (c) the quantities and percentages of oil production which are exported in unrefined or semi-refined states from the project site. That was it in its entirety. It was just a request to see at annual intervals how swell the whole thing had become. You know what happened? Every single member of the Conservative and Liberal caucuses present rose in their places to vote against it, including the hon. member who just took up half a day singing the praises of the project.

These folk are willing to have us buy a pig in a poke. They are willing to have us take a flyer on this project, but they are not willing to let the people of Canada see how it works out over time. What are they afraid of? What are they hiding? What is it in these wonderful predictions that they fear will not be borne out? Could it be that these full time 1,100 jobs, for example, that we are going to wind up with at the end of the project are not going to be found in Newfoundland or even in Canada but, in fact, may be found in the majority in the offices of Mobil in the United States? We do not know. In the absence of any willingness by the Conservatives or the Liberals to engage in any kind of long-term disclosure, I must confess I got me some doubts.

There is another matter here, getting back again to the financing of the project. It is not just the $1,040 million that we will give to this project, which I would like every Canadian citizen to know, is $40 for every man, woman and child in this country. Forty dollars a head, straight to Hibernia in a gift. The people of Canada can amuse themselves thinking about that when they start paying the GST in January. They can think that first $40 of GST they paid—it will take $570 worth of purchases to do it—that first $40 of GST they paid: bang, off to Hibernia. If we roll in the loan guarantees and the loans as well, that is another $2.135 billion. That is $82 per capita. Eighty two bucks in GST. That is $1,170 worth of purchases in the new year on which the GST is paid, bang, off to Hibernia. That is just in the legislation authorizing the $1.4 billion contribution.

• (1630)

There is as well the matter before the House now of the privatization of Petro-Canada. Part of this privatization scheme is to take the first 15 per cent share offering and plough all that money right back into the company. Market analysts who know a lot more about this than I do have been quoted publicly as saying that that is going to generate somewhere around $500 million to $700 million for Petro-Canada. Do you know what the value of Petro-Canada's participation in Hibernia is, Mr. Speaker? It is somewhere between $500 million and $700 million. That is what their equity share will amount to. That means, given that the public purse is being ripped off for this 15 per cent share that is going to be ploughed back into this heroically privatized Petro-Canada, the people of Canada are in fact going to wind up footing a bill of somewhere between $1.5 billion and $1.7 billion. Free money to Hibernia. Not to put too fine an edge on it, this is nuts. This is bizarre.

When I came to the House less than two years ago, I never thought I would see the day when these Conservatives—who keep proclaiming their undying fealty to the free market, their unalloyed devotion to the market red in tooth and claw—propose that the Canadian taxpayer with a smile on her or his lips just give $1.5 billion so that Mobil Oil can ship oil out of the Atlantic Ocean down to the northeast United States. This defies credulity, but it seems to be the case. It is odd, it is bizarre, but it is the

case. It is why again I say, and again I note, that our caucus cannot in conscience support this bill.

I am astonished that the Liberals can put themselves through whatever contortions are required in order to do so. I have lost my capacity to be astounded at the actions of the government, however.

In conclusion, there are merits to the Hibernia project. These are merits that the NDP has recognized for a long time. These are merits that the NDP would like to see developed further, but not at any price and not as the consequence of a ludicrous deal struck by some irresponsible federal government with the sharpies of the private sector oil industry. Mr. Speaker, they was took and we ain't gonna to be a party to their being took.

[*Translation*]

Mr. Gabriel Fontaine (Lévis): Since I do not have much time, Mr. Speaker, I will ask a few questions to the hon. member for Edmonton East and perhaps he might respond when I am finished.

First I should like to hear his assessment of the national spin-offs from the Hibernia project. I should like to know whether he agrees with the statement that Canadian manufacturers and suppliers using Canadian resources can provide between 55 and 60 per cent of whatever will be needed to complete the project, as compared to 25 to 35 per cent in similar works in other countries with the kind of know-how we have in Canada.

My second question has to do with the benefits for the province of Quebec. We know that, for technical reasons, some of the facilities have to be built on site in Newfoundland, but 40 per cent of the remainder of the Canadian production will go to the province of Quebec.

In his response I would like the hon. member to elaborate on his remarks about the fact that a Montreal firm—SNC—will manage projects valued at $360 million in professional fees. I would also ask him to comment on the fact that companies in Montreal like Atlas and Janin which are going to manage all the subcontracts in this area— I wish you would comment on how important it is for a Quebec company to manage subcontracts and do business with its usual subcontractors. I also wish he would comment on the fact that since Quebec engineers will do the design work, and I am sure they will do so knowledgeably, Quebec companies will tender for the projects concerned. I would appreciate his comments in this respect.

I also wish he would tell us what he thinks about the fact that his project will help develop, in Quebec and in Eastern Canada, the kind of expertise that is comparable to what they have in Calgary, a type of expertise we did not have before.

That being said, I would ask him whether he agrees that in my riding there would be two to three million hours worth of work for employees at the Lauzon shipyards and whether he agrees there might be two to three million hours of work for technicians, professionals and administrative personnel.

Finally, I wish the hon. member for Edmonton East would tell me whether he agrees that the Minister of Industry, Science and Technology, the Minister of the Environment, the Minister for External Trade, the Minister of Energy, Mines and Resources and the Prime Minister of Canada are to be commended on an excellent project for Canada as a whole and for Quebec in particular.

[*English*]

Mr. Harvey (Edmonton East): Mr. Speaker, the short answer to the last question is no.

I am sorry. I realize I should have been taking notes through all that. Unfortunately I never did learn shorthand. I will try to wrap this all together in one lump.

What the hon. member seems to have been asking me is whether or not I think it is a good thing that all these wonderful things, allegedly, will be happening in Quebec and elsewhere in Canada.

Well, Mr. Speaker, yes. I applaud industrial work in Quebec and Canada. I think it is a good thing that Canadian working people have jobs. I think it is a good thing that Canadian working people have jobs with good pay, good benefits, and long-term security. That is one of the main reasons I am in this circus, Mr. Speaker.

But I am curious. Assuming that the hon. member is right—and that is all any of us can do unless there is somebody here with a crystal ball I don't know about—but assuming the hon. member is right why would he have been so distressed at the prospect of an annual report proving him to be right?

If in fact all these delightful benefits that he alleges will transpire in consequence of the spending of somewhere around $1.5 billion of public federal money free of charge into the Hibernia project, if he is right that in fact these benefits would accrue therefrom, why hide his light under a bushel? Why defeat or, at least, join in the defeating of a motion that would have made that plain to all for years to come?

I do not know, Mr. Speaker. I do not know, but I would like to ask one other question.

An hon. member: You're supposed to answer the question.

Mr. Harvey (Edmonton East): It is the Socratic method, don't you know?

An hon. member: No, we don't know.

Mr. Harvey (Edmonton East): Well, look it up some time.

Presumably these benefits would not evaporate like the dew in the morning if the public participation in the project were in the form of equity. Presumably, if the project proceeded with public equity, it would still need the same manufacturing, it would still require the employment of the same persons, and it would still produce the same spin-offs.

So, what's the problem? If in fact the members opposite are sincere in their desire for all these good things, and I have no reason to doubt that they are—

Mr. McCurdy: Oh? Why not doubt?

Mr. Harvey (Edmonton East): Because I am a charitable man and I try always to believe the best of everyone.

An hon. member: Don't be a naive man.

Mr. Harvey (Edmonton East): Oh, no, I would never be that. I hope I have proven that.

Mr. Speaker, add one more good thing on top. Add equity for the amount of money you put in so that the Canadian people can get the fair return to which they are entitled in the event of the success of the project. That is all we ask. Their consistent refusal to entertain that proposal leaves us asking questions. Sorry about that.

• (1640)

An hon. member: They cannot do that, that is why.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The hon. member for Laurier—Sainte-Marie. You have two minutes left.

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, first of all, unlike what was said by the future ex-member for Lévis, there are no guarantees in this project for contracts in Quebec.

Second, we must not forget that Quebec is an importer of oil, and as far as I know, the Hibernia project will not be subject to control by the National Energy Board of Canada, according to article 41C of the Canada—Newfoundland Agreement, which only provides guarantees for the Maritime Provinces.

When we know that Quebec imports 39 per cent of its oil from Western Canada, when we consider the Sarnia regulations that were made to prevent existing refineries in Quebec from exporting, when we consider all that, it is clear this project does not offer any economic benefits for Quebec and that in case of oil shortages, Quebec is not protected by the Canada-Newfoundland Agreement. The members of the Conservative Party certainly did not consider that aspect or, if they are aware of it, next time they will probably get 3.9 per cent or 4 per cent of the vote as they did in Laurier—Sainte-Marie!

The Acting Speaker (Mr. DeBlois): The period for questions and comments has expired. There are two minutes left.

[*English*]

The hon. member for St. John's East.

Mr. Reid: On debate, Mr. Speaker.

Mr. Harvey (Edmonton East): Mr. Speaker, I rise on a point of order.

An hon. member: It is finished.

Mr. Harvey (Edmonton East): Mr. Speaker, it is my understanding that I have the right to respond to my hon. colleague's comments.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am sorry, but the period for questions and comments has now expired. The hon. member for St. John's East has the floor.

[*English*]

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, in the two minutes that I have, I want to sum up, if I may, having spoken twice in the last week on this question.

The first question that we as a country must ask is, do we want an oil and gas industry developed off the east coast of the country for the benefit of all Canadians?

The second question, therefore, is how do we—as Canadians, as governments, as industries, as people who provide jobs, create wealth and create commerce in this country—accommodate that?

Then, we must ask, is it possible that the needs and the interests of all the parties can be met in designing a project that will lead to other projects and to the creation of these jobs and this wealth?

Over the last number of years the Newfoundland government, the Government of Canada, the oil and gas companies that have the knowledge, the capability, and the industrial capacity to develop this project, have come together in the interests of those parties individually, but also in the interests of all Canadians.

We have not been able to come up with a proposal that is 100 per cent satisfactory to everybody. We never will. That cannot happen. We have a proposal that makes everyone happy. It is in the best interests of all Canadians now and in the future.

As we move from this day to the development of this project into production; as we see other projects develop and move into production; as we see jobs created; as we see Canadians across the country work to contribute to this project, the financial commitment of the government and the people of Canada will have been worth while. As all Canadians witness the benefit of the growth of an offshore oil and gas industry on the east coast of the country, a benefit that will make Canadians competitive and develop an industry, we will see others develop around it.

Those who speak against this project do not have the interests of the country at heart. Those who speak against this bill are not being reasonable and—

Some hon. members: Hear, hear.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. It being 4.45 p.m., pursuant to order made Tuesday, October 2, 1990 and in accordance with Standing Order 78, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the third reading stage of the bill now before the House.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

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

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

(*Division No. 302*)

YEAS

Members

Allmand	Anawak
Anderson	Andre
Arseneault	Assad
Atkinson	Attewell
Bellemare	Belsher
Bird	Bjornson
Blais	Blenkarn
Blondin	Boudria
Bourgault	Boyer
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Casey	Catterall
Chadwick	Champagne (Champlain)
Charest	Clark (Brandon—Souris)
Cole	Collins
Cook	Cooper
Copps	Corbeil
Corbett	Côté
Crawford	Crosby (Halifax West)
Danis	Darling
DeBlois	de Cotret
Della Noce	Desjardins
Dick	Dingwall
Dorin	Duplessis
Edwards	Epp
Fee	Ferland
Finestone	Fontaine
Foster	Fretz

Friesen
Gauthier
Gray (Windsor West)
Guilbault
Harb
Hawkes
Hockin
Horner
Hudon
Jacques
Jordan
Kaplan
Kempling
Kilger (Stormont—Dundas)
Larrivée
LeBlanc (Cape Breton Highlands—Canso)
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Manley
Martin (Lasalle—Émard)
Masse
Mazankowski
McDougall (St. Paul's)
Merrithew
Milliken
Monteith
Nicholson
Oberle
Porter
Redway
Reimer
Richardson
Rompkey
Saint-Julien
Shields
Sparrow
Stewart
Thacker
Thorkelson
Tremblay (Québec-Est)
Valcourt
Vankoughnet
Vien
Weiner
Wilson (Etobicoke Centre)
Worthy—151

Gaffney
Gibeau
Guarnieri
Halliday
Harvard
Hicks
Hogue
Horning
Hughes
Joncas
Jourdenais
Karygiannis
Keyes
Koury
Layton
Lee
Littlechild
Lopez
MacDougall (Timiskaming)
Malone
Marchi
Martin (Lincoln)
Mayer
McDermid
McKnight
Mifflin
Mitges
Moore
Nunziata
Parent
Pronovost
Reid
Ricard
Robitaille
Roy-Arcelin
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Tardif
Thompson
Tobin
Turner (Halton—Peel)
Vanclief
Venne
Wappel
Wilbee
Winegard

NAYS

Members

Angus
Black
Brewin
Duceppe
Fisher
Funk
Gérin
Harvey (Edmonton East)
Karpoff
Kristiansen
Laporte
McCurdy
Mitchell
Riis
Stupich
Young (Beaches—Woodbine)—31

Axworthy (Saskatoon—Clark's Crossing)
Blaikie
Chartrand
Edmonston
Fulton
Gardiner
Grey (Beaver River)
Heap
Kindy
Lapierre
MacWilliam
McLaughlin
Murphy
Rocheleau
Whittaker

• (1710)

Madam Deputy Speaker: I declare the motion carried.

Motion agreed to, Bill read the third time and passed.

PRIVILEGE

RIGHT TO DIFFER

Madam Deputy Speaker: The hon. member for Hamilton East on a question of privilege.

Ms. Sheila Copps (Hamilton East): Yes, Madam Speaker, and I already gave you notice.

Madam Speaker, in *Le Droit* of today, October 4, there is an article headlined "Liberals Want Duceppe Out"—

[*English*]

Madam Deputy Speaker: I am sorry to interrupt the hon. member. It is just that with the noise in the House I cannot hear her. It would be very difficult for me to have any opinion whatsoever on something I could not hear. If conversations could be held behind the curtains, it would be very helpful.

[*Translation*]

Ms. Copps: Madam Speaker, I want to dissociate myself from these remarks of a few colleagues who do not represent the views of all Liberals. Madam Speaker, may I say that in spite of all the efforts I make to fight the idea of separation in the province of Quebec, I will defend the rights of all duly elected members of the House, including those whose political opinion I do not share.

Some hon. members: Hear, hear.

[*English*]

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

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

THE ENVIRONMENT

TREATMENT AND DISCHARGE OF WASTE WATERS

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap) moved:

That, in the opinion of this House, the government should consider the advisability of co-operating with municipal, regional, towardand provincial governments in establishing a cost-shared

program toward the implementation of innovative programs for the treatment and discharge of domestic and industrial waste waters, which programs would include alternative methods of land-based disposal.

He said: Madam Speaker, I would like you, for a moment, to imagine that you are on vacation in Quebec and you are strolling along the banks of the St. Lawrence River, enjoying the beauty of the oncoming fall colours and the peaceful respite of your solitude with nature. Suddenly, along the water's edge approaches no fewer than 15,000 garbage trucks. You are, naturally, mystified by the procession and horrified as each truck pulls up to the edge of the river bank and proceeds to dump its foul contents into the swirling waters. Naturally, as anyone would be, you are outraged. You rush to alert the authorities about the environmental horror and are even more shocked when you are politely told that this is in fact nothing unusual, that it happens every day.

Preposterous, you say. Well, quite the contrary, because although it does not happen in such an obvious manner, the fact is that these 15,000 garbage trucks represent the equivalent of the 500 million litres of untreated waste water and the 50 metric tons of raw sewage that are dumped into the St. Lawrence River every day of the year, and it represents the kind of despoliation that occurs daily across this country of ours, pollution that occurs because from Victoria to St. John's, our Canadian towns and municipalities are struggling with outdated and inadequate sewage treatment and waste management facilities.

A while back, some towns along the Ottawa River had to close beaches to swimming because the heavy rains had overwhelmed the municipal sewage treatment facilities. Out west, where six pulp mills along the Fraser River dump an estimated 32,000 tonnes of toxic waste into the river every year, environmental organizations have now labelled the Fraser the biggest open sewer line in British Columbia. In some areas, such as Newcastle, New Brunswick, creeping groundwater pollution from industrial leakage has contaminated the city water supply to the point that residents of that town have to rely on delivery trucks to supply bottled water, at a cost of some $32,000 each week.

There is a danger in our water. There is a danger in our lakes and our river systems that support our wildlife and our fisheries, and a danger to the Canadian people who must consume this resource. It is a danger that we, as Canadians, are only now becoming aware of. Many Canadians today do not believe the assurances that Canada's tap water is safe to drink. According to a Gallup poll published last October, some 95 per cent of Canadians are concerned about the health quality of their drinking water, water that often must be treated extensively to remove sewage contaminants before actually being consumed. The fact is, we have been reckless. We have been reckless about the judicious husbandry of an invaluable resource in this country, a resource we have taken for granted because as everyone, including our envious neighbours to the south believe, Canada has oodles of water. But, does it? Despite the fact that Canada holds some 20 per cent of the world's freshwater supplies, only 9 per cent of that is available for our use. The rest is termed fossil water, a legacy of the last ice age, and that 9 per cent is a resource at risk.

• (1720)

As well, over 60 per cent of our rivers flow northward where only 10 per cent of Canada's population lives. Major sections of our population throughout the prairies and the interior dry belt of British Columbia live in areas of chronic water shortage and must rely on groundwater supplies that are becoming increasingly contaminated.

Canadians have, largely out of ignorance, squandered their water resources. Canadians on a per capita basis are the world's second largest consumer of freshwater. We squander some 4,100 litres of water each day for every man, woman and child in this country. For too long water in Canada has been treated as a free commodity with no incentive for conservation. It is estimated that it takes some 5,000 litres of water just to put a restaurant meal on the table. The average Canadian uses about 500 litres of water each day, although his or her biological needs are only about one or two litres a day. Think about this. It takes over 10,000 litres of water to raise half a pound of beef. When considering evaporation from irrigation, it requires some 1,500 litres of fresh water every day to nourish a single apple tree growing in the Okanagan Valley.

Evidence of our over-exploitation of fresh water resources is all around us. Experts have been warning us for years. We need to curb the wasteful use of fresh water supplies. We need to develop the appropriate methods to replenish our waste waters and we need to reduce the outrageous dumping of industrial and domestic wastes into our rivers and lakes.

Our groundwater reservoirs, or aquifers as they called, are increasingly polluted by pesticides, agricultural chemicals, runoff from domestic and industrial dumps, leakage from underground gasoline, oil and septic tanks. In our lakes and rivers, pollution from human activities has destroyed aquatic life, is inhibiting the reproductive capacity of mammals and birds and now seriously threatens the health of Canadian citizens. Such pollution has seriously disturbed the composition of wildlife species and has increased the rate of species extinction in Canada. It is estimated that aquatic ecosystems in some parts of North America have lost up to 20 per cent of their indigenous species because of acidification of our lakes.

Estimates of the number of lakes at risk in Canada from pollution of airborne contaminants range up to 600,000. Already as many as 100,000 lakes have been seriously damaged. Another 14,000 are biologically dead. Over 360 chemical compounds have been found in our Great Lakes. Among them are a number of persistent toxins which due to biomagnification and concentration build up in our food pyramid and affect those animal species at the top of the pyramid, including man.

Alkylated lead, benzopyrene, ethylenediamine tetra acetate, hexachlorobenzene, polychlorinated biphenyls, dichlorodiphenyltrichloroethane, words which are a mouthful in themselves, aromatic hydrocarbons with exotic names and a deadly reputation.

Industrial polluters annually discharge over 7.8 billion litres of liquid waste into Canadian lakes and rivers, an amount that is equal to the water that flows over the Niagara Falls in one 10-hour interval. It is no wonder that of the 10 most highly valued species of fish in Lake Ontario, seven have almost completely disappeared. It is no wonder that of the species still remaining, tumours and cancerous lesions have been found in their tissues. It is no wonder that the beluga whale, the friendly giants, as they call them, of the St. Lawrence have dwindled from a population of over 5,000 at the turn of the century to only 500 today. For the embattled beluga, the victims of deadly toxins spewing out of municipal and industrial waste sites, the St. Lawrence has become a war zone, a war in which the ultimate victim is man himself.

I could go on citing specific instances of serious pollution over Canada's waters from one coast to the other, but I think my point has been made perhaps alarmingly clear. The fact is that we can no longer use our waterways as convenient repositories for our wastes. To allow our mighty rivers, the St. Lawrence, the Fraser, the Columbia, the Saskatchewan, the Ottawa, to become nothing more than open sewers is to squander the trust that has been bestowed upon us as the caretakers of this great land.

To continue along our present path jeopardizes the integrity of our environment and with it our economic well-being. In fact, what is at stake here is our very survival. Yet, despite this impending reality Canadian governments, including this government, have been notoriously slow to respond.

The Ontario government's environmental ministry—I speak of the former government—showed that half of the province's industries and one-third of its municipal treatment plants violated water pollution guidelines in 1988.

The Quebec Chamber of Commerce recently commented, an astounding comment, that the provincial government would never close down an industry if it is going to cost jobs, no matter how badly it is harming the environment.

In British Columbia, the *Vancouver Sun* reported that many of B.C.'s pulp mills would face criminal prosecution if federal guidelines were simply enforced. In fact, it was recently exposed that senior officials and those above, as the quote says, in the federal ministry of fisheries actually blocked legal action against major industrial polluters in the pulp mill industry in B.C. That is an absolutely scandalous situation.

In many parts of Canada municipalities unable to afford the cost of upgrading their sewage treatment facilities continue to contribute knowingly, but what choice have they, to water pollution by dumping untreated or partially treated sewage into the lakes and into the surrounding streams.

In Quebec only 250 of the provinces 1,500 municipalities actually have sewage treatment plants. I think that is about 16 per cent, but it represents only about 6 per cent

of the province's population. Less than half of Montreal's sewage is treated. The rest is dumped, millions of gallons a day of raw sewage, into the St. Lawrence.

In Ontario, about one-third of the province's municipalities dump partially treated but substandard sewage into its lakes and rivers.

In Newfoundland, more than 48,000 households simply cannot afford and do not have adequate water and sewer service.

The Pearce report of 1985, entitled *Currents of Change*, calculated that on a national average, only 57 per cent of Canada's population is in fact served by sewage treatment plants. This compares with some 74 per cent of the American population that is serviced by sewage treatment and 99 per cent of the Swedish population who are also served by treatment facilities. So we are well behind the ballgame.

That report became the basis for this federal government's 1987 federal water policy, a policy which has been referred to in the government's often touted green plan, but a document like *The Green Plan* has remained a toothless statement of philosophical objectives with essentially no legislation to back it up.

• (1730)

However, the federal water policy does commit the government to co-operative approaches with respect to water management with the provinces who, under the provisions of the federal Constitution, exercise direct control over our water resources.

The policy states: "The federal government intends to work with the provinces and territories to encourage safe and sufficient supplies of fresh water" and to "encourage the use of fresh water in an efficient and equitable manner consistent with social, cultural, and environmental needs."

The policy also talks about protecting and enhancing the quality of Canada's waters. Also, it talks about promoting co-operative federal and provincial endeavours, as well as undertaking and supporting research and development in these issues. It also emphasizes the need for an integrated approach to water management.

A reasonable person could only interpret these comments as a commitment from the government, this administration, to become directly involved with water management in co-operation with other levels of government. This is what it says right there in the federal water policy. That commitment, I submit, although it may be well-intentioned, has never been realized.

I think it is time that the government replaced rhetoric with action. Consultants' studies, policy statements, and green plan documents—these must be supplanted with legislative commitments from the government that will take firm action on Canada's threatened water resources.

That is why my colleagues and I urge the Minister of the Environment to consider specific legislative initiatives that will allow the federal government to develop cost-shared programs for the implementation of innovative projects for the treatment and discharge of municipal and industrial waste waters.

Further, I would urge that these programs incorporate opportunities for the investigation and the experimentation of alternative methods of sewage disposal, such as land based sewage alternatives.

I have heard the arguments that, because water resources are a provincial concern, really the solutions should be left to the provinces. But I reiterate that the government's own stated policy is to work co-operatively with other governments with respect to our inland waters. When it comes right down to it, the pollution of one of our most precious resources should be everyone's concern.

I have made a lot of statements critical about the health of Canada's water resources, so I would like to point out that there are also some real success stories in the country.

For example, the communities of Vernon and Osoyoos in the Okanagan Valley have demonstrated what can be accomplished when a community sets its mind to the task of cleaning up its own back yard. These two communities—one in the north end of the valley and one in the south end of the valley—have put their sewage to work for them. They have been disposing of it as treated waste water on surrounding grasslands and crops. In so doing, they have actually helped keep the sewage out of the interior lakes and have aided in the restoration of the quality of the waters of those lakes.

I want to add at this point that the town of Vernon is now attempting to expand its spray irrigation program where the treated effluent is sprayed on the surrounding

agricultural land. It wants to expand that by implementing a pilot project for what it terms wildland irrigation. In this concept, treated effluent is applied to the wildlands such as forest crops. In the case of Vernon, the wildland crop is poplar trees. The nutrients are taken up by the trees, enhance the growth of the trees, and can actually be put to a commercial use.

I want to submit that these kinds of innovative efforts take money. They take more money than our financially strapped communities across Canada can afford. Often, they take more money than provinces can afford.

Many worthwhile projects for sewage treatment sit idle because the cost is too great for these smaller players to go it alone. That is why I submit that the federal government has to lend a helping hand to the communities, as well as to the provinces, in addressing this long-term and increasingly difficult problem. Cost-shared programs between municipal, provincial, and federal authorities to clean up Canada's waters are needed and have actually been sought for some time. The Federation of Canadian Municipalities warns that throughout Canada public health and safety, as well as economic development, are at risk because basic investments have not been made in the needed facilities.

In closing, I would like to say that the government has a unique opportunity to demonstrate its commitment to water quality through a number of initiatives. For example the community of Vernon, working with a local environmental society called the Save our Lakes, or SOL, society has made application for federal funding for their wildland irrigation project that I just talked about. Through this project, the town of Vernon and the community could well pave the way for the development throughout Canada of an innovative and commercially viable means of removing sewage from our lakes and our rivers.

The application for the project was made through the newly created Environmental Partners Fund and to date it has fallen only on deaf ears by the government. I appeal to the Minister of the Environment to seize the initiative by funding worthwhile projects such as Vernon's wildland irrigation schemes. Put your commitment on the line by funding these co-operative ventures.

The time for reports, the time for policy papers is over. The time is now for action.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I would like to congratulate the hon. member for Okanagan—Shuswap for his very illuminating address and his very sincere expression of interest in a major problem, a major area of concern to all Canadians.

I would like to address his subject from a different point of view and to talk a little bit about who pays. Obviously, all members in the House would support the objective to provide Canadians with safe clean water for drinking and for other uses. However, the underlying thrust of the motion seems to be aimed at drawing the federal government back into direct subsidies of municipal infrastructure.

I am pleased to say that I had the experience some years ago of acting as Mayor of Fredericton and as president of the Federation of Canadian Municipalities, participating and co-chairing the last tri-level conference of government in the country. We made a very serious effort at some formal structure to bring federal financing directly into the municipal stream through and around the provinces. We were not very successful. It was a very, I would say, aggressive effort by provincial governments to insist that municipalities were creatures of the provinces and therefore any aid to come from the federal government should go to the provinces and be distributed by them to the municipalities, and that the federal government should, in effect, keep its hands off direct municipal intervention. To some extent, I think that that remains true today.

The question of who should pay for municipal infrastructure was also debated, as many members will recall, at great length throughout the 1980s. To a large extent, the real questions being debated today is who will face the unpopular task of coaxing more dollars out of the taxpayers' pockets and who will do the more popular job of spending it.

There are three viewpoints which dominate that debate. The first group, not exclusively but primarily at the municipal level, paints legitimate horror stories about the state of our water supplies and sewage systems. They are emphatic that the job is just too big financially for municipalities to handle. They say that senior government must provide hefty subsidies and besides, they say,

the senior government will get it all back through fiscal recapture and it will, in addition, solve our unemployment problems in the process.

• (1740)

Critics of this group did not deny that municipalities were struggling with very real problems in municipal finance, particularly as their ratepayers demanded higher levels and more elaborate levels of service. However, they questioned the logic of municipalities and their taxpayers subsidizing each other through federal and provincial coffers. They also questioned whether the fiscal recapture was real or largely illusory.

The second group—let us call them constitutional purists—generally supported these criticisms. However, they went somewhat further. They pointed to the Constitution as giving one role to the federal government and another, for matters of local concern, to the provinces. They pointed to the hefty level of transfer payments already made to the provinces and to the huge deficit and debt service charges at the federal level, about which we debate in the House almost every day.

They questioned whether federal dollars would be regarded as found money with equivalent amounts being transferred to more glamorous municipal projects and very little being done over all toward putting water and sewer systems on a sound financial footing, ensuring technological improvement, or effecting conservation of water in quality and quantity terms.

Surprisingly, the constitutional purists' group was not found totally at the federal level. Provinces frequently reminded the federal government that municipalities are their business. That was their line back in 1974 when I was last involved in this debate. Ottawa may help to provide the money, but the provinces feel that the priority, distribution of funding, and the standards by which it is distributed are their prerogatives. This sentiment also found some expression at the municipal level. Municipalities, such as Fredericton where I reside, which had provided their own residents with a high level of services, objected to the prospect of contributing to the needs of other municipalities, both within and outside their provinces, that have not yet dealt with those problems.

These debates have been useful. Although very little has been resolved, at least two things have been accomplished. First, the financial needs camp has established in the minds of the citizenry the harsh reality that we have not done a very good job in handling municipal infrastructures. Second, the constitutional purists' camp has forced us to consider who is responsible and who is in the best position to effect over-all changes in our approach to municipal infrastructure.

The third view, and it is not necessarily new, but it is gaining rapid acceptance in water management circles, not just in Canada but all over the world. This group, which is supported by this government, claims that if the user pays most of the cost directly, we will not only get the least cost solution but we also get other other water management and environmental advantages.

The Organization for Economic Co-operation and Development, OECD, published a major study on the pricing of water services a few months ago. It found that the extent of subsidization of water services varied greatly within and across OECD countries, but was generally higher in the OECD's off-centre members in North America, Japan and Australia. The report strongly supported the general applicability of the user-pay principle. The essential element of that principle is that an incentive is provided for the user to economize in the use of the service of natural resources. Users of the service would in aggregate pay the full cost of the provision of the service and a charging system would share out these costs among users.

This is similar to, and indeed embraces, the more familiar polluter-pays principle, where the polluter pays for the cost which his pollution imposes on society. Under the user-pay principle, the OECD argues that subsidization by taxpayers and cross-subsidization among water service users should be abolished unless special social reasons exist for their retention.

As most hon. members are no doubt aware, the federal government supported these principles in its November, 1987, federal water policy. Since nobody likes to be characterized as unreasonable or rigid, we also hear a lot of variations and combinations of the three themes. The most common one is, yes, we accept that the real and lasting solution is full-cost pricing, but the country has

such a backlog that we should revert to the subsidy route for a few years until we catch up.

Another qualification which nobody really disputes is that there has to be some financial redistribution role played by senior governments. For example, through federal transfer payments and provincial assistance to smaller communities.

I would like to touch very briefly on the temporary subsidy for catch-up question. These are some of the problems I see with senior government bridge funding.

First, the municipalities which would be able to take advantage of such funding would be those which are planning to undertake the work anyway in the near future.

Second, eligible projects and costs would have to be determined by some government agency or agencies. The rules under the CMHC program became very complicated and where they were regarded by the province as excessive federal red tape, they were not used and eventually the program was withdrawn entirely.

Third, having restored the subsidy program, there would be inevitable pressures to extend it. The initial forgiveness feature of the CMHC program was only to last two or three years. In fact, through extension, it lasted 18 years.

Finally, and most important, a bridge funding program would be counterproductive in the sense that it would simply delay movement towards a more rational long-term solution.

In closing, I would like to quote from a speech which Harvard University's Peter Rodgers delivered to a Science Council of Canada workshop recently.

> In the area of the water resources we should remember that we get exactly what we pay for. In both Canada and the United States, the prices charged for water are so low as to be not believable.

The hon. member for Okanagan—Shuswap said the same thing in his address.

We deliver a valuable commodity to very wealthy consumers who would be willing to pay substantial amounts for it. He suggests that by combining an aggressive pricing policy with tough, environmental laws, it will enable Canada to get control of its water resources in a way that will be efficient from the point of view of the market and the environment. Everybody will be better off.

[*Translation*]

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, first of all I would like to start by congratulating the hon. member for the NDP on his speech. It is encouraging to hear a member of the New Democratic Party in this House speak so positively about improving infrastructures in this country.

[*English*]

Mr. Speaker, as you will recall in the 1988 election, when this issue was raised by the Leader of the Opposition at the time, Mr. John Turner, the NDP refused to back up any kind of a plan or any kind of a thorough initiative when it came to infrastructure.

I am quite encouraged now to see that there is some sort of a policy or attitude change. That is very encouraging for the simple reason that as we in the Liberal Party have always called on all members of the House regardless of their political background, to support a federal initiative that will involve a partnership with the provinces, as well as the municipalities.

If you recall, Mr. Speaker, we had promised $5 billion towards infrastructure in Canada. In our rationale at the time, $5 billion over five years, would put us in a position to create approximately 314,000 jobs. Jobs are very much needed across the land. At the time, we used the rationale which was proposed by Informetrica, a consultant company, who stated that it was three times the number of jobs that would have been created by the then free trade agreement.

My colleague, representing the government side, have used some historical argument in order to back some of the statements he was making. He gave, in my view, a philosophical answer to a real problem. I would like to remind him that participation in municipal infrastructure goes back to between 1938 and 1949, when the Municipal Improvement Assistance Act was in place. The federal government then gave money towards roads, water and sewerage.

Then we had another program which was called the Sewage Treatment Program that was established in 1961 and went on to 1974. In 1963 to 1966, we had a Municipal Development and Loans Act which put a system into

place to help municipalities deal with issues of sewage as well as transportation systems.

In 1973 to 1979 the Neighbourhood Improvement Program was put in place with the objective to bring in funding for sewer, water distribution systems, parks and other related issues.

In 1975 to 1978 the Municipal Infrastructure Program was put in place to introduce grants for pollution, sewage treatment, land development. At that time, over $1 billion was granted in terms of loans and $395 million was given in terms of grants.

In 1979 the Community Service Contribution Program was put in place with the objective also to help municipalities deal with the issue of sewer and water projects, social and recreational programs. At the time we had put in place $221 million in grants, with the final disbursement which took place in 1984. At that time, the government which the hon. member represents ended the program and we have not seen any funding coming through since that time.

• (1750)

On Friday, May 25, 1990 I introduced a motion in this House, on behalf of our party, and I would just like to read it for the hon. member of the NDP so he can just recall what was said then. The motions reads:

> That this House call upon the government to recognize that Canada's municipal infrastructure is facing a crisis of national proportions and that, given the serious implications to the nation's environment, economic prosperity and quality of life for Canadians, the government resume its traditional role as a partner with the provincial and municipal governments to address this national crisis.

We said that then, and we are saying the same thing again. For the Liberal Party and our caucus, the issue of infrastructure, sewage and waterways is important. We have launched a national task force to go across the land. For us it was a priority, it remains a priority and will always continue to be a priority. We have launched a task force where every single member of our caucus has participated in its deliberations and have encouraged groups in the municipalities within their ridings to come forward and make presentations. I would like to indicate that our task force had the total support of the board of management of the Federation of Canadian Municipalities. For the information of the House and those who are watching, I would like to outline some of the recommendations the Liberal Party of Canada made as early as May 25, 1990.

We believe that there is no single action that will be enough to ensure the future health and viability of Canada's infrastructure. We believe that a broad range of measures is necessary to make a meaningful difference, specifically, those should include the following.

First, we want to see a federal recognition of municipal infrastructure as a crisis of national proportions. We want to see a federal commitment to share the responsibility for municipal infrastructure with its provincial and municipal counterparts. We want to see the establishment of minimum national criteria for infrastructure to provide environmental protection and uniform levels of service for all Canadians.

The Liberal Party would like to see a federal commitment to rehabilitate and expand the Trans-Canada Highway. The Liberal party supports the establishment of a process through which the federal government can take actions which include: clarifying the respective roles of federal, provincial and municipal governments in infrastructure construction and management. That would respond to some of the concerns my colleague was talking about a little earlier.

Also, the Liberal Party spoke about identifying and prioritizing needs on a national scale in consultation with, and with the concurrence of provincial and municipal governments. The Liberal Party also called for increased incentives for maintenance and reconstruction of existing capital assets and the use of low capital environmentally conscious techniques, such as waste reduction and recycling.

We spoke about exploring alternative funding sources, such options as rational user fees, as my colleague has indicated, for water services, applying fuel tax revenues to road construction and maintenance, and increased private sector involvement. Of course, we collect the taxes on oil, on fuel, but the money which comes through those taxes does not go toward specific projects such as road and sewer systems but, rather, it goes toward general revenues.

We also spoke about the increasing support for research and development to accelerate technological innovation. Finally, we are encouraging efficient municipal management methods to permit phased programs of rehabilitation and better management of infrastructure systems and effective use of funds.

These are some of the recommendations with which our task force has come forward. Of course, we in the Liberal Party do not have to be reminded about the crisis and the fact that it is reaching national proportions, because we were there. We were in Atlantic Canada. We were in Newfoundland, where 48,000 homes have inadequate water and sewer services and 80 per cent of the residents do not have properly treated drinking water.

In Nova Scotia, in the municipalities of Sydney and Halifax, sewage systems just simply do not exist, so we have to set up and put new systems in place.

P.E.I. is an excellent example again, where the problem there is out of proportion.

I want to cite this. In Quebec, 500 million litres of untreated water and 50 tonnes of raw sewage are dumped into the St. Lawrence River every day. That is incredible.

Of course I would appreciate it if my colleague in the NDP could speak to his colleagues, so at least we can in this House and Canadians can find out where the NDP are coming from, whether they have a heart or not and whether they do support the Liberal initiative or they do support a federal involvement on the issue of infrastructure. Having said all of this, I commend the hon. member. Of course, his heart is in the right place.

[*Translation*]

Mr. Gabriel Desjardins (Témiscamingue): Mr. Speaker, perhaps I may offer you my congratulations and wish you good luck in your new position.

Some hon. members: Hear, hear.

Mr. Desjardins: Mr. Speaker, I welcome this opportunity to join in the debate today, a debate in which certain comments must be made. This debate is typical of the kind of speeches the Opposition tends to serve up in this House, the implication being that the government is doing absolutely nothing about the environment or about implementing a water policy, which is entirely false.

I was listening to the hon. member for Okanagan—Shuswap, who is to be commended for bringing such a serious matter before the House for debate, and I agree this country has some major environmental problems. Anyone who represents an area like Abitibi—Témiscamingue in this House will understand how seriously our environment has deteriorated.

The trouble with the NDP is, that they are good at impressive theories and fancy speeches, but when it comes down to dollars and cents, they tend to fade. However, the hon. member must be aware that in 1987, the Federation of Canadian Municipalities estimated the contribution of all three levels of government municipal provincial and federal towards improving municipal infrastructures at about $15 billion.

Half of this amount was to be used to improve water and sewer systems. Those were the figures in 1987. In 1990, we could easily be talking about investments totalling $10 billion.

Of course, budgets have never been a strong point for the NDP. Just ask for the money and wait for it to come in!

The Liberals just told us that they had made a commitment to invest $5 billion. That is typical of the Liberal party. That is why today, Mr. Speaker, we have all these deficits, thanks to their habit of putting money on the table without having the means to pay the bill.

Mr. Speaker, I have one minute left. I would urge hon. members to take a look at the Canada Water Act Annual Report for 1988–89, which shows how the government has worked together with the provinces in recent years to improve water management and water quality in this country.

We have spent millions of dollars, Mr. Speaker, and all the money we put into our regional development programs is money that is made available to Canadian communities. So we have nothing to learn from the opposition parties.

Mr. Boudria: Oh yes, you do, you have a lot to learn!

Mr. Desjardins: about how to treat municipalities. We have done a lot more for municipalities than the Liberal party did in 20 years and more than the NDP will ever do.

[*English*]

The Acting Speaker (Mr. DeBlois): The time provided for the consideration of Private Members' Business has now expired.

[*Translation*]

Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

* * *

HOUSE OF COMMONS

BOARD OF INTERNAL ECONOMY

The Acting Speaker (Mr. DeBlois): I have the honour to inform the House that David Dingwall, Esquire, member for the electoral district of Cape Breton—East Richmond, has been appointed member of the Board of Internal Economy in replacement of the Hon. Herb Gray, member for the electoral district of Windsor-West, for the purposes and under the provisions of Chapter 42 of the Statutes of Canada, 1985, First Supplement, entitled: An Act to amend the House of Commons Act.

PROCEEDINGS ON ADJOURNMENT MOTION

• (1800)

[*English*]

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

OFFICIAL LANGUAGES

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, although Bill C-72, the new Official Languages Act, was passed by this Parliament almost unanimously on September 12, 1988, more than two years ago, and it was fully supported I might say at that time by the Liberal Party, that bill still remains inoperative because the government which presented the bill has failed to produce the regulations.

I want to point out that the content of that bill, a great improvement in our official languages legislation, had been discussed at great length for several years by the Joint Standing Committee on Official Languages of which I was a member and which committee, representing all parties in this House and the Senate, made recommendations for the reform and improvement of the Official Languages Act.

Finally the government took up those recommendations, put them into Bill C-72—and I congratulate them for it—presented the bill, and it passed. But, as I say, despite its passage and great words which were stated in favour of the bill at that time, it remains inoperative because the government has failed to produce the regulations. As a result of not producing the regulations the bill for the most part remains inoperative.

I must point out that when the bill was before the House the minister responsible for the bill, in answer to questions, said that the regulations would be produced shortly afterward. Then, in answer to questions in the House, that promise was repeated in August 1989 when the minister said that the regulations would be produced before the end of 1989. Then again last April 4, when the Commissioner of Official Languages tabled his annual report and condemned the government for not producing the regulations, and even threatened to resign, the minister said that the regulations would be presented soon after June 23 of this year. Here we are in October and we still do not have those regulations.

I would like to refer to what the Prime Minister said when we were debating Bill C-72. He suggested two and a half years ago when the Official Languages Act was being debated that the House would have to sit every day of the week, if necessary, to pass the legislation that was owed to the Canadian population. The people of Canada deserve now to see that legislation implemented; the usual politics of rhetoric by the Prime Minister. He was at that time saying that we would have to sit day and night to pass the legislation, which we did. I think the only ones who voted against it were a few members of his own party, and here we are more than two years later without the regulations to implement the bill.

Again we have had, just this past June 14, the joint standing committee pass the resolution unanimously with Conservatives, Liberals, New Democrats, senators all agreeing and saying that the government should introduce those regulations as soon as possible. That was in June. Still no action, Mr. Speaker.

While the government has failed to act in this matter, tensions have continued to grow between the language

groups in this country. We had the failure of the Meech Accord which produced tension. The passage of Bill 178 in Quebec; the growth of APEC, the Association for the Protection of English in Canada, which is really a very prejudiced and bigoted group against the francophones of this country; the passage of resolutions by the Ontario municipalities for unilingualism; the rise of the Reform Party here in this Parliament and the Bloc Quebecois; all gravitating against justice and understanding for both language groups in Canada and showing a great need for this improved legislation, legislation which is government legislation.

I have only a few minutes left, but once again on September 12 of this year, just a month or so ago, the Commissioner of Official Languages once again called for the passage of these regulations. He repeated his condemnation of the government that he made in April and recommended very strongly that they be implemented. Today I ask the government again what is holding up these regulations? Where are they? How much conflict and turmoil do we need in this country before it takes action? The farce has gone on long enough.

• (1805)

The government introduced a bill which was a good bill. It had the support of our party and the other opposition parties. When are we going to see the regulations? I want to have a date today. I want to know exactly when we will get these regulations to implement a good piece of legislation passed by this House.

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I am pleased to have this opportunity to respond once again to the concerns of the hon. member regarding the tabling of draft regulations under the Official Languages Act.

As we have said before in the House, the government's commitment to the principles set out in the Official Languages Act remains steadfast. Beyond the principles and our commitment to them, we must not forget that there is an official languages program in place in federal institutions. This program ensures a whole range of bilingual services to the Canadian public. There are already some 1,600 service points located across Canada providing services in English and French.

Let me turn to the specific question of regulations. The previous President of the Treasury Board was deeply committed to this task. His officials consulted widely with representatives of linguistic minority associations to obtain their input. This was in keeping with the process set out in the Official Languages Act passed by the House in 1988.

I know the previous President of the Treasury Board, who is now the Minister of the Environment, personally met with the Alliance Quebec and the Federation of Francophones Outside Quebec to discuss this matter. He wanted to make sure that both groups would have the opportunity to contribute fully to the success of this initiative. As hon. members know, he wanted to ensure that the end product would be fair and reasonable for all Canadians. This has always been our goal.

I know that the new President of the Treasury Board is equally committed to this objective. I know that we are examining carefully on a priority basis the groundwork already done in preparing the draft proposals.

I can, moreover, assure the House that the new President of the Treasury Board is well aware of the importance of these draft regulations to give full effect to service to the public provisions of the Official Languages Act. He is giving this matter his full attention.

As President of the Treasury Board he has assumed a leadership role, and I am sure that he will proceed with this matter in an appropriate way as expeditiously as possible.

The end product will no doubt provide Canadians with a fair and reasonable access to federal services in English and French. It will be worth the wait.

HUMAN RIGHTS

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, discrimination is against the law in Canada. It is against the law in Canada to discriminate in many different ways: by way of race, national or ethnic origin, colour, religion, age, sex, marital status, family status, pardoned conviction, or disability.

On May 30 I asked a question in the House about discrimination at the CRTC, Canadian Radio-Television and Telecommunications Commission. The government's answer, which I will get to shortly, was totally unsatisfactory. The basic elements of the case are that

the Canadian Human Rights Commission had found the CRTC guilty of discrimination. The CRTC refused to arrive at a settlement in the case, for example it refused to admit wrongdoing. The CRTC refused to accept conciliation or at least refused to come to agreement at conciliation, thus forcing the employee to go to a tribunal, the next stage.

At the tribunal the CRTC, acting in typical management style, gave notice that no matter which way the tribunal proceeded it would appeal to the courts.

• (1810)

In this particular case there was an out of court settlement agreed to by the employee after more hassling than most people could bear and which I do not have the time to describe.

However, the bottom line is that—wonder of wonders—there is no record of discrimination at the CRTC. Is that not wonderful? That is only half the story. The other half is even worse. The employee who originally filed was harassed for having taken the action, which in itself is against the law, but other employees were harassed even more severely for giving evidence on behalf of the complainant.

Section 59 of the Human Rights Act provides for fines up to $50,000 for threatening, intimidating or discriminating against an individual who has filed a complaint, or for hampering the investigation process.

An RCMP investigation under section 59 of the Human Rights Act determined that by harassing those who supported the original employee who complained there were grounds for laying criminal charges against the management of the CRTC.

There is a catch. Section 60(4) provides that the prosecution cannot be instituted except by the consent of the Attorney General of Canada. That consent was withheld in this human rights case at the CRTC. Except for the discretionary powers of the Attorney General, charges could have been laid against management at the CRTC.

The government argued in response—I am getting to the response of the government at the time I asked the question on April 30—and I suspect will argue momentarily again that the CRTC is an arm's length organization and the government cannot get involved.

The employees of the CRTC are government employees. I would not want the CRTC to get involved in the day-to-day operations and the day-to-day decisions of whether or not they are going to provide a licence or withhold a licence. By God, I would expect the CRTC first of all—and in this case secondly—or at least the government to be protecting its own employees.

The government had doggone well better get involved in this case, arm's length or not. It certainly is not arm's length. These are government employees. Or else, Mr. Speaker, the Canadian Human Rights Act means nothing at all.

If the discretionary powers of the Attorney General can thwart the investigations and decisions of the RCMP and the Human Rights Commission, those discretionary powers have to be removed. There is no justice if a bureaucratic management of the CRTC or a government department can hassle any individual into quitting, into ill health, or an out of court settlement which is not as satisfactory but which gets management off one's back.

I wrote to the Minister of Justice on June 1 asking why the discretionary powers of the Attorney General were allowed to be exercised in that case. So far I have only an acknowledgement of a letter received; no explanation.

More recently speaking, which rather demonstrates the government's commitment to human rights in Canada and for Canadian citizens, I would suggest, at the dinner in celebration of the Canadian tribute to human rights, Lawrence Court d'Oreille, Vice-Chief of the Assembly of First Nations, said: "I am afraid for my human rights in Canada because those who are supposed to be protecting my human rights cannot protect their own."

This government, through its actions in the CRTC case—and who knows how many others—has signalled departments, agencies, Crowns and companies within its jurisdiction that they can discriminate against Canadians and the government will not allow prosecution.

Quite simply put, this is an outrage and we cannot allow it to be continued. I call for a public inquiry into the discretionary attitude of the government.

• (1815)

I also call, Mr. Speaker, more principally for a public inquiry into the discriminatory management of the CRTC, hoping thereby that the actions of that kind of management in those kinds of situations may be prevented in the future.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Hon. Parliamentary Secretary to the Minister of Communications.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I should wish to congratulate you on your recent nomination as Assistant Deputy Chairman of the committees of the Whole.

[*English*]

Mr. Speaker, the question raised by the member for Saskatoon—Dundurn relates to three cases dealing with employee-employer relations within an independent regulatory agency, the CRTC, and which are or have been under investigation—I am trying to be helping to the hon. member—by another independent tribunal, the Canadian Human Rights Commission.

To the extent that these cases, two of which are yet unresolved, are of a personal nature, and to the extent that this government respects the independence of its arms length agencies, it would be inappropriate to enter into the details surrounding them, and I will refrain from doing so.

Instead, I will address my comments to the more general issue raised by the member for Saskatoon—Dundurn when he first raised this question on May 30, 1990.

In his question, and his supplementary comments, the member suggested that the CRTC was "forcing its employees to extreme lengths in order to seek basic justice".

It further suggested that it was "unacceptable for an agency of the government to 'force its employees' to go to a tribunal to settle human rights complaints".

[*Translation*]

I suggest, Mr. Speaker, that his comments denote a seious lack of comprehension of the role and mandate of the Canadian Human Rights Commission. Furthermore, they give the impression that government agencies such as the CRTC do not have the right to respond to complaints from their employees, whether the complaints are founded or not.

The Canadian society is increasingly diversified, which makes for more complex relations between individuals and institutions, including employer–employee relations. Because of the Charter of Rights and the Human Rights Act, the Canadian people are more aware of their rights and more prone to complain when they believe their rights have been infringed upon.

Under these circumstances, Mr. Speaker, no government agency or private company can escape complaint. Besides, a complaint can sometimes be the only way to uncover an injustice and seek redress. I would add that the injustices uncovered are not always due to lack of goodwill.

It is precisely with a view to providing a forum for settling human right complaints that the Canadian Human Rights Commission was established by Parliament.

[*English*]

Mr. Speaker, to suggest that it is unacceptable for the CRTC to respond to complaints lodged by employees before the Human Rights Commission is to deny the important role that the Human Rights Commission was designed to perform. It is no disgrace for any employer to respond to a complaint from an employee where the employer has reason to believe that the complaint is unfounded. Indeed, to not respond in such circumstances is to invite abuse. Moreover, it is no disgrace for an employer to challenge the findings of the Canadian Human Rights Commission. No decision by a tribunal or a court of justice, except for the Supreme Court of Canada, is beyond appeal or challenge.

It is important to remember that allegations arising from human rights complaints must be proven and both parties must be able to present fairly their respective sides of the story.

Furthermore, because such complaints often involve the subtleties of interpersonal relations, it can be difficult to determine with accuracy where fault lies or what corrective measures should be taken.

In the end, a disgrace would only occur if an employer refused to co-operate in resolving the problem.

EMPLOYMENT

Mr. Maurice Foster (Algoma): Mr. Speaker, I am pleased this afternoon to have an opportunity to put before the House the question which I put to the Minister of Employment and Immigration last spring, in March, concerning the lay-off of over 2,000 employees at the Elliot Lake uranium mines. In fact, 450 have already been laid off at Denison Mines in late July and in late August some 1,800 additional employees were laid off at Rio Algom.

• (1820)

The magnitude of these lay-offs is absolutely mind-boggling for this community. It represents at least 50 per cent of the direct mine-related employment in that community. Unless drastic and determined efforts are made by the two senior levels of government, we face a loss of half of the community. This is an urban community of some 16,000 people.

I asked the minister at that time what actions were going to be taken by the federal government. In fact, some actions have taken place. Industrial adjustment committees and community adjustment committees have been established. The industrial adjustment committee was under the leadership of Harold Kenny for the Denison Mines, under the direction of Roger Taylor for the two Rio Algom mines, and the community adjustment committee was under the direction of Craig Macquarrie. In fact, those committees have operated in what I would say is in an exemplary way. They have functioned very well.

The one thing that they require is funding for the community adjustment and industrial adjustment. They need dollars for training. They need dollars for job search. They need dollars for job mobility grants. That has been our main problem all through the summer and fall months, whether we would have enough of these funds.

There is a Community Futures program in the area. In fact, they submitted a budget to the staff of the minister last April, calling for over a two-year period some $16 million. In fact, it is all happening over the course of one year rather than two years. That is the kind of funding which is required for those industrial and community adjustment committees.

So far we have received some $3 million or $4 million. Unfortunately, that whole budget of $16 million has to be telescoped into one year rather than into two, or slightly more than one year, and the committees have done an excellent job. The problem that we have is the uncertainty. The official budget for the community and industrial adjustment has not ever been approved yet, so we are going along sort of month to month, getting a commitment of $900,000 in July, $1 million in August. That level of adjustment funding I believe will be needed for another six to twelve months, depending on how successful the individuals are in securing employment.

The government of course argues: "We cannot provide the funding for the community and industrial adjustment because Bill C-21 has not been passed". Of course that argument is simply not accepted. Everybody knows that the government has been collecting money under Bill C-21 since last January. In fact, the fees for unemployment insurance have gone up by some 15 per cent collecting, I would guess, over $1 billion this year already, so my miners in Elliot Lake do not buy that argument. If they can collect the money under Bill C-21, then they can spend it under Bill C-21 or they can spend it under supplementary estimates and repay the money from the funding that is being taken from employees day after day.

Mr. Hockin has been designated by the Deputy Prime Minister to be a special liaison officer to work with the communities. He has visited the community, outlined a number of initiatives which the government has agreed to put forward, including providing an additional $1 million of funding in late August. Our concern is that we have this commitment for training and adjustment funds every month until the miners have had an opportunity to seek new employment and are able to get on with their lives, or retrained for another job.

• (1825)

We need co-operation from the federal government for the initiatives which are being taken by the province which are quite extensive. They include a study on a retirement living program which has been very succes-

sful. There are a number of proposals relating to the CANMET lab where it would become a field station associated with Laurentian University. The province has provided funding for a drug and alcohol addiction centre which would follow along from the Camilla Centre operated by the Sisters of St. Joseph.

We have a number of initiatives, but we need a commitment from the federal government that its portion will be funded as well.

This week I have put before the minister a number of proposals for the decentralization of government offices from Toronto and other regions of the country into northern Ontario and Elliot Lake. After all, it is the sixth largest urban centre in northern Ontario. We cannot afford a community with all assets and advantages of this community to die. We must diversify the economy. We must develop what we have. I am pleading and asking the government to do this. I believe the community is working very hard to do that as well. I am asking for the support, encouragement, and assistance of the federal government to carry its fair share in this regard.

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, on behalf of the Minister of Employment and Immigration, I am pleased to have the opportunity to discuss the initiatives the government has undertaken to help laid-off workers in Elliot Lake.

Our industrial adjustment service consultants have worked closely with Denison Mines, Rio Algom Ltd., and the United Steelworkers Union in the province of Ontario to provide assistance to laid-off workers in Elliot Lake.

For example, two separate industrial adjustment committees were set up to help workers and management deal with the Denison Mines layoff and the Rio Algom closures respectively. Through the industrial adjustment service committee, Employment and Immigration Canada provided $106,000 to help Denison Mines workers and $102,600 to help the Rio Algom workers.

The member should know that of the 420 employees laid off at Denison Mines, 344 have now positive plans for employment or training, and 26 are taking early retirement.

The Department of Employment and Immigration is also providing $114,000, matched by the province of Ontario, to establish a community adjustment centre to help other local workers whose employment could be threatened and disrupted by the lay-offs.

A co-ordinating committee for Elliot Lake was formed to set priorities and determine how training funds available to the area should be spent.

Employment and Immigration approved an $818,000 grant to finance additional activities under the Skills Shortages and Job Development programs of the Canadian Jobs Strategy for relocation, training, and community economic development and adjustment assistance.

In August, 1990, $1 million in additional federal funding was announced in relocation and exploratory assistance to meet needs of the Elliot Lake community.

The hon. gentleman should know that other assistance from the government would have been provided to communities like Elliot Lake, if it had the labour force development strategy implemented and if Bill C-21 were passed.

The member for Algoma knows that many laid-off workers requested relocation assistance or additional funds to start their own businesses because they felt that this was the way to go from now on. The government could have helped these workers if Bill C-21 and the Labour Force Development Strategy were in place. With the Labour Force Development Strategy and Bill C-21, the government intends to raise by $45 million the funding for relocation assistance and self-employment initiatives.

Many people in Elliot Lake also felt that they could take over their own destiny and work out a restructuring plan for Elliot Lake. Elliot Lake is already eligible for help under the Community Futures Program for creation of small businesses and self-employment, for training and other community initiatives. But the government cannot ignore the fact that additional assistance under the Labour Force Development Strategy could have been made available to the people in Elliot Lake if Bill C-21 had been passed by the Senate.

Finally, earlier in this response, the success of the industrial adjustment committee in helping laid-off workers at Denison and Rio Algom was discussed. The government believed that workers would have benefited from a doubling of the industrial adjustment service funds. They did not benefit from this doubling of funds simply because Bill C-21 is still in the Senate and, as a

result, the Labour Force Development Strategy is not implemented.

If the hon. member truly wants to assist the people of Elliot Lake, he will reverse his position on Bill C–21, stop voting against his constituents, urge his unelected Liberal associates in the Senate to stop playing politics with peoples' lives, and have them do something useful for a change.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.31 p.m.

HOUSE OF COMMONS

Friday, October 5, 1990

The House met at 10 a.m.

Prayers

[*English*]

POINTS OF ORDER

SENATE SPEAKERSHIP

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, this is a time of extraordinary events.

We see the government being ready to use unprecedented means in order to force a tax, the GST, which is the most unpopular tax in Canadian history, through Parliament.

Mr. Speaker: It seems to me that is debate.

We may be in extraordinary times, and those who were listening carefully to the prayer would notice that I had noticed that. Certainly, I will hear the Leader of the Opposition.

Mr. Gray (Windsor West): Mr. Speaker, the government is using extraordinary means to force through Parliament the most unpopular tax in Canadian history, the goods and services tax.

Therefore, I seek the unanimous consent of the House to present immediately a motion as follows:

> That this House direct the Prime Minister to take the steps necessary for the Governor in Council to appoint a person who will respect the rules of Parliament to preside over the Senate.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, in reinforcing this motion, and in speaking to the motion, I would like to call on the British North America Act, section 34, which makes it very clear that the responsibility for naming the person in the Senate who becomes Speaker rests with section 34.

> The Governor General may, from time to time—

Mr. Speaker: I am going to try to be as even-handed as I can.

A few days ago, the government rose to put forward a motion and asked for the consent of the House. There was some debate, I think 16 minutes on behalf of the government side and I think 13 minutes on behalf of the opposition side. I may have been too lax in indulging and giving everybody the latitude that was engaged in at the time.

Now before the House, there is a request by way of point of order by the hon. Leader of Her Majesty's Loyal Opposition that the House accept the motion which the hon. Leader of the Opposition has put forward on the basis of unanimous consent.

I recognized the hon. member for Ottawa—Vanier, but I think again we have to keep in mind that what the opposition is seeking here is exactly what the government was seeking the other day. That was unanimous consent for a motion.

My difficulty in dealing with this—I am sure all hon. members can understand this— is that it is legitimate enough, but it cannot be turned into a prolonged or extended debate.

The hon. Leader of the Opposition has put the point, and he has put it with his usual forcefulness. I am just wondering: Is there any particular need for other members to become involved? I know that the hon. parliamentary secretary is seeking the floor on a point of order, and I anticipate that he will be asking the same questions that I am putting in general terms to the House.

Probably the better way to deal with this would be to say that there is the motion. Perhaps I should ask if the House is prepared to agree to it or otherwise. However, I have some regard for our hon. friend, the member for Ottawa—Vanier. If he can persuade me that, as your Speaker, I should hear further debate, I may be persuaded. I am pointing out that the procedure that is being followed has been done many times in the House. Somebody has risen and asked for unanimous consent on a point of order. That is exactly what is happening. It is not appropriate for me to allow it to extend into a long debate.

• (1010)

Perhaps the hon. member for Ottawa—Vanier, who I interrupted, can assist the Chair, but not to debate what is or is not going on in some other place. I have some doubts as to whether that would be appropriate. I will hear the hon. member in order to decide whether I ought to hear the hon. member further.

The hon. parliamentary secretary on a point of order.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I understand very clearly your need to treat both sides fairly and we on this side appreciate and respect that principle. Keeping that in mind, the other day as the Speaker reminded us—

Some hon. members: Oh, oh.

Mr. Speaker: I do not think there is any secret that we have been witnessing extraordinary events. Some of what has happened in the last 24 hours has never happened before. As your Speaker, I have to try to find a way to allow the House to deal with it, but still stay within the bounds of reason and within the rules. I am prepared to be very careful about making sure that we do both of those things and I certainly think that it is appropriate to allow the hon. parliamentary secretary to give his remarks to the House.

It seems to me that, given the backdrop of what we are dealing with, we ought to be very careful this morning. Let us listen to each other and see if we can find a way through it.

I will hear the hon. parliamentary secretary shortly, and I remind him that his point of order interrupts the hon. member for Ottawa—Vanier. I will come back to the hon. member.

The hon. parliamentary secretary who may be able to help me.

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

First, you referred to the 16 minutes and the 13 minutes the other day which would lead us to believe that the opposition should have three minutes. However, yesterday, if my memory serves me right, the opposition took 32 minutes, so we should have 27 minutes.

I do want to say on the basis of the motion that the normal way for us to do this is to discuss it in House leader's meetings. We would be happy to do that. But without those discussions at this point, we would have to signal that, no, we will not give unanimous consent.

Mr. Speaker: The hon. parliamentary secretary has given clear indication that the House is not going to agree to the motion. The hon. parliamentary secretary has also, however, left the door open for some discussion. However, I am listening to the hon. member for Ottawa—Vanier, and I will hear him to see if what he has to say is going to help the Speaker deal with this problem.

Mr. Gauthier: Mr. Speaker, I thank you and appreciate your comments. Indeed, the Speaker is invested with powers to maintain order and I take exception to the government trying to bootleg some phoney points of order when I have the floor legitimately. I do not agree with this attitude that there has to be a quid pro quo, just because they get a few minutes we do not get as much.

The point is that the government is responsible for the appointments of certain persons. It is done by appointment, by Order in Council. The Governor General follows up on the recommendation. We all know that. The point of the motion is to get the government to put forward an appointment of a person who will, like you, Mr. Speaker, have respect for the rules of the House of Commons and have respect for the rules of Parliament. That is our point.

Mr. Speaker: I will hear the hon. member for Kamloops. I know that he will assist the Chair in not straying too far, given the situation.

I want to join with you, Mr. Speaker, and acknowledge as I am sure we all do that we have been witnessing some extraordinary events in the last 24 hours and it has demonstrated a whole number of very serious problems we face as a Parliament.

I simply want to say, Mr. Speaker, and I suspect I reflect the views of all of us on both sides of the House—perhaps we could call it a three-sided House—that while we might have different views on the other place in terms of its validity, we do recognize that the Parliament of Canada includes two Houses, that the work that is done here eventually moves into the other place and is concluded there, under normal conditions.

What we see this morning is that while we are here in our places to carry on important business, particularly as it refers to heritage languages in the country, we know full well that the other place is paralysed. It is non-functioning. It is not working.

While I sympathize with the point raised by my hon. friend, the Leader of the Official Opposition, I think what we have witnessed in the last few hours in the other place was a complete debacle or chaos, I think is a good way to describe it. If there ever has been a demonstration of the need to abolish the Senate, it has to be now.

Some hon. members: Hear, hear.

Mr. Speaker: The hon. member for Kamloops has, I think, commented on events of which we are all very much aware. The hon. member has a certain minimum awareness of those events, as we all know, but this is not the place or the time to debate great constitutional changes.

I think that the appropriate thing is for me to put to the House the motion that has been proposed to us on the basis of asking consent that this House direct the Prime Minister to take the steps necessary for the Governor in Council to appoint a person who will respect the rules of Parliament and to preside over the Senate. That is the motion. Is there agreement to the motion?

Some hon. members: Agreed.

Mr. Cooper: Mr. Speaker, I have only heard the motion now twice, but it seems to me that some of the language in there would cause that motion to be ruled out of order because it sounds to me like a reflection on present occupants in the other House.

Mr. Speaker: The hon. parliamentary secretary may well be right. At the moment, I am asking the House whether there is consent.

Some hon. members: Agreed.

Some hon. members: No.

Mr. Speaker: Just so long as hon. members and also the public that is watching understand this, the hon. House leader has proposed a motion with respect to events that are taking place in the other place. That motion has not received unanimous consent in this House.

Now, I am going to hear the hon. member for Kamloops on a point of order.

THE SENATE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I believe that we dealt with the previous motion that was put before the House seeking unanimous consent. Mr. Speaker, I would like to ask for the indulgence of the House to ask also for unanimous consent to consider what I think is a most appropriate motion considering the events of the last number of days. I refer to *Hansard* of Wednesday, October 3, 1990, Motion No. 283, standing in my name, which reads as follows:

> That, in the opinion of this House, the government should consider the advisability of abolishing the Senate and introduce electoral procedures to enable the regions of Canada to participate in government decision making in fair proportion.

I would like to ask for unanimous consent to put that motion.

• (1020)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, as you have set the tone of fairness that is a very important principle in this House, I want to say as sympathetic as I personally am to that motion, I think in fairness it should be handled in the same way as I recommended for that of the Official Opposition, and that is to discuss it at another place with the House leaders.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, surprises, surprises. Here is the government which applauded the statement made a few minutes ago by that same member who applauded the abolishing of the Senate. I mean, hypocrisy has no limits. Here we have the NDP now proposing to abolish the Senate when last night all Canadians saw the hon. member for Kamloops on television talking to the Senate. Again, hypocrisy has no limits.

[*Translation*]

Mr. Speaker: I think it is probably appropriate to ask the hon. member for Shefford to state his opinion or suggestion.

Hon. Jean Lapierre (Shefford): Mr. Speaker, like millions of Canadians, today I had a chance to see what is happening in the other place, and like many Canadians, I think all this is degrading and humiliating, and I am surprised the Parliamentary House Leader of the Liberal

Party did not rise in the House this morning to apologize on behalf of the Senate to this House and to Canadians, instead of moving a motion.

Mr. Speaker: The hon. member's point of view is very interesting.

[*English*]

I have to say to the hon. member for Kamloops, who has proposed this motion, that there does not seem to be consent. However, in the interests of ensuring that we are dealing with these matters in a completely fair way, I think that the motion was:

> That, in the opinion of this House the government should consider the advisability of abolishing the Senate and introduce electoral procedures to enable the regions of Canada to participate in government decision making and fair proportion.

The hon. member for Kamloops has asked if there is consent. Is there consent?

Some hon. members: No.

Mr. Speaker: There is not.

Orders of the Day.

GOVERNMENT ORDERS

[*English*]

CANADIAN HERITAGE LANGUAGES INSTITUTE ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C-37, an act to establish the Canadian Heritage Languages Institute, as reported (with amendments) from a legislative committee.

SPEAKER'S RULING

Madam Deputy Speaker: There are two motions in amendment in the name of the hon. member for Vancouver East as set down in the Notice Paper for the report stage of Bill C-37, an act to establish the Canadian Heritage Languages Institute. Motion No. 1 is in order. A similar motion was moved in committee and negatived. However, Motion No. 1 is sufficiently different that the Chair is prepared to allow it to be put before the House.

[*Translation*]

Consequently, motion No. 1 will be debated and voted on separately.

[*English*]

Motion No. 2 is in order and it will also be debated and voted on separately.

MEASURE TO ENACT

Ms. Margaret Mitchell (Vancouver East) moved:

Motion No. 1

> That Bill C-37 be amended in Clause 2 by striking out lines 16 and 17 at page 1 and substituting the following therefor:
>
> "Canada and does not include aboriginal languages of Canada."

She said: Madam Speaker, I am pleased to have a chance to just explain a little bit about this motion, though I know members of the committee will be well aware of why we felt it necessary to be very explicit that aboriginal people do not want to have their languages, the languages of the First Nations of Canada classified as heritage languages and included in this bill.

I know that in committee we did delete the section that was originally in the bill which included "and includes any aboriginal language" after the phrase "contributes to the linguistic heritage of Canada". However, having deleted that, in the view of a number of native people we heard from and to whom I have spoken since, it does not make explicit what their intention is, so we have added the phrase "and does not include aboriginal languages of Canada", so that there will be absolutely no mistake about this.

I would like to quote just a couple of things from two of the senior native groups that appeared before the committee or have written to us on this subject. Originally, the Assembly of First Nations did ask for a deletion of the phrase, which we responded to in committee, but they subsequently did ask for a more specific exclusion. Mr. Erasmus says, in his letter to members of Parliament:

> Although we understand Aboriginal languages are not excluded from the Canadian Heritage Languages Institute Act, First Nations do not wish to be included in the definition of "Heritage Languages" in Bill C-37.

That is a letter dated dated last June, so it is referring to the original bill, before it was amended in committee. The letter goes on:

> We are the "founding" languages of Canada,—

I think that is extremely important, not "heritage" languages but "founding" languages of Canada—

> —and given the precarious future of our endangered languages, require a separate Aboriginal Languages Foundation/Institute.

He goes on to quote from the presentation that he made, in committee that, and I quote:

> The First Nation's position that any federal policies or actions which impact upon Aboriginal people must ensure the recognition and affirmation of existing Aboriginal and treaty rights was re-affirmed in the Supreme Court of Canada—on the Sparrow case—in 1990. It is our submission that Aboriginal and treaty rights to language is with section 35 of the Constitution Act of Canada, 1981. Further, the federal government is obligated to consult with Indians—

This was not done, prior to this bill being drafted.

> —in the development of legislation that directly impact our lives and must prove that any involvement of legislation will enhance the Indian position for protection.

They said that they did not believe that this proposed legislation would enhance their languages and wanted to be excluded. They also asked that we support an aboriginal languages foundation. I think that this is another thing that we must not forget. It is very important. I know my colleague will be speaking on that question in a little more detail.

Finally, I would like to mention as well on the question of aboriginal languages, a statement by Phil Fontaine, the provincial leader of the Assembly of Manitoba Chiefs. This was interestingly enough to the people of Quebec after the Meech Lake Accord was in effect turned down. He said that they supported Quebec's passionate dedication to the preservation and promotion of the French language and culture in Canada. He said: "We also are fighting for our culture and language. We, the aboriginal people of this country, have inherited through the oral traditions of our forbears, 55 different, distinct, original languages, 52 of these original languages of Canada are now on the brink of extinction. Unlike you, we cannot retrieve these languages from our mother country. Our mother country is Canada. What we lose in Canada, we lose forever". I think that very eloquently explains why the languages of founding peoples, which are founding languages of Canada and unique to Canada and North America, must be preserved in a separate way and much more strongly through an aboriginal language foundation.

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Madam Speaker, I certainly share the concern of the member for the preservation of aboriginal languages. I, too, am very disturbed by what appears to be a rather impossible situation where we have not been able, through the generations, to put forward a mechanism to guarantee the preservation of this important heritage, the languages and cultures of our founding peoples, our first peoples. This is not the issue which we are discussing today. As a matter of fact, there have been at least two excellent studies that I have had the opportunity of perusing personally. I have had lengthy discussions with the member of Parliament from Alberta. I think it was the member for Wetaskiwin. He and I are both pursuing the initiative very diligently.

• (1030)

However, the bill that we have before us is really the follow-up to the original Bill C-152 which was before the previous House. At that time members of both opposition parties, in particular the member for York West and Mr. Epp who was the critic—and, by the way, he did an excellent job on behalf of his party in all of the issues before us—explicitly brought forward the suggestion that aboriginal languages should be included. They had a concern that if they were not explicitly written into the bill there would be a very narrow and restrictive use of the institute, perhaps, and all aboriginal languages would not have access to any of the funding or the resources or the shared expertise that may become available by this institute and would be of great benefit in preserving heritage languages and cultures in Canada.

Certainly it was on reflection and having accepted the helpful suggestion of members of the opposition that when we brought forth Bill C-37 it was included. It was not in any way to abdicate or deny the responsibility for establishing an important process for the preservation of aboriginal languages. All of us, this summer, have certainly become much more aware of the unfairness, the inequalities, and the difficult situation that our first peoples found themselves in. There is a much greater commitment by all of us today to do everything we can to

restore equality, to give full participation, and to provide the same opportunity that all other Canadians have.

Today, however, I cannot accept the premise that the member has brought forward. Her proposal would have the effect of limiting and restricting the activities of the institute. I would not want to preclude instances where the aboriginal languages and cultures could participate actively. It is on these bases that I do not accept the suggestion of the member. Certainly the mere fact that it is not mentioned would have a tendency to give people the feeling that it is not there, but as far as I am concerned all languages and cultures must be preserved and protected.

It will be up to the people who will run the institute—the board of directors, administrative people, and the community from coast to coast—to decide how those resources will be used. I do not think it is up to us necessarily to restrict or narrow the opportunities this excellent institution will have.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I support the amendment. I regret the fact that the hon. Secretary of State has decided not to support the amendment. After all, this amendment comes at the request of the aboriginal people of Canada through their representative organizations. This is not a request that was developed within the caucuses of a particular political party on the Hill. This request comes at the request of representative organizations of the aboriginal people.

If the Secretary of State would read the decision in the Sparrow case, he would find that as part of Canada's fiduciary obligations he has an obligation to consult with aboriginal people before bringing down legislation which deals with something as critical as their cultural survival and with languages which are key to cultural survival. This amendment is not coming at the request of a particular political party. It is coming at the request of the aboriginal people of Canada.

This minister in particular should respect the wishes of the aboriginal people of Canada who have made their views known in committee and to the various members of the House of Commons. It would be a shameful act if we did not consider these views, especially in view of the decision of the Supreme Court in the Sparrow case which calls upon the government, in recognition of its requirement for honour in dealing with the aboriginal people, to consult with the aboriginal people before legislative changes are made. The wishes of the aboriginal people should be followed in this case.

The survival of aboriginal languages in this country, as my colleague has mentioned, is a fundamentally different issue from the survival of other, what we like to call, heritage languages. If you are of Spanish descent in Canada and you feel that your language is being threatened or that you have lost contact with your mother tongue, that language will survive in Europe or in Latin America or elsewhere in the world. If you are of Ukrainian descent or German descent, the same thing applies. If you are like me and you are descended from one of the Gaelic speaking groups, that language is dying out elsewhere in the world, but there are organizations in the mother countries that are attempting to protect and to save those languages. Action is even being taken here in Canada, Cape Breton, and elsewhere to protect those languages.

As was mentioned by the hon. member for Vancouver East, the fact is that if aboriginal languages die out, there is no other country. There is no other place in the world where these languages can be nurtured, incubated, and protected so that people can learn them again in this country. The mother country for those languages is right here in Canada, and it is here we have to take steps to protect them.

Aboriginal people do not want to have their languages, because of this fundamental difference, included among a whole group of heritage languages. The threats to aboriginal languages are fundamentally different. As my colleague has pointed out in a letter from the Assembly of First Nations, only three of the 53 aboriginal languages in Canada are likely to survive into the next century. That is less than 10 years from today. It is important that we as members of Parliament, in respect of our fiduciary responsibilities to the aboriginal people of this country, act immediately and take steps to make sure that those aboriginal languages are protected.

It seems that the minister is operating on the principle which applies to aboriginal people in Canada, that is, first here last served. This principle has to be reversed in the case of aboriginal people. It would have been important for the Secretary of State to stand up and accept this motion and at the same time make a positive statement to the aboriginal people of Canada, first, that he will consult with them on the formation of an aboriginal languages foundation to protect aboriginal

languages and to promote aboriginal languages in the country.

Second, he should have stood up and in a positive way have said that he would support the bill presented to this House in the name of the hon. member for Western Arctic, Bill C–269. He should have said that he would consult with the member who proposed that bill, with the aboriginal groups in Canada who support the bill, and with our caucus which supports the bill. He should have said that he would make sure the heritage languages legislation goes through the House and that Bill C–269 goes through at exactly the same time, and with appropriate funding, so that we can make sure these languages do survive into the 20th century because they are fundamental to the survival of aboriginal culture in this country.

We as a Parliament and members opposite as a government have an obligation spelled out in the Sparrow case and spelled out in our fiduciary responsibility to the native people in Canada to get that kind of legislation through as quickly as possible. It is shameful that a heritage language bill is going to go through this House first, before we have dealt with the founding languages of Canada.

• (1040)

I support both bills, but I think that the government should abandon its principle of first here, last served. We should consider the bill that has been presented to this House in the name of the member for Western Arctic, Bill C–269. That bill should be passed first and then we should pass Bill C–37.

Ms. Ethel Blondin (Western Arctic): Madam Speaker, I commend my colleague from Vancouver on her amendment that Bill C–37 not include aboriginal languages of Canada. I whole–heartedly support this amendment in that all of my life's work prior to coming to the House of Commons has been related to education or the enhancement and revitalization of aboriginal cultures and languages.

I must say that coming to the House of Commons has given me a forum in which I can express politically the views of the aboriginal people as they have been presented to me, because I come from an area that is majority aboriginal and where the aboriginal languages have been deemed official.

In the past, under Secretary of State Serge Joyal, P.C., we negotiated in the Northwest Territories a $16 million aboriginal language agreement with the federal government. This funding will come to an end this year, I believe.

My question to the minister in the body of my speech concerns whether unspent moneys will be reprofiled and whether there will be an extension of this particular funding. This has specific reference to this amendment because aboriginal languages are not specific to a debate in the House of Commons. They relate to the concerns of the over–all aboriginal community. In an area that is predominantly aboriginal, I have to say, it is very important that these people have some kind of feeling as to whether or not their work is going to be able to continue.

There have been some very major steps taken. Anyone who knows the justice system in Canada will appreciate that in an area such as where I come from there are many people who are unilingual. Being served in a non–native milieu or in a non–native environment is sometimes very detrimental in applying the principles of social justice in the courts of law.

The territorial government has amended the Jury Act. To its credit I say that it has amended the Jury Act to include unilingual speaking members. They can now sit on a jury. That is quite profound in that the unilingual speaking members are aboriginal people.

I must say also that I share similar concerns as my colleague, the hon. member for Comox—Alberni, the critic for aboriginal affairs. I have to say that he is quite right. I will take no credit for the basis on which my private members' bill, Bill C–269, an act to establish an aboriginal language foundation, was developed.

That work should be attributed to people like Mary Jamieson and other people from the Assembly of First Nations. However, I did sit on a policy development committee in 1986 and 1987 to assist them in developing a policy for the establishment of this foundation. It was the good will of Mr. Crombie that allowed this to happen.

I must say that there should be no limits set on the amount of money that it will take to preserve the 53

aboriginal languages. If I might, I would just like to say the following in my aboriginal language. That was my first language, taught to me by my grandmother.

[*Editor's Note: Member spoke in Dene–North Slavey.*]

[*English*]

What I have said, Madam Speaker, is that the essence of aboriginal languages is who you are specifically, culturally, and your heart and your mind are spoken through your language. Our language is a living language. It is a language that expresses our psychology. If our languages die or are not able to flourish because we do not have the mechanisms to revitalize them or to enhance them, then the will and the culture of the people die, the spirit of the people dies.

We come from an oral tradition, Madam Speaker. This oral tradition is one that has been carried on for thousands of generations. Does it not amaze Canadians that a member of Parliament can rise in the House of Commons and speak Inuktituk as can my hon. colleague the hon. member for Nunatsiaq, and Cree as can my hon. colleague, the hon. member for Wetaskiwin. It is quite amazing that I can rise and speak in my aboriginal language when those were basically unwritten languages. They have been passed on for thousands of generations from our forefathers. It is a gift, a very special gift, and in order to keep that gift I make this appeal to the government.

Please give unanimous consent for Bill C–269, not to give me profile but to honour the needs expressed by the aboriginal community. They want an aboriginal language foundation because if there isn't one there are only three languages that can survive, Cree, Ojibway, and Inuktituk.

Madam Speaker, may I say to you that our battle has not just been on this front, not just for resources specifically, but constitutionally. I fought hard to get a clause in the Meech Lake Accord that expressed the will of my people concerning their linguistic and cultural rights. It was denied. We worked very hard in the Charest committee to entrench these in the Constitution.

I cannot believe that we can achieve a constitutional balance in Canada with other groups until the government has defined its relationship with the first people. There will never be the kind of constitutional balance that this country needs because it is inherently wrong to exclude the first nations in terms of their languages and their cultures. That is who they are.

Madam Speaker, may I end by saying this to you. If we do establish an aboriginal language foundation, it would be to the credit of the government, to the credit of the various individuals that were involved in doing all of the research and all of the work along with the Assembly of First Nations. It could be a co–operative approach.

Why did the House leader not respond positively when I wrote to him? He applauded in great glowing terms what I was trying to achieve with Bill C–269, the act to establish an aboriginal language foundation, but would not give consent. I cannot understand how that fundamental right, to be able to speak in your first language, can be denied by any government.

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, I do wish to say a few words on this amendment to the act to establish a heritage language institute.

I want to begin by saying that during the last three or four months I have had a very remarkable flow of unsolicited comments to my offices in Trinity—Spadina and on the Hill here, in writing and in telephone calls, expressing almost unanimous support for the general cause of Canada's first nations. Most of comments did not speak specifically about this or that issue, although they were stimulated by the controversy around Kanesatake. They simply asserted a general feeling that the first nations have not had a fair deal and that we have to act now to change that situation.

It is in that context that I want to speak about the amendment of my colleague, the member for Vancouver East, which would insert the words "that the heritage language institute mandate does not include aboriginal languages of Canada".

As has been pointed out, this proposal did not originate with the caucus of which I am a member. This proposal originated with a group such as the Assembly of First Nations. This is their request. I wish that the government would give it more careful consideration than it appears to have done.

• (1050)

I am not an expert on the subject of aboriginal affairs. My wife, Alice, did live for four years at the place she learned to call Caughnawaga. We now understand that its name is Kahnawake or something close to that. Her father was the United Church missionary there and she and her young sisters and brothers, as well as her

parents, lived among the Mohawk people for four years. Her sisters and brothers went to school there with all their schoolmates being of the Caughnawaga Mohawk people. What she understood from that and as conveyed to me over the years, is that the use of their own language was essential for their identity, their self-respect and their survival for what they think they are, one of the first nations of Canada.

An hon. member: In that they are the same as us.

Mr. Heap: My colleague has said that in that they are the same as us. Certainly, as a person of English language origin I feel a very strong need to maintain the English language, but I do not feel it is threatened at the present time.

What has changed to some extent recently and what has impressed me this year is the very strong drive for determination of Canada's First Nations to control their own culture. Sometimes this gets into a discussion of words such as sovereignty, and people wonder if it means control of the army and so on. That is not before us today. There is nothing being proposed by the First Nations in this matter and nothing being proposed by the amendment by the hon. member for Vancouver East that in any way challenges or threatens the responsibility and authority of the existing governments of Canada. Rather, it is the opposite. What many Canadians are now beginning to learn and realize is that it was not properly presented when we went to school 30, 40 or 50 years ago in our Canadian history.

Over two centuries ago, King George III made a solemn agreement with some of the First Nations which has been applied to many of the others, that there would be a fiduciary responsibility, or an obligation to act positively on behalf of the First Nations. This would mean a legal obligation to consult the First Nations when the Government of Canada or any of its subordinate governments is initiating some change in its programs that might affect them. This was an undertaking which is still an obligation to this day of the Government of Canada and the governments of the provinces. It is an obligation which has been grossly neglected or even denied far too often in past years.

When the government talks about the rule of law and law being applicable to everyone in Canada, with no one having the right to take the law into his own hands, it is very unfortunate to see the government doing exactly what it says no one can do, that is, simply abrogating its responsibility in this sense of consulting the First Nations before doing something that would affect the teaching of their language.

Therefore, I believe it would be a small evidence of good faith if the government would listen to the request of the First Nations on this point. These evidences are needed. We heard a speech by the Prime Minister promising to do all sorts of wonderful things for the First Nations if a small band of people at Kanesatake would simply lay down their arms. They have laid down their arms. They are now in the custody, that is those of them who were sought for custody, of the authorities recognized by this government. Now is the time for this government to show its good faith and give unanimous consent. We have heard from the official opposition, the Liberal Party. We now wish to have unanimous consent completed by the government.

In light of the Prime Minister's promises of a few days ago, I ask that the control of the teaching of the aboriginal languages be left with the aboriginal people, to be carried on in co-operation with the Canadian government on a consultative basis, and not to be handed to the bureaucrats of some institution that is now to be created so that may do what they please about aboriginal languages. The aboriginal peoples will have no recognized right in the minds of those bureaucrats to any say in what is done.

Please recognize the kind of desperation that is reflected in the words and in the actions of the First Nations at this time. They feel they are faced with extinction, as has been pointed out in the letter read by the hon. member for Vancouver East. Recognize that and do not exasperate them further. Do not exacerbate their fears further by this quite unnecessary insistence that if the government's appointed officials in this heritage language institution wish to do something or other with the aboriginal languages, they are free to do it. Please respect the rights granted two centuries ago by the King of England, then an authority of this land, and the promises so grandly made by the Prime Minister only a few days ago.

[*Editor's Note: Member spoke in Inuktitut*]

[*Translation*]

Mr. Jack Iyerak Anawak (Nunatsiaq): I am glad to be able to speak to the member for Vancouver East's amendment with regard to the heritage languages. The Inuktitut language must move forward and be alive for generations to come. As my colleague for Western Arctic stated, aboriginal languages are being eroded and therefore need to be encouraged. We have to ensure that future generations keep our language, and through it our culture, alive and well.

[*English*]

Madam Speaker, I am happy to rise today to address the amendment of the member for Vancouver East on the issue of aboriginal languages being recognized in the heritage languages bill.

Although the Prime Minister and the Minister of Indian and Northern Affairs over the last few weeks have been telling the people of Canada how much more they are going to do for the aboriginal people of this country, it just drives home the point that their promises may not mean too much when my colleague for Western Arctic is denied unanimous consent to go ahead with Bill C–269 on the issue of aboriginal languages.

It is an issue too with the government House leader as to what priorities or what recognition aboriginal languages have. It is indeed a very serious issue on the part of the aboriginal people. The issue of language, the issue of being able to move forward with our language is a fundamental part of our culture. I am sure that the House leader would be just as happy if we just went away and did not drive home the point that we do indeed have aboriginal rights.

Madam Deputy Speaker: I apologize for interrupting the hon. member. I am sure he will want to continue his speech after Question Period.

It being 11 o'clock, pursuant to Standing Orders 30(5) the House will now proceed with members' statements.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE SENATE

Hon. Chas. L. Caccia (Davenport): Madam Speaker, according to Rules 49 and 50, at the conclusion of a debate, the Speaker puts the question. If there is uncertainty of agreement, the Speaker asks for the yeas and and the nays and then expresses his opinion as to the result. If two or more express their disagreement by rising, the Speaker calls for a standing vote. The bells are rung, and when the whips enter and indicate that they are ready for the vote, the vote proceeds.

Canadians have a right to know that their rules of voting were broken yesterday by the government in the Senate. It is a shame. It is a disgrace.

* * *

[*Translation*]

THE SENATE

Mr. Guy Saint–Julien (Abitibi): Madam Speaker, I have just been to the Senate. At 10.50 a.m, I saw one senator, Senator Roméo "Lasagna" LeBlanc, take one shoe and bang it on his desk during Senator Lowell Murray's speech.

Madam Speaker, I must say I found this offensive. It was an offensive display by Liberal Senator Roméo "Lasagna" LeBlanc who represents the riding of Beauséjour.

* * *

[*English*]

THE SENATE

Hon. Warren Allmand (Notre–Dame–de–Grâce): Madam Speaker, the Mulroney government will go to any length, including the abrogation of basic democratic and parliamentary rights, to ram through their goods and services tax, the biggest single tax grab in Canadian history.

This tax will raise billions of dollars by taking money for the first time from service transactions and 60 per cent of personal expenditures by Canadians are spent on services, services such as dry–cleaning, transportation,

private lessons, haircuts, taxi fares, amateur sports and recreation, restaurant meals, and funerals to name only a few. This tax is being implemented at a time when we are moving into a recession and energy prices are doubling.

The government has lost all sense of proportion, equity, and sound judgment. The public cannot cope with this massive new tax at this time.

We must do everything in our power to defeat it and that is exactly what our Liberal senators, within their authority, are trying to do. They are not serving their own needs, but responding to the democratic wishes of millions of Canadians.

* * *

[*Translation*]

NATIONAL FAMILY WEEK

Mr. Jean-Marc Robitaille (Terrebonne): Madam Speaker, by maintaining their solid family traditions, our ancestors were able to build this country of ours and transmit to us their strength, their faith, their ideals and their vision of the future, and thus help this country develop and prosper.

In Quebec, we were able to preserve our language, culture and values and remain a distinct society, through our respect for and our pride in our family traditions.

Across Canada, families proud of their very diverse origins overcame their differences and worked together to build a country. We celebrate National Family Week at a time when our country is going through an identity crisis.

Madam Speaker, I therefore urge all Canadians to take this opportunity to share their family traditions and renew those feelings of confidence, unity and pride that form the basis of a country's future.

* * *

[*English*]

LITERACY

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, the Commonwealth Meeting of Ministers responsible for Women's Affairs will be meeting this weekend. The Delegates Handbook, published by our Minister responsible for the Status of Women, states erroneously that Canada's literacy rate is 99 per cent.

The government knows full well over five million Canadians are still functionally illiterate with serious handicaps for employment and this means a great loss of human potential for Canada. It is shameful to state such blatant misinformation to delegates from around the world.

As the International Year on Literacy comes to a close, I ask the government to redouble its fight against illiteracy and sustain funding for community programs.

A good place to start would be for the government to drop its proposed goods and services tax on books. Studies show that illiteracy costs Canada billions of dollars each year and most illiterate Canadians have low incomes. The added cost of the GST will only help to discourage them from learning.

* * *

THE SENATE

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Madam Speaker, a strong and unified country needs a government that is prepared to govern. Democracy is not a popularity contest, nor a monthly poll, or even a referendum. Rather it is the selection and the election from term to term of men and women and political parties to whom a mandate is given to govern. It becomes their responsibility and their duty to do what they believe is right for Canada and for its citizens.

That is why I support our government's resolve to temporarily, at this time, add to the Senate size to ensure that the House of Commons is in control and to insist that the will of the elected members of Parliament will prevail.

That is also why I have come to believe that the Senate badly needs reform to make it elected and effective or, otherwise, to see it abolished as an institution which has outlived its role and its tradition.

* * *

GOVERNMENT OF ONTARIO

Mr. Robert D. Nault (Kenora—Rainy River): Madam Speaker, in *The Financial Post* today, we learn that the newly elected Government of Ontario, the NDP government of Bob Rae, has learned its first lesson, that is, the difference between making promises and governing.

Lo and behold, Madam Speaker, we learn that the rookie NDP Treasurer, Floyd Laughren, is suggesting that he may piggyback the 8 per cent provincial sales tax on top of the Conservative GST. That is shameful.

No sooner do the NDP get elected to govern than the NDP are breaking their campaign promises. Instead of joining the Tories, the NDP should be joining the Liberal Party and, indeed, all Canadians in fighting this tax. It should be joining the court challenge, as the rest of the provinces will be doing shortly.

Madam Speaker, mark this on your calendar as the first broken promise of Bob Rae and the NDP.

* * *

THE SENATE

Mr. Bill Casey (Cumberland—Colchester): Madam Speaker, the sad antics in the Senate last night and today only confirm the need for Senate reform or even abolition.

Yesterday afternoon, the opposition Senate members called a procedural vote and then refused to show up for their own vote. When they lost the vote, the first vote they have lost in 48 years, they reacted by herding the media onto the floor to hold up proceedings even more.

As I left the Senate, a few moments ago, the opposition senators were banging their desks to deny a government member being heard. Such antics would not even be allowed in kindergarten. On leaving the Senate, I could not help but think that I was seeing the demise of a once respectable institution and part of our Parliament which has now degenerated into a circus.

* * *

PARLIAMENT OF CANADA

Mr. Rod Murphy (Churchill): Madam Speaker, never before has the Parliament of Canada been in such a crisis. The government, at various times, has blamed the opposition parties and the Senate and, on occasion, Conservative MPs have blasted, in their words, "the ignorance of the public".

The reality is that Parliament must be reformed. The government has institutionalized closure after limited debate on important and controversial legislation. Conservatives have refused to accept reasonable amendments. They insult witnesses before standing committees. The Chair of the Finance Committee abused the rules to force through the GST. And now, the government intends, at noon today, to reduce the size of the standing committees of the House.

Why would the Conservatives do this without the support of the other parties? Simply put, they wish to retain absolute control of each committee—

Madam Deputy Speaker: The hon. member's time has now expired.

* * *

[*Translation*]

WORLD SUMMIT FOR CHILDREN

Mr. Jean-Guy Guilbault (Drummond): I congratulate our Prime Minister for acting as co-chairman of the first World Summit for Children at the United Nations where the leaders of more than 70 countries gathered to show extraordinary interest in the plight of the poorest children of the world.

The summit was a telling commitment towards world-wide co-operation to preserve our human wealth—children.

There exists a wide gulf between the hopes we entertain for our children and the appalling conditions which are the lot of so many innocent victims.

Each day, Madam Speaker, 40,000 children die of sickness throughout the world, and for millions more life means hunger and violence.

By giving world leaders the common will to face such a challenge, the summit renews our hope that we will eventually eliminate child suffering.

* * *

[*English*]

THE SENATE

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, in the Senate, last evening, Canadians witnessed the destruction of the rules of parliamentary government.

Some hon. members: Shame.

Mr. Milliken: Parliamentary law and procedure are fundamental parts of our Constitution. They constitute part of the rule of law in this country. The authority of

the Speaker of this House and the privileges of the members of this House constitute an integral part of the rights and privileges of Canadians. We are representatives of the people of Canada and, as such, we embody the privileges and rights of our fellow citizens in our great country.

In the other place, their Speaker, appointed by the government, proceeded with a vote completely contrary to the rules. He made the rule of law a laughing-stock. This action constitutes a flagrant abuse of the laws and customs of Parliament. It is a disgrace and I call on the government to remove this Speaker—

Madam Deputy Speaker: The hon. member's time has now expired.

* * *

• (1110)

THE SENATE

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, here are a few headline stories from around the nation that tell it all regarding our Senate problems: "Senate shouldn't stymie Commons", the Halifax *Daily News*; "Shame on you Liberal Senators", Montreal's *The Gazette* ; "Senate shenanigans intolerable", *The Ottawa Citizen*; "Senate actions turn the stomach", *The Calgary Herald*; "Liberal Senators hijack democracy", *The Kitchener-Waterloo Record*; "Democracy is at stake", *The Toronto Sun*; and, "Liberals in Senate using strange logic", *The Financial Post*.

The message across the country is becoming increasingly clear. Canadians do not and will not support the actions of the unelected Liberals in the other place.

* * *

THE SENATE

Ms. Mary Clancy (Halifax): Madam Speaker, I stand proudly today to congratulate my Liberal colleagues in the other place.

Some hon. members: Oh, oh.

Some hon. members: Hear, hear.

Ms. Clancy: In the face of naked tyranny these valiant men and women are performing their constitutional duty and defending the rights and wishes of the overwhelming majority of Canadian citizens who say to all of us: "Axe the tax".

I am particularly proud of the Nova Scotia Liberals who will not sit still for the repudiation of the rule of law and who, with their Scots heritage and Canadian fortitude, will not give in to the nefarious practices of the government.

Nearly 2,000 years ago the Emperor Caligula made an appointment to his Senate. Would that the ancient Romans had Liberal senators to defend their rights. Canadians have their defenders against the Caligula of Baie Comeau.

* * *

THE LATE FRANK LYNCH-STAUNTON

Mr. Ken Hughes (Macleod): Madam Speaker, last Saturday, family, friends, and admirers laid to rest and paid tribute to rancher Frank Lynch-Staunton, former Lieutenant Governor of Alberta and former member of the Canada Council.

Frank was born in Pincher Creek in 1905, months before Alberta became a province. He embodied the values of the foothills pioneers and shared those values with the rest of our nation in his own understated straight talking manner.

As miles of cars and pick-up trucks trailed the hearse up the dusty gravel road to Livingstone Cemetery, one could not help but know that the setting was most appropriate. Even nature paid tribute with a glorious sunny Alberta foothills day and the salute of the eternal southwest wind.

With all the Livingstone Range of the Rocky Mountains as a headstone, with the Porcupine Hills to help keep out the cold north and east winds, colleagues should know, there lies a true Albertan and a great Canadian.

Some hon. members: Hear, hear.

* * *

LEADER OF THE OPPOSITION IN THE SENATE

Mr. Nelson A. Riis (Kamloops): Madam Speaker, we have been baffled in the past by the actions of the Celtic sphinx, but his most recent escapades are beyond comprehension.

Earlier this week, the leader of the Liberals in the Senate, Senator MacEachen, told us that he opposed the

goods and services tax and that he would block it in the Senate. MacEachen is the master of procedure and it was his wily strategy, we were told, that would stop the GST from being passed.

Well, last night, the real strategy became apparent. Down to the wire the Conservatives were posed to bulldoze democracy and ram the GST through the Senate. Where was the leader of the Liberal troops? Where was the master Liberal strategist? Where was the Liberal senator procedural expert? Where was Allan J. MacEachen? He was in Brussels working for the Bank of Montreal.

* * *

FOOD LABELLING

Mrs. Pauline Browes (Scarborough Centre): Madam Speaker, a few months ago, the tragic and untimely death of 15-year-old Robyn Allen of Scarborough heightened the necessity for action concerning disclosure of food ingredients on food packaging.

The Allergy Information Association and citizens across the country are calling on the government to enact regulations to require restauranteurs and food retailers to provide, on demand, a list of food ingredients and additives in prepared foods.

We must do our part to assist those persons who suffer from serious allergic reactions in order that protection for health and safety can be extended.

* * *

POVERTY

Mr. John Manley (Ottawa South): Madam Speaker, as Canadians begin their celebration of Thanksgiving weekend this afternoon, it is important that all of us remember that many Canadians will be hampered in their thanksgiving by sheer need.

In the national capital region alone the Ottawa Food Bank distributed 585 metric tonnes of food in the year ending September, 1989 and 20,000 children live in poverty in the city of Ottawa. Five hundred thousand children in Canada need to look to food banks for their nourishment.

According to the National Council on Poverty in 1987, 57 per cent of all single parent mothers and their children were poor.

This is in Canada, which as we all know is blessed with prosperity in comparison with much of the world, where malnutrition claims the lives of 30,000 to 40,000 people each day.

As members of Parliament, let us not forget the admonition to a new chief set forth in the thousand year old Great Law of Peace of the Longhouse people:

> Look and listen for the welfare of the whole people, and always have in view not only the present, but also the coming generations, even those whose faces are yet beneath the surface of the ground—

As we give thanks this weekend, let us not forget those in need.

ORAL QUESTION PERIOD

[*English*]

THE SENATE

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Acting Prime Minister.

As you said earlier today, Mr. Speaker, we live in remarkable times here on Parliament Hill. All this stems from the arrogant and desperate desire of this government to use any means to force the GST down the throats of Canadians.

I ask the Acting Prime Minister: Why did the Prime Minister, other ministers or officials of his government instruct their appointee in the chair of the Senate to throw the rules of the Senate out the window? Why are they that desperate to ram the GST down the throats of Canadians?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think we should just step back and look at the sequence of events here.

What we have seen over the course of the past number of months is the Liberal senators holding up a number of bills: the bill on unemployment insurance reform, on the goods and services tax, on income tax changes from the 1989 budget, expenditure reductions from the last budget.

The Prime Minister, not in an enthusiastic way, felt it was extremely important to break this deadlock between the House and the Senate. He decided with reluctance to add eight new senators.

What happened subsequently is that once the Liberal senators lost the majority in the Senate, they proceeded to follow procedural battles to deny the right of individual senators to express their views, and indeed to vote on specific issues.

Yesterday, the Speaker of the Senate, after waiting for a good amount of time for the senators to come into the House and vote on a motion that the Liberal senators themselves had put, gave half an hour's notice to the senators to vote and indicated to them—

Mr. Speaker: The hon. minister I am sure is intending to reply to the question, but I think it is perhaps going beyond a reply.

I will hear the hon. Leader of the Opposition.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Minister of Finance has attempted to evade answering my question as to why the Prime Minister directed, or other ministers or officials of his government instructed, their appointee in the chair of the Senate to throw the rules of Parliament out the window, because in directing the vote in a shameful way, that is exactly what happened.

I have here in my hand a transcript of an interview the Minister of Finance gave on national television last Sunday. In answer to questions about the GST and the Senate, he said: "We will be able to get that legislation through. I am not going to talk about it at this point in time, Mike, but we will get that legislation through. We will see certain things happening in the Senate this week."

I ask the Minister of Finance if this is not the smoking gun demonstrating the connection between the desperation of the Minister of Finance and this government, and the unprecedented actions of the Speaker of the Senate. I ask the Minister of Finance again: why are they so desperate to force the GST on to the backs of Canadians that they have instructed the Speaker of the Senate to abandon the rules and traditions of Parliament? Why are they so desperate? Why do they not care about the wishes of Canadians?

• (1120)

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. Leader of the Opposition is really, really reaching far for something here.

Let me ask him a question. He talks about arrogance. It is ridiculous for the Liberal senators to stand up, as the hon. member is also standing up, on their sanctimonious high horse and hold up the rules of the Senate when time and time again, over the last six years, the Liberals in the other place when the rules have not gone the right way, as far as they were concerned, voted to change the rules of the House.

They have overruled the Speaker on a number of occasions and now, for the first time in 45 years, they have lost a vote in the Senate. The arrogance of the Liberal senators is: "If we can't win a vote, we are going to take our marbles and go home".

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, if the Minister of Finance is so interested in the Senate, he should study the Senate rules because those rules permit a ruling of the Speaker to be overruled. That is the case there. The Minister of Finance does not explain why and how the Speaker of the Senate had the authority to ignore the clear wording of the rules of the Senate.

[*Translation*]

Why did the Minister of Finance and the Prime Minister ask and direct the Speaker of the Senate to throw out the rules of the Senate? Why is the government so desperate that it is prepared to ram the GST down the throats of Canadians even though they do not want it?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member referred to rules. I would like to see clearly what those rules are that he is referring to. I cannot read the Leader of the Opposition's mind. There are a lot of rules over there.

The key here is that time and time again, when the Liberal senators did not get their way as far as the rules were concerned, what did they do? They overruled the Speaker. They voted to overrule the Speaker, voted out the rule and changed the rule themselves. That has been done time and time again.

It is a clear responsibility of the Speaker to ensure that the business of Parliament continues. This is what the Speaker in the Senate said there yesterday: "I have taken this decision after much reflection to protect the rights of individual senators to perform their duties". That, I think, is a clear statement of the role and the responsibility—

Mr. Speaker: That certainly is a statement of the hon. Speaker of the Senate. The hon. member for Hamilton East.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the Acting Prime Minister. The Prime Minister poses as the champion of democracy, yet today he supports anarchy. That is what happened last night, nothing but anarchy, so I want to ask the Acting Prime Minister if he is prepared to assume his responsibilities under section 34 of Canada's Constitution Act and remove forthwith the man who behaved so anarchically last night, namely the Speaker of the Senate?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member from Hamilton refers to anarchy in the Senate last evening. I saw what I think all Canadians saw on television of what was happening, grown men acting like children, running around the Senate, inviting the media into the Senate, contrary to the rules of the Senate, as my hon. friend surely knows.

I ask my hon. friend, as I would ask all Canadians: Were you proud to be a Canadian when you saw what was going on in the Senate last night?

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my supplementary is to the same minister. According to the official biographer of the Prime Minister, L. Ian McDonald, it was the current Prime Minister who personally commandeered the Senate appointment by the Right Hon. Joe Clark of Mr. Guy Charbonneau in 1979 and it was in fact Mr. Charbonneau and two others who commandeered Mr. Clark's overthrow.

Some hon. members: Oh, oh.

Some hon. members: Order.

Ms. Copps: My question to the Deputy Prime Minister—

Mr. Speaker: I want to remind the House again of Standing Order 18. I repeat what I said at the opening of the House an hour and a half ago, that these are unusual circumstances that are going on.

This is what the Standing Order says. I know the hon. member will help the Speaker.

> 18. No Member shall speak disrespectfully of the Sovereign, nor of any of the Royal Family, nor of the Governor General or the person administering the Government of Canada; nor use offensive words against either House, or against any Member thereof.

Now, I think the hon. member can put her question without straying into offensive words. That may indeed be a great challenge to many members here, but I am sure the hon. member can help the Speaker.

Ms. Copps: I will remind the House that I was referring to the analysis of the Prime Minister's official biographer.

Deferring to your reference, Mr. Speaker, I would like to ask the Acting Prime Minister, given the close association and obvious strategy being developed together by the Prime Minister and the Speaker of the other place, will the Prime Minister show Canadians that he is prepared to divorce himself from the political agenda of the other place by exercising his authority under Article 34 of the BNA Act and firing the Speaker of the other place.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think that we have to reflect again on what is at stake here. What is at stake is a fundamental, democratic principle which all members of the House of Commons should take seriously and that is the supremacy of the elected House of Commons, the accountable House of Commons, over the appointed, unelected, unaccountable senators in the other place.

I refer the hon. member to what her leader is quoted as saying in *Le Droit* a few days ago. In any case, he claims to have complete control over his 52 senators who have locked horns with the Conservative government over the GST. Mr. Chrétien said, "They'll do what I told them to do".

I ask the member opposite, is Mr. Chrétien responsible? Is he telling those 52 senators to break the rules? Is he telling those senators to—

Some hon. members: Hear, hear.

Mr. Speaker: The hon. member for Yorkton—Melville.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I wonder if the government could end the nonsense happening in this place by bringing in a bill right away to the House, that our party would support, to abolish the unelected Senate in Canada.

Some hon. members: Hear, hear.

Mr. Nystrom: If the government is not prepared to do that—

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

* * *

• (1130)

[*Translation*]

EMPLOYMENT

Mr. Lorne Nystrom (Yorkton—Melville): Like the minister, Mr. Speaker, I am sure you heard this morning that the unemployment rate in Canada has gone up 1 per cent since last year. The unemployment rate in Montreal is up 2.5 per cent. More than one million Canadians are now out of work.

Here is my question, Mr. Speaker. We are now in a recession, so will the minister finally admit that and what does he intend to do for the millions of Canadians who are without jobs, the millions of Canadians who are the first victims of his recession?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I am not sure which question the hon. member wants me to answer. He has asked one question on the Senate and he has asked another question on unemployment insurance.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, the Prime Minister is not here to answer the question on the Senate. If he were here, he should table a bill to abolish the Senate right now. My question is for the minister—

Mr. Speaker: We have a rule in this place that it is not appropriate to comment on the absence of any hon. member, whether it is the Prime Minister or otherwise. I have to remind the hon. member of that. Would the hon. member put his question.

Mr. Nystrom: Mr. Speaker, I want to know from the Minister of Finance on this Thanksgiving weekend, when even food banks cannot feed all the hungry people in this country, what he is going to do for the over one million Canadians who are now without work.

Can he, for example, withdraw the GST—that is the wrong tax at the wrong time—do something for the people in this country who are without work? Will he withdraw that GST now and at least do that favour for those people?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member has talked about the unemployment rate today. The unemployment rate is up but so is job creation. We have more people working last month than was the case the month before.

I draw that to the hon. member's attention because it is this excessive rhetoric about what is happening to the economy which is not helpful in improving people's confidence about what is going on in the economy.

I am not happy about people in food banks. We are reflecting the weakness in the economy, which I have talked about openly in recent months, by a reduction in interest rates that has amounted to over 1.5 per cent over the course of the last three or four months. If the weakness continues, if the inflationary pressures subside, we will see further reductions in interest rates and that will help lead to a stronger economic performance in the months and years to come on a non-inflationary basis.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, the Minister of Finance would not use the word recession if his mouth was full of it.

If this is excessive rhetoric, what does the Minister of Finance have to say to the 115 people who lost their jobs at Dr. Ballards in Mississauga, or to the 94 people who lost their jobs at Fletchers in British Columbia, or to the 200 people who lost their jobs at ICI Canada in Montreal? What does he have to say to those people who are without work and cannot find jobs because of the economic policies of this government?

Will he withdraw the GST, give those people a break, and start concentrating on an employment policy in this country?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have made it quite clear that I am not happy about people losing their jobs. I would like to see a lot of people working and a lot of people getting new jobs.

What I do know and what the hon. member totally ignores in the rhetoric that he uses is that the GST in the province of Quebec, with the harmonization by the province of Quebec, will result in a major boost to new

investment in plant equipment and technology equivalent to a 7.5 per cent investment tax credit.

On the one hand the hon. member pleads about people losing jobs. Why is he at the same time standing in the way of the government doing something which will help create jobs in this country and which international organizations say will help create jobs in this country?

* * *

[*Translation*]

THE SENATE

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Minister of Finance. The Economic Council of Canada has unequivocally condemned the government's fiscal policy. The government has destroyed the confidence Canadians had in themselves and now seeks to undermine the democratic institutions of our country.

How can the minister believe it will be possible for Canadians to regain their confidence now that his government is bent on destroying the institutions on which that confidence must rest?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have listened to the hon. member who is normally a reasonable individual, his excessive rhetoric, talking about the Economic Council unequivocally condemning. It did not.

If the hon. member had read the report of the Economic Council, he would know that it did not unequivocally condemn. The council says that it is supportive of what we are doing in controlling inflation. It is looking for a better balance between fiscal policy and monetary policy, and I agree with that. We are trying to get that better balance, but we are constantly being thwarted by the hon. member and his colleagues from doing the things that are necessary to bring the deficit down.

If the hon. member were serious about the question he was asking, he would say to the senators in the other place to get on with the job of passing Bill C–21 which is a money bill designed to improve our desperate position, Bill C–28 which is a tax bill designed to improve—

Some hon. members: Hear, hear.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, that is absolute bunk. The Economic Council of Canada said that this government is strangling the economy of this country.

As far as what is happening in the other House, for the first time in the history of this country a majority government in power is seeking a *coup d'état* on its own people. That is what is happening.

This government has destroyed the economy. It has destroyed national goodwill. This government has destroyed aboriginal rights, and now it is destroying the rights of Parliament.

The first issue we had to deal with was this terribly unfair tax. Now we are dealing with the future of our country. No tax policy is worth what is happening to this nation. No tax policy is worth submerging the rights of Parliament.

My question, Mr. Speaker: Will you withdraw the tax policy for the good of the nation?

Some hon. members: Hear, hear.

Mr. Andre: That was absolutely outrageous, totally outrageous.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if the hon. member had made that speech back in June, maybe he would have been in a different position.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): He is being just a little bit too self–righteous and a little bit two–faced about what he is saying because if he were as concerned as he says he is about democracy and democratic rights, he would reflect on the fact that the GST was part of the tax reform proposal that we announced in June 1987. It was part of the platform of this party when we went through the 1988 election. We were elected to introduce or to bring into power that platform. Now—

Mrs. Campbell (South West Nova): You wouldn't even debate it.

Mr. Wilson (Etobicoke Centre): The hon. member is saying what—

Some hon. members: Oh, oh.

Mr. Speaker: The question put to the hon. minister was a very vigorous one. I think the hon. minister should be given an opportunity to reply. The hon. minister.

Mr. Wilson (Etobicoke Centre): The hon. member talks about democracy and the rights of Parliament. When a government is elected with a majority, it has a right and a responsibility to legislate its program.

• (1140)

The Senate, which is not elected, which is not accountable, does not have a right to block what the elected government has decided to do and was elected to do. When the senators in the other place without a majority in the Senate block the voting possibilities, block the right of individual senators to vote, that is anti-democratic. When they do not allow simple motions that were put by them to adjourn the House, when they do not allow that type of motion to come to a vote, that is anti-democratic. That is the fundamental principle that we are talking about.

* * *

GOODS AND SERVICES TAX

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is for the Minister of Finance.

Notwithstanding the hypocrisy of the New Democratic Party with regard to its opposition to the Senate and now its favour of the GST as evidenced by the premier of Ontario, I want to remind the Minister of Finance that Canadians are against a tax on reading, are against a tax on restaurant meals, and are against a tax with regard to health care.

Will the Minister of Finance take us into his confidence and tell members of the House and Canadians why the Prime Minister of Canada and his staff have directed their Order in Council appointment in the upper chamber to breach the rules in order to pass the GST tax?

Mr. Speaker: That is an allegation of impropriety of a very severe nature. The hon. minister.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member has no basis for saying what he has just said about the Speaker in the other place. I do not think that there is any justification whatsoever for that type of comment to be made on the floor of this House.

The hon. member has referred to rules, rules in the other place. Time and time again over the course of the last six years when the Liberal senators did not get their way, when the rules of the Senate inhibited them from doing the things they wanted to do, they voted down the Speaker and they voted to change the rules of the House.

When we are talking about, using the hon. member's word "hypocrisy", let me just remind him of what his leader said: "It would be irresponsible for Liberals to promise to scrap Ottawa's goods and services tax without offering an alternative".

We have not seen the alternative, and we have Mr. Chrétien directing his senators to block this legislation without an alternative. That is clearly irresponsible.

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, through you to the Minister of Finance, we would gladly provide an alternative. Just call an election. I dare you.

I am glad the Minister of Finance has referred to hypocrisy again, because we know what the Minister of Finance stated in his recent interview, and I quote: "We will see certain things happening in the Senate this week. More than that I cannot say".

I ask the Minister of Finance to take members into his confidence, to take Canadians into his confidence and explain to this Chamber as to why the Prime Minister of this country has directed an Order in Council appointment to—

Some hon. members: Oh, oh.

Mr. Andre: Order, order.

Mr. Speaker: The hon. member for Saskatoon—Clark's Crossing.

Mr. Gray (Windsor West): Mr. Speaker, this is not the Senate. Order the Government House leader to sit down.

Mr. Speaker: If the hon. minister wishes to respond, he may.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I just want to make one point. The hon. member said: "Call an election". Let me remind the hon. member we did call an election in 1988. I heard the platform of the Liberal Party and one of the first items on the platform of the Liberal Party was: "We will not

introduce the" Mulroney"—I think the words were—"sales tax reform proposal". If they did not have an alternative then, how can we expect them to have an alternative now?

* * *

ATLANTIC CANADA OPPORTUNITIES AGENCY

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, my question is directed to the Acting Prime Minister. Yesterday the RCMP released a statement indicating that they are conducting an investigation into Technotread Tire Manufacturing. Technotread has received over $2 million of federal money.

On May 17 the Minister of Public Works told the Standing Committee on Industry, Science and Technology with respect to Technotread: "If there has been a mistake made, I will take full responsibility for it".

Given the commitment made by the Minister of Public Works, will the government hold him to it and demand his resignation?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, in the absence of the minister responsible for ACOA, I will have to take that question as a representation and will certainly get back to the hon. member with the information he has requested.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, it is a serious matter of ministerial responsibility and a waste of government funds. My New Democratic colleagues raised these grave concerns about these expenditures with the minister on three occasions; in June 1989, August 1989 and before the parliamentary committee. The government has done nothing in the meantime. Why did the government refuse to act to save public money?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the answer to the supplementary will have to be the same as to the original question. I will have the minister get back to the hon. member with the information, if that is what the question is about, about this file.

[*Translation*]

THE SENATE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, Canadians want to know who ordered the Speaker of the Senate to break the rules of Parliament in the Senate. Why this *coup d'état* by a government—

[*English*]

Mr. Speaker: I do not know that anybody established that any order was given. If the hon. member wants to ask the government if an order was given to the Speaker in the other place, that is an appropriate question. The government can answer it, refuse to answer it or give an explanation. Let us put aside the accusations. The accusation is very serious.

What would we do here? What would we do in this place if someone got up and made an accusation that someone, whether it was on the opposition side or on the government side, gave me orders to do something? That is what the accusation is, it is a serious one.

I ask the hon. member to put his question and we can deal with it, but make sure that it is not an accusation. Make sure that it is asking a question.

[*Translation*]

Mr. Gauthier: Mr. Speaker, I intend to.

I would like this government, which is in the process of carrying out a *coup d'état* with its majority and wants to break the rules of Parliament, to tell the House which cabinet minister gave the Speaker of the Senate the order to proceed with this infamous decision.

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let us be very clear with the words that the hon. member has just used. A *coup d'état* is when a minority tries to take over when a majority is ruling. That is precisely what is happening in the Senate right now.

• (1150)

As to the question that the hon. member has asked, there was no directive given to the Speaker of the Senate. What he has said in a letter to four senators on both sides of the House is, "I have taken this decision

after much reflection, to protect the rights of individual senators to perform their duties."

That, Mr. Speaker, in my judgment, is the role and the responsibility of the Speaker.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): I will quote again the minister this week on national television. He said: "We will see certain things happening in the Senate this week. More than that, I cannot say".

I want to tell the government, the Prime Minister, or any minister in that cabinet, using the Speaker of the Senate to give the jackboot to Canadians is wrong.

Some hon. members: Hear, hear.

Hon. William Rompkey (Labrador): Mr. Speaker, you tell us that we cannot use offensive language against members of either House, but what happened—

Mr. Speaker: No, no. Just a moment. I did not say you could not use offensive language. I read the rule.

Some hon. members: Oh, oh.

Mr. Rompkey: Mr. Speaker, what happened last night in the other place was offensive to all of us, and to all Canadians.

Some hon. members: Hear, hear.

Mr. Rompkey: Because he did not answer this clearly earlier on, can the Minister of Finance say now that no member of the government has been in touch with the Speaker of the Senate at any time to advise on strategy with regard to what happened last night. Will he deny that any member of the government was in touch with the Senate Speaker at any time to advise him on the strategy with regard to what happened last night.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if the hon. member was offended by what happened last night, he should reflect on the fact that the circus we saw was produced by Liberal senators and organized by the Leader of the Opposition, I am sure.

It was organized and perpetrated by Liberal senators. They opened the doors of the Senate, called on to the floor of the Senate members of the media, the member for Kamloops—Shuswap and the member for Saskatchewan—I forget his riding. It was these actions on the part of the Liberal senators that, according to the phone calls I have been receiving this morning, have embarrassed Canadians, have shamed Canadians. They say, "What is going on in this country when what we thought was a place of sober—

Mr. Speaker: Perhaps the hon. member could put his supplementary.

Hon. William Rompkey (Labrador): Mr. Speaker, what offends people in northern Canada is the fact that gasoline is going up, snowmobiles are going up, the price of living for people in the north is going to be astronomical as a result of the GST.

Let the record show that the minister did not answer the question. Let me give him another opportunity to answer it. At any time was he, any member of the government or anybody representing the government, in touch with the Speaker of the Senate to advise on the strategy with regard to what happened there last night. Yes or no?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I am advised by my colleague that the advice was given on the floor of the House of Commons.

An hon. member: On the floor of the Senate.

Mr. Wilson (Etobicoke Centre): On the floor of the Senate. It happens that the Speaker of the Senate—

Some hon. members: Oh, oh.

Mr. Wilson (Etobicoke Centre): —if hon. members are not going to allow—

Mr. Speaker: I am going to move momentarily to a single question. The hon. member for Fredericton.

* * *

FORESTRY

Mr. J.W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I would like to change to subject.

Some hon. members: No, no. Come on.

Mr. Bird: Mr. Speaker, I have a question for the Minister of Forestry. There is strong speculation in the forest industry in the Atlantic region that the government is considering termination of the Memorandum of Understanding concerning the softwood lumber export tariff with the United States. As you know, Mr. Speaker, the Atlantic region lumber producing group are exempt from that surcharge.

I would like to ask, because this is very important to the Atlantic lumber industry, what is the status of negotiations to terminate the MOU and can he assure

the House and the Atlantic lumber producers that that exemption will be retained for Atlantic Canada in some form?

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, many of the circumstances and the factors that gave rise to the Memorandum of Understanding with the United States, which was a rather unconventional way to solve a trade dispute, have changed significantly since 1986. It is the intention of the government to negotiate, perhaps, a termination of the agreement over time. Extensive consultation has been carried out with the industry, the provinces, and all the other stakeholders, with a view to reaching a consensus as to the approach that should be taken.

As my hon. friend knows, I met with the lumber producers yesterday and gave them the assurance that they will be involved in the consultations and their interests will be considered and protected.

* * *

[*Translation*]

THE SENATE

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is directed to the Minister of Justice. Considering the degrading and offensive spectacle to which Canadians have been treated during the past few hours in the Senate Chamber, all at their expense, and considering the fact that a bunch of senile old men see themselves as a government in exile, I would ask the Minister of Justice—

Some hon. members: Oh, oh!

Mr. Speaker: Perhaps the hon. member would put his question.

Mr. Lapierre: Mr. Speaker, I did not want to name them, but I would ask the Minister of Justice to take steps immediately, by way of a constitutional resolution, to move the abolition of the Senate in this House. Mr. Speaker, the Minister of Justice and the Minister of Finance keep criticizing the Senate. I think it is high time they did something about it and closed the damned place!

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, as the hon. member is no doubt aware, the demise of Meech Lake has prevented us from introducing these constitutional changes because we no longer have the process for doing so. However, I hope we will be able to find another process for bringing about these changes.

* * *

[*English*]

AGRICULTURE

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, my question is for the Acting Prime Minister. As we head home for our Thanksgiving dinners, it might be useful to remind ourselves that the food producers in this country, Canada's farm families, are in their worst financial situation in 50 years. Piles of grain are rotting on the ground while creditors come knocking on their doors.

Last week the Minister of Agriculture assured us that he recognized the urgency of the situation and was looking at the options. Therefore, I would like to ask the minister, since everybody from Harvey McEwen to Garf Stevenson and from Grant Devine to Wayne Easter have called for the restoration of interest-free cash advances as a first priority, is this, in fact, one of the options which the government is seriously looking at?

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I thank the hon. member for a very good question. As of today there is a working group looking at the Advance Payments and the Prairie Grain Advance Payments Acts. We expect them to have a report available for us shortly. We have a task force working with these people and we hope to have a recommendation very, very shortly.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I think the inference was that, in fact, the restoration of interest-free cash advances might be at hand. Therefore, I would like to ask the parliamentary secretary to assure us that this has nothing to do with the timing of a potential Saskatchewan election. When might the government announce a decision and when might the new interest-free cash advance program be available to farmers?

• (1200)

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I was certain that the issue was dealing with farmers and the plight of the grain producers in the country, and that it had

nothing to do with elections. The government will respond at the appropriate time.

I would hope that he would encourage all provincial Ministers of Agriculture to come forward and help us take part in developing the proper process to give agriculture the safety nets that are certainly required for the long-term continuation of a viable agriculture.

* * *

GOODS AND SERVICES TAX

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, my question is directed to the Minister of Finance.

The central issue for Canadians is the issue of trust. For months and months, the Minister of Finance and the Prime Minister have been saying that there are no alternatives to the goods and services tax.

The Minister of Finance knows that there are many alternatives to the goods and services tax out there, the single tax being one and the Brooks proposal another.

When is he going to start coming clean with Canadians, withdraw the GST, and start studying tax reform that will bring simplicity, fairness, and efficiency to our system?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have said that there have been no realistic alternatives because we have studied Mr. Brooks' proposal and the single tax proposal. They do not make sense. It involves putting a much heavier tax burden on small business.

My hon. friend says that it simplifies the system. It simplifies one aspect of the system in that there is a one-page form, but it omits a number of other schedules to the preparation of the tax which help business people and individuals prepare their tax returns. They can avoid mistakes that are going to complicate the whole situation.

Is the hon. member suggesting that we should increase the tax rates for low income people? Is the hon. member saying that we should increase the rate of tax for small business? Is the hon. member saying we should put a far heavier burden on income tax and remove taxation totally from consumption?

He says that, yes, he would like to do that. That would put a tremendous reduction to the incentive for working, for saving, and for investing in the country. These are things that are very important in the development of this economy.

* * *

MEMBERS OF PARLIAMENT

CONGRATULATORY MESSAGE

Mr. Speaker: I want to change the subject for a moment. I hope that what I am going to do will find favour with the House.

On behalf of hon. members, I want to express our very great regard to one of our colleagues, Mr. Stan Darling, the hon. member for Parry Sound—Muskoka, on his 50th wedding anniversary.

I think this is an unusual and wonderful event.

Some hon. members: Hear, hear.

* * *

PRIVILEGE

REMARKS DURING QUESTION PERIOD

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I gave you notice during Question Period that I want to raise a question of privilege arising out of something that happened during that Question Period just completed.

After the hon. member for LaSalle—Émard finished his question, the camera and the sound cut to you, Mr. Speaker, and your microphone came on. Therefore, the entire country could see and hear the government House leader screaming into your ear. The entire country saw it and heard it. It can be viewed on the tapes.

What the government House leader was saying, in part, was: "Outrageous, absolutely outrageous." I submit what was outrageous was the blatant attempt by the government House leader to interfere with the Chair.

The government may be able to get away with that kind of thing in the Senate, but I submit the government should not be allowed—

Mr. Speaker: The hon. member has raised the matter by way of a question of privilege.

Is the hon. parliamentary secretary seeking the floor?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I think it is very important that there not be left an impression that it is unusual for House leaders of any party to approach the Chair, to discuss what is going on in the House, and to make arguments about procedures. I think to leave that impression on the floor would leave an impression that is both false and misleading.

Mr. Speaker: A very brief reply.

Mr. Gray (Windsor West): Mr. Speaker, there is no doubt that not only House leaders but hon. members approach the Chair. The question is: what was the purpose in the case that I mentioned of the government House leader and what was he saying? The purpose can be divined from the words, the tone, and the entire context.

I say that what we have here is a *prima facie* case of breach of privilege, because the Speaker of this House is the servant of all the members of this House and not of the government House leader or the government.

Therefore, Mr. Speaker, if you find a *prima facie* case of privilege I am certainly prepared to move the necessary motion.

SPEAKER'S RULING

Mr. Speaker: I am going to deal with this as best I can.

First, whatever the hon. government House leader said, it had no influence whatsoever on me and that is also very clear from the tape.

Second, there are times in this place when not just the government House leader, but other members on both sides of the House are given to express themselves in—

Mr. Bosley: Strong language.

Mr. Speaker: I accept the help of a former Speaker of this House when he says strong language. That happens.

All I can say in this matter, and it is clear if one wants to look at the tape, that whatever the hon. House Leader said did not make any difference in the way I conducted the exchange between the hon. member for LaSalle—Émard and the minister. I think that the hon. member would agree with that.

I am sorry. These things happen, but I can tell you I was not influenced in any way that would diminish the dignity of this place or which would have touched on my handling of that particular exchange. After that, I do not think there is anything more than I can say.

The hon. member for Athabasca.

* * *

MEMBERS OF PARLIAMENT

CONGRATULATORY MESSAGE

Mr. Jack Shields (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, you have very appropriately commended Mr. Stan Darling on his 50th wedding anniversary.

I would like to take this opportunity to congratulate Mrs. Darling, but also, with unanimous consent of the House, I think that we should recommend her for sainthood.

Mr. Speaker: It may be procedurally out of order, but we probably would get consent. I think we can say to Mona that we think he is a wonderful guy, but we think that most of the reason for that is because of her.

Some hon. members: Hear, hear!

* * *

POINTS OF ORDER

REMARKS BY MEMBERS

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I have sat in the House during Question Period and I would like a point of clarification from the Chair.

Each time members on our side, or perhaps even in the NDP, have talked about the interpretation of the recently made appointment of the eight senators in the other place, you have stood up and said that they were putting an allegation forth as to how they were appointed.

• (1210)

It seems to me that when there are cases before the court in Canada, when many legal opinions—and you and I are both lawyers and we perhaps have different

opinions on that act—that in the House we should be able to talk about those appointments without being stopped and calling it an allegation as to how the Prime Minister made the appointments.

I would just like clarification. Am I wrong in how I have interpreted your opinion at the time?

SPEAKER'S RULING

Mr. Speaker: I want to respond to the hon. member or South West Nova.

Of course, perhaps she should check the record. I have not stopped questions on the legality or otherwise on the question of legal opinions with respect to the nomination to the other place of eight senators. There has been extensive discussion of that in Question Period.

If the hon. member has got some specific instance where, again as I said yesterday, she feels that I may have erred, then I will discuss it and, if it is important enough, I would give her the chance to raise it as a point of order.

But there has been extensive discussion about whether or not there are legal opinions and who wrote them and where are they. I have not ruled those questions out of order.

Mrs. Campbell (South West Nova): I would just like to clarify one point.

I thought that each time somebody made a reference as to how they were appointed by the Prime Minister in the other place, under that section there was a censure, but maybe I am wrong. I will go back and look at each time where the Chair intervened before bringing it up.

Mr. Speaker: I want to say to the hon. member for South West Nova, who has been here for a good many years and is a long-time colleague of mine, that I would ask her to look at the record carefully.

But certainly there has been extensive questioning and responses to the issue of whether or not as to the legality or otherwise of those appointments. As far as I can remember, I have not put any block in the way of those opinions being asked.

[*Translation*]

PRESENCE IN GALLERY

Mr. Alex Kindy (Calgary—Northeast): Mr. Speaker, my point of order is related to the presence in the Speaker's gallery yesterday of a guest of Canada's Ukrainian community, travelling on a Soviet diplomatic passport, and I am referring to Mr. Viatcheslav Tchornovil, a member of the Parliament of the Ukrainian Republic and President of the Executive Committee of the Legislative Assembly of the Province of Lviv.

Mr. Tchornovil is a well-known dissident who spent 15 years of his life in Soviet prisons because he defended democratic principles.

[*English*]

SPEAKER'S RULING

Mr. Speaker: This is no doubt an important matter and a very distinguished person but I am having difficulty seeing how it is a point of order. I do not think it is a point of order. On the same point, the hon. member.

[*Translation*]

Mr. Alex Kindy (Calgary—Northeast): Mr. Speaker, on a point of order.

Mr. Speaker: On the same point of order?

Mr. Kindy: On the same point of order. I had not finished, Mr. Speaker!

The fact that he was not introduced to the House, Mr. Speaker is a breach of parliamentary tradition. I hope that this omission.

[*English*]

Mr. Speaker: I am not accepting that. I have been trying to make it clear that in a Question Period of 45 minutes, with the competition for time that faces us all, but especially the Chair, I will do the best I can with introductions but they will come at three o'clock or afterward.

That is no disrespect to any distinguished visitor, but my first obligation is to all members of this place. If there was not a recognition, it was because the events of this place were more important. This is the House of Commons of Canada. My obligation is to all members and that comes before polite, courteous, and no doubt very happy occasions when we can introduce distinguished people in the Chamber.

But there are only 45 minutes. This is not a question any more. Members and the public have got to understand this. It is not just the government, Her Majesty's Loyal Opposition, and the other loyal opposition party, the New Democratic Party. There are independents

sitting in this Chamber and all of them are contesting, and rightfully so, for time.

I am not in the position that I was many months ago where I could exercise some latitude. As far as I am concerned, the members come first.

Some hon. members: Hear, hear.

Mr. Speaker: The hon. member has got up on a point of order and I have explained why, regretfully, I could not make that recognition. If the hon. member wants to take it up with his colleagues and change my approach to this, the hon. member has every right to do so. But I insist on putting the hon. members first.

Mr. Kindy: On a point of order.

Mr. Speaker: If the hon. member has got a second point of order I will hear him, but if it is the same point of order, I am not going to hear him. The hon. member.

Mr. Kindy: I have not concluded why.

Mr. Speaker: I am sorry. There is another way to carry on this discussion, and I am prepared to see the hon. member. The hon. member can join with other members and come and see me.

In the meantime, I want to make very clear there is no disrespect meant. If it is impossible, given the exigencies of the moment and the hour, that we cannot get to the introduction. There is no disrespect to anybody. But this is the House of Commons of Canada and the people who are going to get the first attention from this Speaker are the members of the House of Commons.

Tabling of documents.

ROUTINE PROCEEDINGS

[*English*]

QUESTION PERIOD

DOCUMENT REFERRED TO BY PRIME MINISTER

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the other day I gave an undertaking to the House leader of the Official Opposition that I would table the document that the Prime Minister was referring to during the question on hon. Senator Hébert.

I regret to inform the member that we did look through and we do not see the apology, but I will table that document and he can look for himself.

Mr. Riis: I rise on a point of order, Mr. Speaker. I would seek clarification. My hon. friend the government House leader yesterday indicated that a reference that the Prime Minister made to the past Chief Justices of the Supreme Court in the House and he said he would see that that would be tabled. I am curious. Did he have an opportunity to do that, and if not, would he do it as soon as possible?

Mr. Andre: Mr. Speaker, I did indeed make that commitment. I have not had an opportunity to do that. I will do it as soon as possible.

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INTERPARLIAMENTARY DELEGATION

PRESENTATION OF REPORT OF DELEGATE TO CANADIAN NATO PARLIAMENTARY ASSOCIATION

Mr. Bob Hicks (Scarborough East): Mr. Speaker, pursuant to Standing Order 34, I have the pleasure of tabling in both official languages the nineteenth report of the Canadian NATO Parliamentary Association.

* * *

STRIKING

FORTY-NINTH REPORT OF STANDING COMMITTEE

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I have the honour to present the forty-ninth support of the Striking Committee.

If the House gives its consent, I intend to move concurrence in the report later this day. I would ask that we dispense with the reading of that report by the clerk at the table.

I think members should know that this is the first time unanimous consent has not been given. The previous 48 reports were unanimous, the forty-ninth one is not. It is in the House on division. But we were unanimous in asking that the chairman make members aware of one paragraph that is in the report, and I would simply read that paragraph of the report at this time.

> Your committee would like it known that it is their view that standing committees should be encouraged to meet less often as full committees and more often as smaller sub-committees in order to use more effectively and efficiently the members' time.

Mr. Riis: Mr. Speaker, I suspect that you will be seeking unanimous consent as the government Whip has indicated for the forty-ninth report of the Striking Committee. I must say that it is impossible for me, on behalf of the New Democratic Party, to give my consent today. We have many, many concerns regarding the report. I think it deserves much more consideration. I think to be fair, this is a unilateral effort at this point. I would like to think that we can come to an accommodation between all the members of the House and simply not have one more government unilateral decision being foisted upon us.

• (1220)

Mr. Speaker: The hon. member for Calgary West on the same point.

Mr. Hawkes: Just on a point of order, Mr. Speaker. I have not yet asked for unanimous consent. It comes during Routine Proceedings at the point of Motions. If there are argument to be made and you wish to hear them, that would be the appropriate time. Certainly I am prepared to make some if that is your desire at that point, but normally we ask for unanimous consent, and it is given or denied. If we are going to hear arguments, I would be pleased to enter into that situation as well.

Mr. Speaker: Perhaps we should proceed and we will see whether the matter comes up again. The hon. parliamentary whip.

REQUEST FOR CONCURRENCE IN FORTY-NINTH REPORT OF STANDING COMMITTEE

Mr. Jim Hawkes (Calgary West): Mr. Speaker, if the House gives its consent, I am prepared to move that the forty-ninth report of the Striking Committee presented to the House earlier this day be concurred in.

Mr. Speaker: The House has heard the terms of the motion. Is it agreed?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Speaker: There is not agreement.

PETITIONS

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is an honour for me this afternoon to have an opportunity to present a petition on behalf of a number of constituents from western Canada, particularly British Columbia, who point out their concern that the government has decided to attach a tax to reading material, including children's books. The petitioners feel that this is a stupid decision actually and are asking the Parliament of Canada to do whatever it can to have the government return to its senses and not proceed with taxing reading material.

On a second petition, Mr. Speaker, on a different topic but related I suppose, pursuant to Standing Order 36, and again on behalf of constituents primarily from Kamloops this time and from Logan Lake, British Columbia. The petitioners point out a whole set of reasons why they oppose the government's decision to proceed with the 7 per cent goods and services tax. They point out that 80 per cent of Canadians oppose this tax and that it is coming at a time of recession, and are asking that the government not proceed at this time.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to rise to present a petition signed by numerous residents of Mississauga and Streetsville who are opposed to the application of the goods and services tax to books. They in their petition indicate that printed material has been exempt from taxation in this country and, indeed, most of the world for a very long time, they and are opposed to this tax.

They must be appalled that their representative in this House supports the tax and more so at the jackboot tactics used by the government in the other place.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I rise today to present two petitions to this House. One is with respect to the goods and services tax. A number of residents in the city of Moose Jaw have presented me with a petition calling on this government to withdraw this tax. They say it is unfair and they call upon this government to bring in some fair taxation.

Petitions

AGRICULTURE

Mr. Rod Laporte (Moose Jaw—Lake Centre): I also, Mr. Speaker, want to present a petition on behalf of a number of producers from Saskatchewan. These are producers who are concerned about the future of agriculture in Saskatchewan and, indeed, in western Canada and are concerned most particularly with respect to the future of the Canadian Wheat Board. They are upset that the government has removed oats from the jurisdiction of the Canadian Wheat Board. They call upon this government to reinstate oats under the Canadian Wheat Board Act and to give oats and barley the same protection that wheat now has under the Canadian Wheat Board Act, namely that neither can be removed or changed without this body making that recommendation and passing that bill.

BILL C-21

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, it is my pleasure and duty to rise under Standing Order 36 to present a petition on behalf of some of my constituents from the Sweet Bay, Portland, Charleston, Summerville, Clay Cove area. These are fish plant workers in the fish plant in Charleston and they are very concerned about the 14 weeks unemployment insurance that they need to have in order to qualify. There was a meeting of 350 of them not too long ago at which they have expressed their concern.

They have now put it on paper. They are very concerned about what Bill C-21 is going to do, particularly with the government getting out of the unemployment insurance business.

The petitioners humbly pray and call upon Parliament to reject these cuts to the unemployment insurance system and propose more meaningful reforms, concentrate on the labour force development and come up with an effective regional development policy.

FOOD AND DRUG REGULATIONS

Mrs. Pauline Browes (Scarborough—Centre): Mr. Speaker, I am very pleased to present this petition today, which will be the first of many petitions on this subject.

The petition is pursuant to Standing Order 36. The names of the petitioners on all the petitions total some 9,000. Recently, Robyn Allen of Scarborough died as a result of a very serious allergy food reaction.

The Allergy Information Association in metro Toronto and the petitioners are calling upon the Government of Canada to enact legislation amending the food and drug regulations. This is a very important issue.

A number of young people across the country have been subjected to death because of the information that has been lacking in restaurants as well as on packages. I am very pleased to present this petition on behalf of the petitioners.

GOODS AND SERVICES TAX

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, I have the honour of presenting a petition from constituents of mine in and around Saskatoon, Young, Asquith, Cutknife, Warman and Dalmeny and so on who ask that the government reject in the strongest terms the proposals for a goods and services tax.

The petitioners point out that what it does is tax people in a way that does not take into account their ability to be able to pay taxes.

They also decry the government's execution of the tax system which is presently in place whereby those who are wealthy and very well off pay very little tax. Those who are far less able to pay taxes are forced to share the major burden of the tax system.

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QUESTION PASSED AS ORDER FOR RETURN

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, if Question No. 288 could be made an Order for Return, this return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that Question No. 288 be deemed to have been made an Order for Return.

Some hon. members: Agreed.

[*Text*]

ATOMIC ENERGY OF CANADA LIMITED

Question No. 288—**Mr. Caccia:**

For each fiscal year from 1945-46 to 1989-90, have government funds been spent on the nuclear industry in Canada in (a) total grants to Atomic Energy of Canada Limited (AECL) (b) total grants for (i) research and development (ii) nuclear power reactors (c) loans for the construction of nuclear power reactors, less revenues received in payment of interest and principal (d) advertising and public relations for nuclear power and contributions to the Canadian Nuclear Association (e) development of (i) the CANDU 3 (ii) the "SLOWPOKE" reactor (f) research and development, loan forgiveness and subsidized interest rates, tax exemptions and subsidies for operating and maintenance costs for the Canadian uranium mining and refining and heavy water industries and, if so, in 1990 dollars, what amounts?

Return tabled.

[*English*]

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

Mr. Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

THANKSGIVING

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, if I may just quickly bootleg to wish you, your family, the members of the table, the staff who serve this House and my other colleagues in this House a very happy Thanksgiving.

Mr. Speaker: I must say I am touched by those remarks. I thank the hon. member.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Of course, the Opposition supports this initiative, and we also wish you, Mr. Speaker, your family, the Clerk at the Table and his family, and all the pages and members of your staff who help us in the House, a pleasant Thanksgiving holiday weekend.

[*English*]

Mr. Speaker: Perhaps a motion of adjournment is in order.

Some hon. members: Hear, hear.

Mr. Speaker: I have two applications. First, I will hear the hon. member for Kamloops.

* * *

MOTIONS TO ADJOURN UNDER S. O. 52

THE SENATE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, earlier today I provided you with notice that I would rise under the provisions of Standing Order 52 to seek leave to adjourn the House for the purpose of discussing a matter of urgent and pressing concern.

I do not think I need to go into any particular detail. The letter explains the reason. In a very short summary, though, I will simply say that over the last 24 hours, the crisis in the other place has deepened, and I am sure our constituents across the country are confused and angry at the apparent inability of Parliament to function.

Our ability to perform the functions with which the Constitution endows us is being undermined at this present moment. The continued growth of these concerns may result in the complete loss of faith in our political institutions.

In summary, basically all of us are deeply troubled by the situation in the other place. In a sense, the work of the Parliament of Canada—not necessarily the House of Commons—has been paralyzed. I would suggest that, if there ever has been an emergency in the country, it is this.

• (1230)

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I gave you notice today that because of the breakdown of the rule of law in the Senate of Canada, we believe it would be very useful to have a debate on this whole question.

We believe that the ultimate authority on all these questions is Parliament. Parliament right now is paralyzed, and we deplore that immensely. We would hope, Mr. Speaker, that in your good judgment you would give us a chance to try to restore some confidence of Canadians in Parliament and give us a debate later this day.

SPEAKER'S RULING

Mr. Speaker: I am going to respond to both of these applications and I am going to say more than perhaps the Speaker usually does on such applications.

I am very conscious of the fact that the reform committee sometime ago recommended that no reason should be given by the Speaker when responding to these applications. As I had to do a few days ago, I am going to give some indication of my approach to this.

First, as anyone who is watching this place today knows, there is very grave concern here in this Chamber about events in the other place. Within the bounds of the rules that we have to govern us, there has been extensive comment today.

The question is whether it would be appropriate to have an emergency debate today with respect to those events. I have given this very careful consideration today because I have had notice. I am inclining not to accept the applications of the two hon. members at this time, not because this is not a serious matter, but because it is probably appropriate to see if the other place can sort out its difficulties.

I am very conscious that in turning down an application for an emergency debate there must be no confusion in the minds of the public that hears the application and hears my answer that that rejection is necessarily for all time or that it ignores the seriousness of the matter raised.

I know hon. members will understand that it is not particularly easy in a situation like this for the Speaker of the House to make this ruling but I think that today, given events as they presently are, it would be appropriate to see if the other place can resolve its difficulties.

I thank both hon. members for giving me notice. I have taken their applications very seriously.

GOVERNMENT ORDERS

[*English*]

CANADIAN HERITAGE LANGUAGES INSTITUTE ACT

MEASURE TO ENACT

The House resumed consideration of Bill C–37, an act to establish the Canadian Heritage Languages Institute, as reported (with amendments) from a legislative committee; and Motion No. 1 of Ms. Mitchell (p. 13846).

Madam Deputy Speaker: Before Question Period the hon. member for Nunatsiaq had the floor. I will recognize the hon. member.

Mr. Jack Iyerak Anawak (Nunatsiaq): Madam Speaker, I would just like to continue with the amendment of the hon. member for Vancouver East to the Canadian Heritage Languages Institute Act.

I would like to quote from some letters that arrived in my office with regard to the Canadian Heritage Languages Institute Act. This one is from the Inuit Tapirisat of Canada, which is the representative organization for all the Inuit in Canada. I will read part of the letter which was written to the Secretary of State of Canada. It states:

> Unlike other minorities in Canada, we have no homelands in which our language and our culture can flourish, other than the Canadian North. As native people, we have special rights by virtue of our aboriginal status. These rights have been enshrined in the Canadian Constitution and are part of the laws, customs and treaties of the land. Although these aboriginal rights have not been fully defined, it is certain that they will include the right to the protection and enhancement of native languages and cultures.

That is the feeling of the Inuit Tapirisat of Canada and all the Inuit, that aboriginal languages have to be recognized by themselves and not as part of a larger group of languages.

I would also like to read another letter from the National Chief of the Assembly of First Nations to the hon. members of Parliament, which in part says:

> Although we understand Aboriginal languages are not excluded from the Canadian Heritage Languages Institute Act, First Nations do *not* wish to be included in the definition of "Heritage Languages" in Bill C–37. We are the "founding" languages of Canada, and given the precarious future of our endangered languages, require a separate Aboriginal Languages Foundation/Institute.

It is with these kinds of letters and the support that we have from the various aboriginal groups that we press forward not to be included in the Canadian Heritage Languages Act but that aboriginal languages be recognized on their own merits as the founding languages of this nation.

Earlier this year the Government of Canada slashed its funding to the aboriginal communications sector. When that occurred several things happened which cut back on either the education of aboriginal languages through the media or in other ways caused us suffering.

I would again like to refer to a copy of the press release by the Inuit Broadcasting Corporation which is the TV arm of the Inuit Communications Society. It says in the press release issued on February 22, 1990:

> The Inuit Broadcasting Corporation (IBC) may lose more than a quarter of its funding as a result of the new federal budget. The $600,000.00 cut will have an immediate and devastating impact on Canada's leading aboriginal television network.

That speaks for itself. The Government of Canada, through the government House leader, in refusing to recognize Bill C-269, an act to recognize aboriginal languages within the Constitution, is really telling us what priorities it has in terms of aboriginal issues. It tells the aboriginal people that it has put forward the aboriginal issues of the day to recognize the aboriginal peoples' concerns, but it does not want to follow through by recognizing the need for aboriginal languages to be recognized in the Constitution by themselves.

Again, I would also like to quote from a friend of mine, Blandina Makkik, from the Inuit Broadcasting Corporation who calls the $600,000 cut to the Inuit Broadcasting Corporation spiritual genocide, which is very descriptive of how the people feel.

I would like to tell the Canadian people how important it is that the aboriginal languages be recognized because, as everyone knows, language is part of your culture.

• (1240)

I am sure that the government House leader never had to cope with the problem of not being able to speak his own language because he was forbidden to do so, as we were when we were in residential schools or when we were in public schools. I am sure that he never had to struggle with that. I am sure that he would never understand why we feel we have to be recognized separately and on our own. Again I would like to quote an article from the National Aboriginal Communications Society on the issue of cutting back on communications, which reads:

> It is particularly important that Native people have access to communications giving the Aboriginal perspective during a time when such issues as self-government, Aboriginal title and equality rights are being debated.

Madam Speaker, those are the few issues that we have and I thank you for your indulgence.

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Madam Speaker, I am pleased to join in this debate. First, along with the number of speakers who have spoken concerning the importance of the aboriginal languages I want to be on record as stating how important I believe that this is.

Having an opportunity to travel in the Northwest Territories and Yukon during the Charest commission on the Meech Lake Accord—McKenna proposals, it was a great experience for me to sit in the Legislative Assembly of the Northwest Territories where some 27 languages were being translated during the debate. The issue of aboriginal languages is one that is extremely important, but unfortunately this is not the issue we are debating today, although some who may be watching this debate may think that is exactly what we are debating.

What we are debating is an amendment to clause 2 of Bill C-37. I would just like to read from clause 2:

> "heritage language" means a language, other than one of the official languages of Canada, that contributes to the linguistic heritage of Canada,—

That is how clause 2 in part reads and the amendment wishes to indicate that this does not include an aboriginal language of Canada.

I would just like to go back to the history of this clause. We had a lot of discussion in the committee on Bill C-37 about this very aspect of this clause. I am a bit surprised that we are debating it again at report stage, because we had such an extensive debate at committee stage concerning whether or not aboriginal languages should be included as part of the Heritage Languages Institute. When we reflect on the previously proposed legislation, Bill C-152 which was brought before the House of Commons prior to the election of 1988, this bill, practically in its entirety, was brought in, during the last Parliament, and was not passed because of the election.

In that previous proposed legislation aboriginal languages were not included. It was not stated whether they were included or not included; it was not mentioned. Then when we got to committee on Bill C-152, the Liberal Party and the NDP were insisting that aboriginal languages should be included. In fact they made a number of motions and at report stage a Liberal member amended the bill to say that the retention and use of languages including native and aboriginal languages should be included in this bill.

So here we are: we introduced this Bill C-37 into this Parliament. We have gone through committee stage. We have had extensive discussion about it. Now the Liberals and the NDP have completely reversed themselves from what their position was just a short time ago. I am

actually quite surprised that they would make such a big change in their position in such a short time.

I want to state briefly the purpose of this institute. What is this institute supposed to do for heritage languages? Well, it is supposed to promote and develop the field of heritage language learning in Canada. It is to undertake public education, and develop and disseminate Canadian oriented learning materials, assist in the development of programs to improve standards of heritage language instruction, and carry out research activities of importance to heritage language learning in general.

The institute will be established in Edmonton and will work closely with organizations, individuals, and groups from across the country, consulting with community-based organizations, educational institutions, and the provincial and territorial governments to ensure that all those who are concerned with heritage language training benefit from the activities of the institute.

This will be a charitable foundation as well as being supported by the Government of Canada. It will receive financial support from the private sector. We hope that everyone involved will be very much into making this institute the tremendous place that we think it is going to be in order to have the heritage languages expanded.

I understand what the member for Western Arctic is saying concerning Bill C-269. I wish we were debating Bill C-269 right now, but we are not. However, I think it would be very valuable to have the merits of Bill C-269 debated but unfortunately that is not what is before us today. What is before us is whether we are actually going to bar somebody from being part of the heritage language institute.

The bill states that heritage language will mean language other than the official languages that contribute to the linguistic heritage of Canada. Therefore, we do not want to exclude anybody. It does not necessarily include everybody. We have not named all the languages, but it is open-ended. If groups want to come to get research material, there will be an opportunity to do it.

Madam Speaker, I believe that the way the bill as amended in committee now stands before the House is the appropriate definition of heritage language.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I feel privileged to participate in today's debate on an act to establish a Canadian Heritage Languages Institute and particularly to follow the very thoughtful amendment of my hon. colleague from Vancouver East which suggests that we amend the bill by saying "Canada and does not include aboriginal languages of Canada".

I really want to associate myself with the comments made by my hon. colleague from Vancouver East as well as my colleagues from Comox—Alberni and Spadina on this issue because it seems to be totally inappropriate that we would not include those languages of our first citizens in with heritage languages generally.

To make my point, I want to quote from Mr. Phil Fontaine, the provincial leader of the Assembly of Manitoba Chiefs, who on July 14 of this year said the following: "We, the original people of this country have inherited through the oral traditions of our forefathers 55 distinct original languages. Fifty-two of these original languages of Canada are now on the brink of extinction. Unlike you," meaning the non-aboriginal peoples of the country, "we cannot retrieve these languages from our mother country. Our mother country is Canada. What we lose in Canada we lose forever."

I think that we really have to reflect seriously on what appeared at least in the beginning to be the government's motivation to include with Italian, Norwegian, Danish and German, 53 aboriginal languages to be considered heritage languages.

Regardless of what we might do to our national heritage in terms of language, myself being Norwegian, we can always go back home and learn the language, or be introduced again to it.

• (1250)

We cannot do that with aboriginal languages. This is their home. This is the only place in the world where they exist. I feel particularly strongly about representation. A group of us, members of Parliament from the interior of British Columbia, met recently in the great city of Vernon. At that meeting we were privileged to welcome four of the native chiefs of our region. They explained their concern about their language. This is the Shuswap language, Madam Speaker, a name that you are

very familiar with yourself. It is one of the many languages we find in British Columbia.

I am pleased to say when I look at the list that there are 2,000 individuals who are presently speaking the Shuswap language. As the provincial leader of the Assembly of Manitoba Chiefs indicated, it is not one of the languages that unless something is done will not be preserved beyond the next decade or so. As a matter of fact, as I said earlier, only three of the 55 languages will remain in place unless some action is taken.

What action are we requiring? We certainly are going far beyond the suggestion of an institute. I suspect that we are getting very close to the point raised by my hon. colleague for Western Arctic in Bill C-269—which, of course, we support—calling for an aboriginal languages foundation.

The assumption we all make is that this is going to require some investment so that native people across our great country will have an opportunity to develop the necessary learning materials, provide the necessary learning infrastructure, so that young and old alike will be able to learn and become fluent in their native language. I think this is in the spirit of our country and something that we certainly ought to do as expeditiously as possible for Canada's first citizens.

I know in Kamloops the Shuswap Tribal Council has made tremendous gains in developing curriculum for kindergarten and grades beyond, in terms of the language classes as well as a cultural introduction to the reality of the native experience in central British Columbia.

The initiative the government is taking regarding Bill C-37 is one that we support obviously because of its encouragement and development of Canada's heritage languages. But again, as this amendment makes very clear, we certainly do not want to exclude the aboriginal languages of Canada from that consideration. We want to set aside a major initiative to ensure that language becomes our preoccupation in terms of assisting aboriginal people across the country. We want them to develop the necessary infrastructure to develop their own languages which will enable them to build their cultures with strength and on a good foundation.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: The question is on Motion No. 1 standing in the name of the hon. member for Vancouver East. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Some hon. members: On division.

Motion No. 1 negatived.

Ms. Margaret Mitchell (Vancouver East) moved:

Motion No. 2

That Bill C-37 be amended in Clause 6 by striking out lines 37 to 40 at page 3 and substituting the following therefor:

"mendation of the Minister from nominations made by organizations and institutions concerned with the teaching of heritage languages."

She said: Madam Speaker, I am pleased to be able to speak briefly to this second amendment which we have put forward. This recommendation relates to the board of directors of the proposed Heritage Languages Institute. The original motion in the bill says:

> The activities of the Institute shall be managed by a Board of Directors consisting of a Chairperson and not more than twenty-one other directors, to be appointed by the Governor in Council, on the recommendation of the minister, after the Minister has consulted such governments, institutions, organizations and individuals as the Minister considers appropriate.

Our feeling is that this part of the bill, clause 6.(1) actually allows the minister and the Conservative Party to do what they always do and what they are doing now in the Senate, that is, to make patronage appointments to a new institute. I do not like to suspect ulterior motives but it seems the way the government has gone about establishing this whole institute, while taking away funds for all community programs for heritage language, really smacks of a political motivation. I am surprised that the Conservatives would do it in this way. This clause also allows the minister to recommend people to the cabinet who would then make patronage appointments and we can expect that they would largely be Conservatives. They would then go to the electorate and say, look at the this wonderful thing we have done for the heritage languages in Canada.

Our amendment is to change the process for appointing members to the board to make it far more democratic, more practical and efficient. We think it is up to

institutions and organizations that are directly concerned and have expertise in the field of heritage languages as well as colleges that teach the languages for example, and community programs that have experienced people to nominate candidates for the boards so that they are experienced people who are not partisan and who are being appointed because of their expertise. It would also ensure that there would be regional representatives. Many witnesses at the committee wanted this as well.

I would hope that this change would be supported, particularly by the government because it would show its intention to make this a solid, democratically-appointed board rather than patronage appointments which is very usual from this government.

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Madam Speaker, this particular section of the act, clause 6, relates to the board of directors which will actually be there to direct the activities of the Heritage Languages Institute. There will be 21 directors that will be selected from across the country.

Let us reflect for a moment on what is in the bill. How will these people be selected? They will be selected after and in such consultation with provincial governments, institutions, organizations and individuals. All those people will be consulted. It is important to read that with clause 6.(2) of the bill which says:

> (2) Persons appointed to the Board must have knowledge or experience that will assist the Institute in fulfilling its purpose.

I think the amendment is looking for persons to be representing organizations and language schools. Because of the vast numbers of organizations and schools that we have, we could not have all these organizations represented because we have 21 directors.

• (1300)

What we need is to have an opportunity for the minister, after consultation, to appoint those persons with experience and knowledge. Geographic representation, as the member has suggested, would be taken into consideration, as well, in order to have people with a broad spectrum of skills and expertise to make this institute the tremendous organization that we believe it will be.

[*Translation*]

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, I welcome this opportunity to speak in favour of the amendment in the name of the hon. member for Vancouver East. We have no other choice but to support it. How can we guarantee fairness and, above all, professionalism and impartiality, in an institute where the members of the Board of directors are to be appointed on the recommendation of the minister?

Does this government intend to do what it did in the Senate and appoint its friends, who will have to respond to the priorities determined by the minister?

Madam Speaker, the institute should be able to make its own appointments, after consultation, of course, with cultural communities and teachers. I say this because they are in a position to select the people they believe are most competent and capable of performing their duties, and do not need the government's official or informal approval. I therefore support this amendment.

[*English*]

We have already seen evidence of great government partiality in the nominations of the members to a recent multicultural commission. Some of the members on this particular cultural commission are in absolutely no way linked or connected to any large national cultural bodies. Some, I believe, are really hacks.

Mr. Karygiannis: Hacks? Shame!

Mrs. Maheu: I would even go so far as to say they represent only themselves, or perhaps the minister. They have never been involved in some instances in any way, shape, or form with any cultural community.

The bottom line on this whole institute makes one wonder if it is not a political candy to Edmonton. That is why we, as Liberals, on this side of the House are supporting the amendment of the hon. member for Vancouver East.

Mr. Karygiannis: Madam Speaker, my colleague from Scarborough Centre made a comment that I could not hear, but let me reassure my colleague that my constitu-

ency assistants are also working on the problems of Scarborough Centre.

I would like to point out that I am in support of the amendment for a number of reasons. Being an ethnic myself, I have seen this bill, and after reading it very closely and seeing some of the members in action outside the House, basically and practically, the 21 directors will be political appointees. The 21 directors will be fulfilled by Tory supporters. The 21 directors will be fulfilled by who the government wants to place.

We have seen clearly that the government, beyond any doubt, uses its power to fulfil and do whatever it wants. It appointed eight senators only last week where clearly the people of the country do not want the GST. They have put the boots. This government, beyond any shadow of any doubt, will use these 21 appointments as political candies to some political hacks—

Mr. Milliken: You mean these hacks? Shame.

Mr. Karygiannis: —for some leaders of ethnic communities who have no respect whatsoever—

Mrs. Browes: You're insulting people.

Mr. Karygiannis: Oh, my colleague from Scarborough Centre said I am insulting. Well, I am glad she is saying that because I am an ethnic and I know that the political appointments of the government from the ethnic communities are real shameful.

Mr. Hudon: No, sir.

Mr. Karygiannis: Oh, there is that—well, here we go. They are saying no, sir. Well, Madam Speaker, I can speak to you from firsthand experience.

Some hon. members: Oh, oh.

Mr. Karygiannis: The government and the Minister of Justice on that side say they were not Tories and now they are going to become Tories. Really, Madam Speaker. This just makes me want to jump to the ceiling. I know it is very far up, but the past record of this government sometimes makes me feel ashamed to say that I a Canadian with strong ethnic roots. The government is using the ethnics as lollipops and that is what they are going to do out in Edmonton—

An hon. member: And it's going to cost them.

Ms. Campbell (Vancouver Centre): Let's talk about the leadership campaign.

Mr. Karygiannis: Oh, the Minister of Justice says: "Let's talk about the leadership campaign." And I am glad she said that because the ethnics of Ontario and the country clearly supported the Liberal Party during the leadership campaign, and they were so ashamed.

I met people in Sarnia. I met people in Windsor. I had the opportunity to travel the great province of Ontario and person after person told me that what the members across are trying to do was so shameful that it is incredible. They want to stick out a political lollipop in front of the ethnics and it is shameful. Therefore, I have no alternative but to support the amendment.

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, in addressing the amendment now being debated, I want to speak very briefly on it and say only two things. I want to note the great participation of members from the great city of Scarborough here today.

The mechanism that has been proposed by this amendment is a commendable one and one that conceptually has been addressed by no less than the Prime Minister himself in considering the issue of prospective appointments to the Senate. The mechanism was referred to in the Meech Lake Accord and it involves nominations or appointments by the government from a list supplied by, if I can use the term, the client group.

I cannot think of a better mechanism which would both purge any appearance of patronage that might be there in any particular appointment and at the same time serve to democratize further or bring the level of appointment making back toward the street, back to the people, the client group, who have need of the organization. For those two reasons I am in support of this amendment.

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I also support the amendment by my colleague from Vancouver Centre and I think it is—

Ms. Mitchell: Vancouver East.

Mr. Skelly (Comox—Alberni): Vancouver East, sorry. I thought Vancouver Centre would be wise enough to support it but I may be wrong.

The reason I support it is that the method of appointment suggested in the bill is kind of the Tory top-down system of governing in Canada that I think has led a lot of people to be cynical about how government handles itself in this day and age. I think a lot of people are cynical and a lot of people are disillusioned about how government handles itself.

These kind of appointments come from the top down. They tend to be political appointments. They tend to be people who do not represent the grass roots. They tend to be people who in many cases are not even familiar with the organizations that they are supposed to be serving or with the issues they are supposed to be serving.

I recall a recent issue of *The Ottawa Citizen* that reported that in a single day the Government of Canada made a 108 patronage appointments. The article went through the resumes of some of those people and found out that, while some of them had a remote connection or were reappointed to an organization that they had served on before, a substantial number of those people were simply political hacks and flacks and not the best people available to serve the interests of Canadian citizens or, in this case, the ethnic groups or the linguistic groups who need to be served by this heritage language legislation.

• (1310)

It is long overdue that we change in law the way that we appoint these people. The way we should appoint these people is to make them responsible to the groups from which they come and that they be nominated or selected from the groups from which they come and the groups which they serve. This bottom-up approach is the approach we should be looking at if we are trying to restore credibility in government. If we are trying to restore confidence in government and in institutions such as the one we are setting up here, the Heritage Languages Institute, then we should really be setting up a structure and a process in this legislation which allows nomination of the people who are going to be serving on this board from the representative groups, from the groups that they are going to be serving, rather than having the campaign managers from the last Tory campaign or the wives or husbands of former Tory members of Parliament, as we saw in that article in *The Ottawa Citizen* a few weeks ago. Let us have people who really know the field that they are working in. Let us have people who really understand and know the constituency that they are serving.

I think that the suggestion by my colleague from Vancouver East is the kind of process that is going to result in that happening. What we will have if we adopt this amendment and adopt this process is an institute that we can all be proud of and that the people who will be served by this institute can also be proud of, have confidence in, and appear themselves to be stakeholders in.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Some hon. members: On division.

Motion No. 2 negatived.

Hon. Gerald S. Merrithew (for the Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)) moved that the bill be concurred in.

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

Some hon. members: Agreed.

An hon. member: On division.

Motion agreed to.

* * *

[*Translation*]

CRIMINAL CODE

MEASURE TO AMEND

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved that Bill C-54, an Act to amend the Criminal Code (joinder of counts) be read the third time and passed.

She said: Madam Speaker, I want to thank all parties who made a contribution to the consideration and drafting of this bill at all stages. More specifically, I would like to thank my former opposition critics, and I

hope to have the same satisfactory relationship with the new critics.

[*English*]

This bill comes as a result of the Supreme Court of Canada decision in Regina *v.* Vaillancourt. I hope that, through these amendments, justice will be expedited and, that the modernization of this law will bring it into line with today's requirements.

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, it was a very brief and succinct address by the Minister of Justice.

The bill we are debating here is itself a rather brief and succinct bill. One might say it was a simple housekeeping bill in relation to the Criminal Code, but I am afraid that it is never possible to call amendments to the Criminal Code simple housekeeping. In that act, we address issues and procedures that belly up right against our rights and freedoms as citizens, and our conduct among each other in a civilized, ordered society.

I feel that it is necessary to address each of the amendments as proposed albeit that they are short and brief.

The first amendment proposed by the government deals with the deletion from the code of subsection 230(d). That subsection is one of four constructive murder charges currently in the Criminal Code.

After due consideration, the Supreme Court of Canada has ruled that that section varies or conflicts with our Charter of Rights and therefore has been struck by the courts from the code. Today the government is asking and has asked in this bill that the section be formally deleted from the code.

The only issue that arises in relation to this action by the government is whether or not the government should have addressed removing or deleting subsections (a), (b) and (c) of the same section, because those subsections deal with the same issue of constructive murder from different perspectives.

Having read judicial comment of the last few years, I think it is fair to say that constructive murder, no matter what perspective it comes from, is going to be a difficult debt with the rights and freedoms set out in our charter.

There are existing before the high courts in Canada appeals dealing with various of these constructive murder subsections, and the court will make a ruling. The real issue here—I have simply raised the flag—is whether or not the government might have shown a bit more leadership in addressing head on those rights and freedoms, those charter issues related to subsections (a), (b) and (c), dealt with them now, got them out of the way and saved the courts a whole lot of time.

The flip side of that coin is that we as legislators may well benefit from the judicial interpretations that we will be offered from the courts over the next few months. That may help the Minister of Justice, the Department of Justice and members in the House to reach better and more informed conclusions on those subsections.

Moving on to the second part of the bill, an old rule that had been imposed ages ago prohibited the joinder of a murder count with a count alleging another indictable offence. In the old days, I guess that was quite a fair rule because in the old days a conviction for murder, nine times out of 10, resulted in some pretty dire consequences. The world has changed, we have changed and while in many cases the consequences for the convicted may not be so dire, in terms of capital punishment, there is a sense that we are more capable of dealing with the sophisticated legal issues that lie behind the law as it relates to murder and the procedures related to prosecutions for murder.

• (1320)

So that old rule which says you cannot join any count with a murder count will now be changed to the following: in practical terms, where the murder count arises out of a fact situation where another offence may have been committed, the Crown may join the murder count with a count alleging another offence. Second, where the accused, himself or herself, consents to having the murder count tried with other counts, whether or not they arise out of the same fact situation, the joinder may take place.

The first real reason that brought us all to address joinder, notwithstanding the old rule, was the appearance of cases of failures to complete prosecutions, failure to complete the delivery of justice, as a result of the non-joinder rule. As a result, there was a feeling that the courts, the system, the taxpayer and the accused could all be better off if the courts were permitted to try murder and other counts together. All of the witnesses would be brought in and the facts set out, thereby precluding the need for subsequent trials or breaking

trials up into sections with witnesses having to attend much more frequently.

The efficacy reason prompted the review of the rule, the Law Reform Commission did some excellent work reviewing it, the issue has been canvassed by academics, the courts and lawyers, and the net result is that there seems to be, on balance, a feeling that the old joinder rule should be abandoned.

The major alleged problem with abandoning the non-joinder rule is that accused may be prejudiced by this. Of course, that was an argument in why the non-joinder rule was there in the first place, but we must point out that in every single case where a murder indictment is prosecuted, an accused has the right to ask for severance of the counts. There is not likely a judge in this country who is not aware of the significance of possible prejudice to an accused in a murder trial and there is not likely a Crown prosecutor in the country who is not aware of that. At the commencement of each murder trial, there is that opportunity for the accused and his or her counsel to raise that with the trial judge and, if the trial judge believes that prejudice may occur, severance can be ordered and the trial for murder may proceed on its own, without the joinder with other counts.

We in the opposition, having stated that we have looked at these concerns, feel that on balance we can support this bill brought forward by the government.

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I rise to speak on this bill, which has been handed to me just recently, and to deliver my first speech as new justice critic for the New Democratic Party. The bill is now at third reading. I want to, first of all, say to my friend opposite, the Minister of Justice, who comes from a riding near where I live, that I will try to be as constructive as possible in dealing with justice matters. I know that we are dealing with some very important issues here for people in Canada. We both respect that. I may disagree with the minister, but I respect her a great deal. That is the nicest thing I am about to say about her ever. Now I will get on with the bill.

As I understand, Bill C-54 was tabled on December 14, 1989. It was approved in principle by the House at second reading. It went to committee. I have had a chance to look at some of the committee hearings. It is now back to the House for report stage and third reading. I believe we are now on third reading.

The bill would amend the Criminal Code of Canada, the Criminal Code of course being the book that has all the criminal laws in Canada. It applies throughout the country, criminal law being a federal matter.

The government, of course, has to update the Criminal Code regularly, and now even more so in response to judgments of the courts which under the Charter of Rights can declare sections of the Criminal Code unconstitutional. Part of that aspect is involved in the government response in this bill.

Clause 1 of Bill C-54, as I understand it, would repeal one of the prescribed elements for constructive murder under section 230 of the Criminal Code of Canada. Clause 2 would revise section 589 of the Criminal Code in favour of a less restrictive regime for the joinder of counts where murder is charged.

I want to briefly deal with both of those changes. First, constructive murder. Section 230 of the Criminal Code, as I said, sets forth the offence known as constructive murder. It has been defined as a death that occurs in connection with the commission of a criminal offence. It is construed as having been intentional even though, on the facts, the accused did not mean the cause of death. Let me try and explain that in lay person's terms, if I might.

To be guilty of murder, you have to cause death. You have to intend to cause death. It is a very simple principle in criminal law that you have to do the act. In Latin that is called the *actus reus*. You also need to have to intention to do the act. That is called *mens rea*, your mind. You have to put your mind to it. It is quite simple. You have to do the act, and you have to intend to do the act.

Let us take a situation, God forbid, where my colleague and I decided to commit a robbery. We sit and plan the act of the robbery. We do the act of the robbery, and we intend to do the act of the robbery. During the act of the robbery, I have a gun. It is an armed robbery. Someone interferes or intervenes, or something happens, and I shoot someone in the course of the robbery, like someone in the bank, for example. That person is

killed. I, on those facts, would be guilty of murder. I intended to do the act. I did the act of murder.

My friend was there for the robbery, but he did not intend to do the murder. Under this section of the code he in fact could be guilty of murder as well because he is constructively said to intend it. By the mere fact of participating in the armed robbery, he is thought of as having maybe thought that there could have been a possibility that the gun would be used and someone would be killed.

I was a criminal lawyer at one point in my checkered career. We always felt very uncomfortable with this section because people could be convicted of murder even though they did not intend to do murder. That is against the basic principles of criminal law.

I will give another example which the Library of Parliament has given us in a little different way. It said, for example, that it would be described as constructive murder within the meaning of section 230 if a perpetrator, while fleeing the scene of robbery, dropped his weapon, which accidentally went off and in the process killed an innocent bystander. It is another example of where one did not really intend to kill the person but it happened in the course of a criminal act. That was a lay person's description of how this section works.

• (1330)

The Supreme Court, in the case of Vaillancourt *v.* the Queen, in fact threw out this section, and I think quite properly.

It seems to me there is a problem with the bill. The question arises: Are there other sections of this particular section of the Criminal Code that the court might also throw out? I believe—and the minister can correct me if I am wrong—that the bill only deals with section 230(d). That is only one section that deals with constructive murder.

I believe there are other cases before the courts, and again the minister can correct me if I am wrong. What happens if the other cases are thrown out? Will we have the same problem with the other sections of the bill? Will we have to come back to Parliament to deal with it? Perhaps we should deal with it all now.

The Law Reform Commission of Canada in its 1984 publication entitled *Homicide, (Working Paper 33)* stated that it found the whole section 230 is objectionable and should be abolished, and I quote:

> To treat an unintentional killer as though he intended to kill involves the criminal law in artificiality and fictions and in the injustice of not treating significantly different cases differently.
>
> We think that constructive murder should be abolished, that the rules contained in paragraph 212(c) and section 213 (now paragraph 229(d) and section 230) should have no place within our criminal law, and that killings where death is neither intended nor foreseen should be excluded from the category of "intentional" homicide whether or not they are brought about in furtherance of some other offence.

They made the following recommendation:

> "Intentional" homicide should apply only to killings done with actual intent to kill, and cases of constructive intent should be excluded from this category.

My point is that this bill does not exclude all the possible cases of unintended murder. My position is, along with the Law Reform Commission report, that intentional homicide should only apply to killings done with actual intent to kill, and cases where we have constructive intent should be taken out of our law. I think it is bad law and always was bad law. That is my first point and that is one of the reasons why we will not be supporting the bill. However, I understand that the bill could pass today on division.

An hon. member: Soon.

Mr. Waddell: The member says: "Soon", but I want to explain to the member—and I am trying to do it in very simple language—what is involved in a very complicated bill.

The House will recall that when I started my speech I said that there were two points to the bill. Let us deal with the second point. The second point is that the bill would revise section 589 of the Criminal Code in favour of a less restrictive regime for joinder of counts where murder is charged.

Here is the problem, and maybe I can make it simple—there can be a prejudice to the accused if one joins a murder count with a lot of other counts because murder is so bad and looks so bad to a jury that the jury can be prejudiced. This is what disturbs me about this section.

I have a legal opinion from the firm of Rosen and Fleming, barristers in Toronto, that was obtained by my

predecessor, the hon. member for Burnaby with respect to this bill. I just want to read what these learned lawyers have said. I will just read this section:

> If the proposed legislation is passed, the above general principles relating to the joinder of counts generally will apply. A person accused of murder will have the same onus to demonstrate a manifest need for severance. However, since the proposed legislation requires that in such cases the other offences to be added to the indictment must rise out of the same transaction, and because it follows that evidence concerning one offence will probably be admissible on the others because they are so related, it will be virtually impossible for an accused to meet the onus. If convicted, the rights of the accused on appeal will be subject to the limitations noted above of appellate review of the exercise of judicial discretion. The protection of severance cited by the proponents of the amendment is illusory at best.

It continues:

> Proponents of the amendment suggest that the accused will suffer no prejudice by joinder of counts since, if convicted of murder and any other related offences, the convictions for these other offences may be stayed pursuant to the decisions of *Kienapple v. R.* and *R. v. Prince* or the sentences imposed for them will be concurrent to the mandatory life sentence which follows the murder conviction. This position totally ignores the potential for prejudice *at trial* which comes from the overloading of an indictment.

Here are four examples of how the prejudice arises, but let me just go back a step. If someone gets charged with some offences, there is an indictment preferred by the Crown, Her Majesty, an indictment. It is take to court and the person has to answer to the indictment and is read the indictment.

I was in court in Vancouver just recently in the Inderjit Singh Reyat trial, the trial of the citizen who is accused of making the bomb that went on the CP flight to Tokyo which blew up and killed two baggage handlers in Tokyo; a real tragic case. The trial is being held right now in Vancouver, as I speak. Mr. Reyat was arraigned before the court and an indictment was read. There were a number of counts on that indictment: you are charged with this, you are charged with that, you are charged with this, how do you plead. What we are talking about in this clause of the bill is how that indictment works.

What could happen is that someone appears before the court and is charged with a number of offences. The defence counsel on behalf of the accused could stand up and say: I move that we sever one of the counts off, that we have another trial at another place or at another time on this particular count, and that we proceed in this trial with these counts. The reason a severance is allowed—it is at the discretion of the trial judge usually—is that it is allowed because it may prejudice the accused or prejudice a fair trial.

I think we have the best system known, so far invented in the world, for criminal justice. It is not perfect, but it is an ancient and honourable tradition in the British system that has been developed. That is why these matters are so important, and this deals with severance.

Here is the legal opinion that I was citing. Here is what they say were the problems with this section. I put it forward for the consideration of the Minister of Justice. It reads:

> (a) The jury will be distracted by the numerous other counts included in the indictment and will fail to appreciate the importance of what is at stake in the murder charge.

This is putting a murder charge with a whole bunch of other charges: robbery, assault, whatever. The first point is that the accused to be prejudiced because the jury will look at all these other counts and it will not totally focus on the one count, the one murder count, and these other counts could prejudice the trial on the murder count. In referring to many counts, it continues:

> (b) An accused who faces a multiple count indictment which begins with the offence of murder will be viewed by the jury, even before the evidence is called, as a person of disreputable character.

In other words, if you are charged with murder that is pretty serious. The jury looks at you being charged with murder as you come before the jury. However, if you are charged with murder and assault and robbery and having a weapon and so on, the jury may be prejudiced and say that is a pretty bad person; they have been charged with all those counts, all those other things; maybe they are the kind of person who might murder. That is a prejudice. That is why there is a danger in allowing all these multiple counts. That is why there is a danger in this amendment to the code. That is why we are opposing this. It continues:

> (c) The rule concerning the admissibility of similar fact evidence will be circumvented by the prosecution, since evidence admissible on one count, but not necessarily admissible on another will nevertheless be admitted before the jury. As noted above, the relevance of the evidence to the one count and the fact that all the counts are related will be cited as the reason to deny severance which might otherwise relieve the prejudice.

• (1340)

Again there is talk of similar evidence. Evidence on one count tends to become evidence on the other count and we get into problems with similar fact evidence. Not only on the surface could it be prejudice to a jury, but some of the evidence that comes into one count will filter into another count and there will be further possibility of prejudice. It continues:

> (d) The evidence of other related criminal conduct which may be admissible as part of the narrative relating to the homicide,—

That is the story leading to the murder case. It goes on:

> —will now be used to convict the accused of specific offences—

That is, the robbery, the possession of the gun, the breaking and entering, and so on. It continues:

> —rather than permitting the jury to consider the evidence and its weight, if any, on the issue of liability for murder only.

The real issue is that murder is such a serious charge it should be tried alone. Alternatively, if it is tried with the other offences, such great prejudice can result both in naming the different counts so the jury sees all the other charges or by the similar fact evidence coming in as the Crown attorney tries to prove those different counts. That is about the simplest way I can put it. For those two reasons there could be some real problems.

I had a chance this week to meet some criminal lawyers. Among them was Clay Ruby, one of the top criminal lawyers in Canada, and some other criminal lawyers in Toronto as well. They expressed to me their concern about this particular section on the joinder of counts.

For those two reasons we in the New Democratic Party are opposed to Bill C–54. I think I have set out, as best I can, the reasons for that opposition in some detail. I have tried to translate it a little bit away from the language of the law to the language of ordinary people.

I do not know if the government will hear any more speakers. I do remind the government that I did raise the point that we might, even if this is passed, have to revisit the section if the courts declare other aspects of section 230 of the Criminal Code of Canada unconstitutional as they did with section 230 subsection (d).

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I would like to respond briefly to some of the comments made by my colleague for Port Moody—Coquitlam.

I certainly take his point that this is a very interesting area of the law in recent jurisprudence. Martineau, Vaillancourt, and other cases have certainly changed the practice and have been instructive to governments. Since the committee studied this bill, the provisions of section (a) which are being removed from section 230 of the code have been struck down.

My colleague raises a number of interesting questions. I want to say at the beginning, though, that the whole law with respect to homicide is under intensive review in the Department of Justice now. Some of the comments that he raises will be addressed in a more comprehensive framework.

What we are dealing with here is an effort to try to address a very specific problem, which is the need to amend the Criminal Code to remove the culpable murder provisions, as they have since been struck down by the courts. Paragraphs (b) and (c) which remain are possibly at risk we well. I would be the first to concede that.

This area of the law is a very challenging one because it requires us to balance a number of interests. When we look at the whole idea of joining counts, we look at the question of what will be brought before a court.

When my hon. colleague says that murder should always be tried on its own, that may or may not be the case. The point is that if murder is the wrong count to be brought, then any other count would have to be brought separately. Are we going to look at the administration of justice as a kind of all–or–nothing situation and try to determine the appropriate count, if Crown counsel is of the view that there is in fact sufficient evidence to convict on a murder count if the jury does not agree with them, or the judge does not agree with them? Does that mean that is the end of the story for making someone responsible for events rising out of a particular transaction?

We have a jurisprudential framework within which the law is applied. We make reference to the principle of what I learned in law school to call Kienapple. It derives from a decision of the Supreme Court to protect people from a multiplicity of counts on a particular event.

So there is a jurisprudential framework which I think does protect. There is no question that there are challenges to a trial court judge in instructing the jury or instructing himself or herself if the case is heard before a judge in sorting out the evidence and I would not underestimate those.

However, I do not think those arguments are sufficient to justify defeating the bill. They simply point out that there are a number of interests to be balanced, the interest not just in the efficiency of the administration of justice in avoiding a multiplicity of trial processes and all that that involved in terms of recalling witnesses and trying to keep a case intact, but also in subjecting an accused to a multiplicity of processes which I think can be very difficult and—I was going to say in trying—but it very difficult and stressful. What we are attempting to do with this is simply address what is a very explicit issue.

I want to close by repeating that the whole law with respect to homicide is under review and I am looking forward to participation. The remarks made by my colleague in the Liberal Party were also very much to the point. He is not the official critic in this area so he will not be offended, I hope, when I say that I look forward to the participation of all interested members of this House, particularly the critics, and particularly my colleague the critic from the New Democratic Party who is a criminal lawyer of some considerable experience.

I have always found the expression criminal lawyer an awkward one to use. One tends to say the words very quickly and run them together so that there is no misunderstanding of what is involved. While he may have exhausted his store of nice things to say about me, I suspect that every once in a while he will have something nice to say about my dad with whom he worked in that particular line of work and with whom he has a relationship of very mutual respect.

The hon. member came into the House after I had made my introductory comments. Had he not done so he would have heard my expressed wish to work very closely with my new critics. I think that I am very lucky to have a colleague of his distinction at the bar to be the critic and to be participating in our attempts to make the criminal law both fair and consistent with modern developments in modern society. I hope that he will continue to be involved in that process.

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I want to thank the minister for her remarks.

There is a story of two criminal lawyers who go on a cruise. They are arguing during a beautiful midnight dinner and get so into the argument, as criminal lawyers always do, that they fall overboard. People were exclaiming, "Oh, my God. This is terrible. This in shark-infested waters." Suddenly the sharks come up and form a line for them and they swim right back. One of the people on the ship says: "It is a miracle". The wife of one of the criminal lawyers said, "No, no. It is just professional courtesy".

The only point I want to make to the minister is this. She says section B and section C are at risk by the court. If the court holds them inoperative too, as they have done with section D, and I think there is a real possibility of this, then I say to the government why proceed now, why not wait until those cases are dealt with. It seems to me a little odd that we would deal with this so quickly.

• (1350)

[*Translation*]

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

[*English*]

Then we would have to come back and deal with the other two. I do not know if the minister wants to reply to that. It is rather hypothetical, but I think it could happen.

Hon. John Bosley (Don Valley West): Madam Speaker, I rise for only 30 seconds.

Listening to lawyers talk about legal points is beyond some of us. I must admit that I do not know what joinder's accounts are. I do know that my constituents and many of our constituents are concerned about the increasing use of guns in violent crime.

What sounded earlier like a discussion about the reduction of available sentences and penalties becomes clearer when the minister answers the question that this

is a matter ordered by the courts. Therefore, I have no problem with what is before us.

I simply want to put on the record the sense of a lot of our constituents as the homicide review goes through, that we do not need weaker penalties for those who accidentally or otherwise involve firearms in killing folks. We need stronger ones.

Ms. Campbell (Vancouver Centre): Madam Speaker, I would just like to say in response to my colleague and to the remarks from the hon. member for Mission—Coquitlam that that is why I am not in a rush to make sweeping changes to the Code in advance of direction that we might get from the courts.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to, bill read the third time and passed.

* * *

POINT OF ORDER

STRIKING COMMITTEE

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I rise on a point of order. I think you will find unanimous consent for the following motion:

> That the names of Mr. Dingwall be substituted for that of Mr. Gauthier, Mr. Marcel Tremblay (Québec-Est) for Mr. Charest and Mr. Angus for Mr. Murphy on the striking committee.

Madam Deputy Speaker: The House has heard the terms of the motion as stated by the hon. member for Kingston and the Islands. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

Madam Deputy Speaker: Could I have the unanimous consent of the House to call it two o'clock? I see that the hon. member whose bill would now be up on Private Members' Business is in the House.

Some hon. members: Agreed.

PRIVATE MEMBERS' BUSINESS—BILLS

[*English*]

CANADIAN WHEAT BOARD ACT

MEASURE TO AMEND

Mr. Rod Laporte (Moose Jaw—Lake Centre) moved that Bill C-230, an act to amend the Canadian Wheat Board Act (oats and barley), be read the second time and referred to a legislative committee.

He said: Madam Speaker, I am pleased to be able to rise today to speak to this bill.

The Canadian Wheat Board is an institution that has been part of the western Canadian agricultural way of life for over half a century. It is one of those institutions that receives the support of not only farmers but of a tremendous majority of western Canadians from all walks of life.

It is looked at longingly by producers from outside the board's jurisdiction. These include not only Canadian farmers in areas outside western Canada, but many Americans speak highly of the efficiency of the Canadian Wheat Board. In short, it is an institution that is held in high regard by a majority of people who know of its function.

The Canadian Wheat Board was created in 1935 with jurisdiction over the sale of wheat. This power was extended in 1943 when the government closed the wheat futures market, thus making the Wheat Board the sole marketer of wheat in western Canada.

The power of the Canadian Wheat Board was expanded in 1949 to include barley and oats. Unfortunately, the reason that we are here today is that barley and oats were not given the same protection under the act that wheat was. In order to remove wheat, the matter must be debated in the House. Only Parliament can change the board's jurisdiction regarding wheat. With barley and oats the Cabinet can, of its own discretion, without any consultation with the House or with anybody else, alter or remove the board's power with the right to market these two commodities. This is exactly what the Cabinet did through the recommendation of the Minister of

State for Grains and Oilseeds in February 1989 when the removal of oats from the board's jurisdiction was announced.

I believe and my colleagues in the New Democratic Party believe that the Canadian Wheat Board is an excellent example of a social democratic program. It provides producers with a marketing system that works to the benefit of all farmers. As individuals functioning in the open market, producers are competing with giants such as Continental and with Cargill.

Agricultural markets are volatile because of the unpredictable production fluctuations, because of the large number of independent producers and because of the large number of consumers. Those people who have knowledge of the market situation are at a definite advantage. Information about agricultural markets is costly and not equally available. Companies such as Cargill and others pay a lot of money for this information and they keep that information close to their chest and use it to their own advantage. Therefore they have a definite and a distinct advantage over the thousands of individual farmers who have to rely largely on the public media for their information.

The Canadian Wheat Board neutralizes this inequity and is able to deal with the Cargills of this world on an equal footing. The only time that the government has to in fact incur a loss is when a deficit pool is run, because the Canadian Wheat Board is paid for by farmers and it functions for the benefit of farmers.

When I say the only time that the government is involved with any payment is with respect to a deficit pool, I mean for those Canadians who are watching or those members who may not be aware. Every year the Canadian Wheat Board sets an initial prices that it will pay for a particular grain, be it wheat or barley and previously oats. This is the price that the farmer is guaranteed to receive for his grain regardless of what time of year he delivers his grain and regardless of the world price at that particular time. If at the end of the year the board has sold all the producer's grain for a higher rate than the initial price it paid to the farmer originally, then a final payment is made. Thus, all farmers receive the same price for their particular grain whether it is delivered in January, or June, or September, or any other time of the year.

If on occasion a particular grain is sold below the initial price, then there is a deficit and that is when the government makes up that difference. This has only happened on rare occasions. It should be noted as well that with respect to the initial price; it is the government that sets the initial price; it is not the Wheat Board. It is controlled by the government. It is announced by the government and it controls what the initial price will be. Other than that, the Wheat Board is self–perpetuating financially and it is paid for by the some 140,000 permit book holders throughout western Canada.

Why did the government choose to remove oats from the jurisdiction of the Canadian Wheat Board? It certainly was not for budgetary reasons. As I indicated the Wheat Board is self–financing. When I and other members in this House asked the government why it had taken this step, it was indicated to me on several occasions, and in fact the Minister of Agriculture indicated to me last year with a straight face I might add, that he had had extensive consultations over a long period of time and that it was what the farming industry wanted. They wanted oats to be removed. They said they were niche markets. They claimed that the Wheat Board could not meet those niche markets properly.

I cannot say the minister lied because that is unparliamentary but let me say that he carefully chose his facts and he considered which facts to pay attention to and which facts to ignore. Whom did he consult? In answer to a question I asked in the House on May 4, 1989, the Minister of Agriculture, speaking for the Minister of State for Grains and Oilseeds, indicated that the government had consulted the United Grain Growers Limited and the Western Canadian Wheat Growers' Association. That is fair because oat producers are included in those. But he went on to mention the Western Barley Growers' Association, the Prairie Canola Growers' Association, the Alberta Pork Producers Development Corporation, and the Alberta Sheep and Wool Commission. He consulted with the Alberta Sheep and Wool Commission to see whether oats should be removed from the Canadian Wheat Board, and it said yes. It consulted with the Prairie Cattlemen's Association, the Manitoba Farm Business Association, the Manitoba Hog Producers Marketing Board, and the Saskatchewan Pork Marketing Board.

• (1400)

That is all very well, but what the minister did not say and, in fact, what the government has never said or acknowledged is that there are a number of other groups that it did not consult with. In fact, at no time or no where did the government indicate—perhaps it did, but it did not indicate—that it consulted with some of the largest grain organizations in Canada, namely the pools, the Alberta Wheat Pool, the Manitoba Wheat Pool and the Saskatchewan Wheat Pool. It also did not consult with the National Farmers Union. The National Farmers Union is opposed to the move, as are the Prairie wheat pools.

It does not mention the fact that it did not consult with the Canadian Federation of Agriculture, which is one of the largest agricultural groups. It is an umbrella group of many organizations for the country. If it had consulted with the CFA, it would have been told that the CFA had passed a resolution calling for the government not to remove oats from the Canadian Wheat Board without the producers first voting on that issue.

What do farmers think of the claim that the government indicated it had consulted with farmers? That can be answered by a Decima poll that was conducted shortly after the announcement made by the government. In fact, Decima did a report, and I am quoting from that report at page 10 where it states: "fully 76 per cent of respondents believed that the government undertook inadequate consultation with farmers before it made its decision to remove oats from the marketing activities of the Canadian Wheat Board". It goes on to state: "substantial majorities in each of Manitoba, Saskatchewan and Alberta concur that the government failed to consult with farmers on this issue in any significant manner."

So, farmers feel they were not consulted. The people who grow oats feel they were not consulted. The Wheat Board's 140,000 permit book holders felt they were not consulted by a large majority, 76 per cent.

The report goes on to indicate what farmers would have told the government had they been consulted. At page 10 the report states: "A substantial majority, 63 per cent, of western farmers registered disapproval with the federal government's decision to remove oats from the marketing activities of the Canadian Wheat Board. Fully 35 per cent of respondents indicate that they strongly disapprove of this decision. This degree of strong disapproval indicates an intensity of opinion on this particular issue and an unlikelihood of farmers changing their opinion with regard to the government action". Those are fairly strong words, Madam Speaker.

What of oats producers? Let us focus on oat producers. The report states at page 11: "Not surprisingly, further cross tabular analysis reveals that oats farmers, 69 per cent, oppose the government's decision to remove the grain, significantly more than non–oats farmers who were 56 per cent". It is no wonder it did not consult with those groups.

The government could also have consulted with the advisory committee to the Canadian Wheat Board. The advisory committee is a committee that is made up of farmers from across western Canada who were voted to the committee by the permit book holders in western Canada, and they are there to advise the Canadian Wheat Board and the government on matters concerning the Wheat Board. The government chose not to consult with it. In fact, the advisory committee was so upset that it publicly called for the resignation of the Minister of State for Grains and Oilseeds.

The conclusion is clear. The government did consult, but it consulted with those groups that agreed with its opinion. It did not consult with those groups and those bodies that grow oats, that are concerned with oats, and are concerned with the future of the Canadian Wheat Board. Those groups were not consulted or, if they were consulted, they were ignored because they disagreed with the government's position.

The government also said that there were niche markets that the board could not meet. In fact, this was put in a letter to one of my colleagues, the hon. member for Mackenzie, by the Minister of Grains and Oilseeds on April 13, 1989. I will just quote one line where he states that, "the private trade has the flexibility to pursue these specialty markets which command price premiums, as well as to handle bulk sales of feed oats. This will give producers a viable, price sensitive, alternative crop. The new system will provide increased opportunities for oats processing facilities on the Prairies".

Since oats was removed from the jurisdiction of the Canadian Wheat Board, the price has plummeted. There have been morbid conditions, that is admitted, but the price has plummeted. There is no indication at all that the privatization or the removal of oats from the Canadian Wheat Board had any effect whatsoever other than to cause oats to go down.

There are certainly no new oat facilities on the Prairies to process oats. That is not happening. In fact, I have been advised by people in the Wheat Board that they had made a request to the government before the government made this announcement, to allow them to move into the so-called niche markets. They had made that request. They had a plan in place and they could have handled it. The simple fact is that the government chose to simply ignore this request.

Why did the government remove oats from the Canadian Wheat Board? It is very simple and very clear. This is a government that is controlled by the corporate agenda in the country. When it comes to agriculture, it is controlled by the corporate agri-business agenda in the country. Companies like Cargill do not like the Wheat Board. Cargill is a huge private corporation involved in many facets of agri-business. In fact, with respect to grain, it actually markets virtually as much grain as the Canadian Wheat Board does, plus operates all its other areas. It would like to see the Wheat Board weakened or gone. It is pursuing that agenda and has been successful. It is Cargill and others like them who have called for and received this action from the government.

While the government consulted with agri-business on this decision, there was no consideration for farming families. There was no consideration for rural communities. There was no consideration for the beneficial role that the Canadian Wheat Board has played in the development and the growth of western Canada. Rather, private agri-business has spoken and the government has once again displayed its so-called neo-conservatism philosophy and ideology.

The Canadian Wheat Board is self-financing. It functions for farmers. The government is always talking about free enterprise and having people determine their own future. If it really believed that, it would allow farmers to determine the future of the Canadian Wheat Board because the Wheat Board is paid for by farmers and financed by farmers. They should have the right to decide its future. If the government really believed in people determining their own future, it would allow the Wheat Board to do just that. It would allow farmers and producers to make those decisions.

We need institutions like the Wheat Board because we need the stability in western Canada. Lord knows, times are very difficult in western Canada and times are very unstable. The Canadian Wheat Board provides that stability.

This bill is non-votable. Its only possible purpose is to point out the error of the government and to encourage Canadians to call for a change in its approach, in its philosophy, and in its agenda. Included in its agenda, government should be returning oats to the jurisdiction of the Canadian Wheat Board and undertaking not to change the Canadian Wheat Board Act with respect to oats, wheat or barley until it properly consults with the users of the Canadian Wheat Board. That includes expanding the Canadian Wheat Board.

In conclusion, I know that I am speaking on behalf of a substantial majority of western Canadians. It is very clear. I simply pray that the government is listening.

• (1410)

Mr. Willie Littlechild (Wetaskiwin): Madam Speaker, after careful consideration of the unique market potential for Canadian oats and in consideration of how that market can best be served, a decision was made to have the industry market oats.

The hon. member opposite has called for a reversal of this decision. He does not seem to believe that the successful marketing of oats into niche markets can best be achieved by having the industry market oats. His proposal would move the industry backward instead of continuing its forward strides.

The government has faith in the abilities of Canadian farmers, including those in the oats industry. We are committed to helping farmers get the highest possible return for their produce and efforts. In keeping with this commitment, the government decided that oats marketing could best be handled by the industry.

We have seen positive developments in the industry that would likely not have happened under the old system. Here are some examples.

Quaker Oats is spending $13 million to modernize and expand its facility in Peterborough, Ontario.

New oats-processing plants are being built. There are the Can-Oat Milling facility located in Portage la Prairie, Manitoba and the Westglen/Agro Company of Canada venture, near my riding in Barrhead, Alberta. At the joint venture announcement last December, Dr. Hugh Horner, the president, stated: "The announcement in 1989 by the Hon. Charles Mayer, that oats would be removed from the Canadian Wheat Board's umbrella was a monumental step in the marketing of oats for Canada and a dominant factor in our decision to locate our new facility in Alberta." These ventures present opportunities both for oats farmers and for rural communities, for example, by way of new job creation.

Other companies such as United Grain Growers and Cargill Limited are responding to the growing demand for high quality oats by setting higher standards to meet market demands. They are rewarding producers of high quality oats with premium prices.

These are opportunities farmers would not have had if the proposal we are discussing today had been in place. Can-Oats has indicated in a letter to my colleague, the Minister of State for Grains and Oilseeds, that, as is the case for the plant in Alberta, it was in large part due to the decision on oats that they decided to build their Portage la Prairie plant.

The proposed bill is flawed in some of its basic assumptions. The member sponsoring this bill seems to believe that putting oats under the Canadian Wheat Board by statute would mean they could never be removed from the board's jurisdiction. He is wrong. Parliament could always vote to rescind such legislation. Passing this bill would only hobble the federal government's ability to respond quickly and effectively to changing market conditions. Farmers would just have to adapt to unfavourable conditions while Parliament goes through the long debates necessary to amend the Canadian Wheat Board Act.

Had oats remained under the jurisdiction of the Wheat Board, as this bill proposes, and had this government not had the foresight and understanding of the agriculture industry to ensure a market responsive process for selling oats, we would not be seeing processing plants built in rural Canada, such as the one in Barrhead, Alberta. We would not be seeing farmers getting paid a premium for their high quality oats. More processing plants could be built in other rural communities.

That will not happen if we move backward and reverse the decision to allow the industry to market oats. That would tie the hands of those most directly affected. For example, during my recent constituency tour, some farmers, although very happy with crops, were disappointed at the prices and asked me why they could not market their own grain themselves, such as oats. They felt confident that they could sell it if given that opportunity.

I am confident that none of the members here today want to see such opportunities lost for rural communities, such as those in the Wetaskiwin constituency. I do not think anyone wants to see the potential for further growth of the industry nipped in the bud by a narrow and unreasonable view of the future of oats.

In allowing the industry to market oats, the government was confident that the farmers who grow oats and the processors who sell oats would act swiftly to take full advantage of new opportunities. An oats producer association has been formed in Alberta as producers acted for both their own and for the industry's best interests. These producers have demonstrated that they are willing and able to undertake the work of guiding and shaping a healthy oats industry.

Oats producers and Canadian grain traders have demonstrated that they are the ones who can best sell into niche markets. The Canadian Wheat Board has demonstrated its ability to market wheat and barley in the best interests of Canadian farmers on the international markets. Oats are a niche product. Oat export volumes and revenues are small in comparison to wheat and barley. They accounted for only 1.2 per cent of the total value of wheat marketing by the Wheat Board in 1986-87. Oats are more directly affected by changes in the international market, so they require the close attention of those most directly involved in production. By allowing the industry to market oats, this government freed oats producers and traders to undertake a concerted and successful drive to market Canadian oats. Our farmers have been aggressive and successful in their efforts to market Canadian oats. Would the hon. mem-

ber see his farming constituents' income reduced? I think not. And yet, his bill could have this effect.

Part of the success of letting industry handle oats marketing relates to the benefits of the Canada–U.S. trade agreement. The U.S. provides producers with a ready market for their product. Industry recognizes the possibilities. They are acting quickly to take advantage of the agreement that benefits Canadian farmers, because they now have the markets and the industrial support to make inroads into the U.S.

As pointed out by Can Oats, the Canada–U.S. trade agreement created an attractive and competitive environment for business by eliminating trade barriers between the two countries. This freedom to move into the marketplace helps oats farmers to maximize their sales and farm income. Oats producers now have new options available to them. These options enable producers to make the decisions that are best for them, decisions that are good for their own farms and for the health of the industry.

Let me give another example. The Oatman, a company started six years ago by Mr. Dennis Lank of Ponoka, began expanding two years ago into the United States and now into other parts of Canada. The Oatman is strictly in the horse industry and now continues to succeed and is planning to expand even further. With direct access to markets, oats producers now share the same benefit as other open market producers such as canola or other off-board grains. By watching cash and futures markets, talking to their local elevator manager and reading market publications, farmers have the price information they need, like those who deal directly and privately with the Oatman.

The federal government has a duty to help farmers develop this industry. Government must not take away the right and opportunity for farmers to decide for themselves how their industry should work. Consequently, Madam Speaker, I cannot support this bill.

Mr. John Harvard (Winnipeg St. James): Madam Speaker, I support the principle of this bill. The principle of this private member's bill makes a lot of sense. I think my hon. friend, the hon. member for Moose Jaw—Lake Centre, stated the case very well. I would not want to go over much of the ground already covered by my hon. friend, but there are a number of things that I want to say about this bill and I might even, if I dare, draw on some of the rather cataclysmic events that have been evident on the Hill in the past few hours.

It seems that one of the basic lessons for all politicians and certainly for politicians in government is that you listen to the people. If this government had listened to the agricultural community many months ago in the spring, there would have been no need for this private member's bill, none whatsoever. We would not be discussing this private member's bill if the government had listened, if the government had not removed oats from the Canadian Wheat Board in the first place.

If the government had listened to the agricultural community, we would not be carrying on with this discussion today, but this government does not listen. It does not listen. For example, as my friend, the hon. member for Moose Jaw—Lake Centre, said a few moments ago, 63 per cent of farmers surveyed did not want oats taken away from the Canadian Wheat Board, but this government went ahead and did so because it did not listen, it did not consult. In fact, that very same survey indicated that as few as 18 per cent of farmers who were surveyed felt that they were properly and adequately consulted by this government, specifically the minister responsible for grains and oilseeds. I think that is a pretty shabby record. We talk about reputable organizations like the prairie pools, the National Farmers Union, the Canadian Federation of Agriculture and the Advisory Board to the Canadian Wheat Board. They all said this was bad, this would be a bad practice, that the government would regret, that it would rue the day doing this. But the government did not listen. It did not listen.

• (1420)

My hon. friend from Wetaskiwin said a few minutes ago that by returning oats to the Canadian Wheat Board and giving it the protection of statute, it would not stop this government or any future government to take oats away from the Canadian Wheat Board. Well, that is true. We know it is true. But I will tell you one thing. It would not allow the government to be so arbitrary. This government is inclined to be arbitrary, inclined not to consult, not to listen to the people of Canada.

I could touch on many subjects. It is not just taking oats away from the Canadian Wheat Board. I can go through a long list of subjects where the government has demonstrated over and over again: " It is our way or no way. We will not listen. We have an agenda and we are going to follow that agenda, and we do not give a darn." That is typical of this government.

If you go back a few months, what was the farming community saying to this government about interest-free cash advances? That program had been around for more than two decades and it had been palpably successful, demonstrably successful. The government did not listen. The government did not consult. It went ahead and said no, that it was cutting it. This was a marvellous program and in a relative sense, was a cheap program, about $25 million, but the government went right ahead and bulled its way through.

So where are we today? The farm community is going into a deepening crisis, further and further into a crisis, and now we are back to that issue of interest-free cash advances. Major organizations are saying they need it back.

I listened to a spokesperson, one of the parliamentary secretaries, this morning in Question Period. He indicated that there would be some announcement on interest-free cash advances. We hope that it is going to be a positive response and a positive answer. But again the basic lesson is to listen to the people.

I want to raise another matter that is related to this. That is high interest rates, particularly as they apply to western Canada and the agricultural community right across this country. High interest rates have been punishing. They have crucified the farmer. Yet the government ignores. Just this week we had the Economic Council of Canada saying that this government's monetary policy is not working. High interest rates are not working. But you do not sacrifice farmers anywhere in this country for the sake of taking some heat out of the economy in southern Ontario, in metro Toronto, for example. It is not the way to do it.

The government has been told this over and over again, but it will not listen.

Along the same theme the government has been told about the GST and farmers as consumers will pay the GST, despite the fact of millions of petitions, telephone calls, and letters. Millions and millions of people have spoken out. The government is absolutely intransigent, absolutely stubborn on the point. It will not budge.

That brings me to the current events on this Hill. Why do you think that we have this debacle on the Hill. Why do you think what is happening is happening over in the other place? It is because we have a government that is intent upon pushing people beyond their limits.

People can take only so much, and then they reach their breaking point. That is where we are in this country today. It is not normal for hon. senators to stay up all night. They normally go to bed. It is not normal for them to go through some of the strange things that they have the last few hours, but they have been pushed to the wall.

We have been pushed to the wall in this House. Groups have been pushed to the wall. All Canadians have been pushed to the wall, because this government is absolutely bloody-minded. It takes the simplistic notion: "We won the election. We have the numbers, and because we have the numbers we can do anything."

I will tell you, Madam Speaker, that if every Canadian took that attitude, this country would be in chaos. I can tell you about major corporations. They own all the equity. They own all the shares, and they are the bosses. The shareholders are the bosses, but if they do not operate with consensus, if they do not have their workers with them, if there is no mutual respect, if there is no fairness, there will be a breakdown. This government will not understand that. That is why we are where we are today.

I would say in my few moments left that on this issue of the oats being where they ought to be, with the Canadian Wheat Board, the government should listen. There are all kinds of problems. Bankruptcies have gone up sharply in the last few months, and the government better listen.

The debt problem which has been in existence now in a very serious way for about 15 years, and it is getting worse, is something the government is going to have to address very seriously. It cannot just follow its internal agenda as if nobody else counts.

I support this bill. It is good in principle, and it is too bad that we could not vote on it.

Mr. Arnold Malone (Crowfoot): Madam Speaker, it is my pleasure to respond to the debate initiated today by the hon. member for Moose Jaw—Lake Centre. It is a credible piece of private members' legislation to place before the House in so much as the issue is one that is arguable.

Obviously, as members who represent rural and western constituencies, we know that there is a divergence of view with respect to the question as to—

Madam Deputy Speaker: I have a point of order.

Mr. Anawak: Madam Speaker, on a point of order. I just want to point out that I think we have to follow some rules in this House.

I just saw the member for Portage taking something that he should not have on his desk.

An hon. member: It is coffee.

Madam Deputy Speaker: I did not see whatever the hon. member is mentioning. I am sure that hon. members know that there should be no food or anything in the House except for our precious glass of water, even on Friday afternoon.

Mr. Malone: Madam Speaker, as a matter of fact, I might like to have one of those precious glasses of water.

An hon. member: Before you sell it to the Americans.

Mr. Malone: Now, there is somebody who would not sell something when there is a market available.

The hon. member for Yorkton—Melville would like to enter into the debate. I invite him to come forward, to take his seat and to sit down.

It is about an issue that has some impact on Saskatchewan. It might be worthy of the hon. member to pay note to it. It deals with oats.

The reason I so seriously want to enter into this debate is that while oats are grown in every region of Canada, the hon. member for Wetaskiwin, the hon. member for Macleod and myself, who are in this Chamber, can claim that we come from the oats province.

The province of Alberta is the largest producer of oats anywhere in Canada. We produce about 40 per cent plus of the oats.

• (1430)

This issue impacts very much on the hon. member for Wetaskiwin and the hon. member for Peace River. The major oat growers are in those two constituencies of that province. The fact of the matter is that of the cereal grains in our country only about 5 per cent have traditionally been oats in the last 15 years. Some 90 per cent of the oats the oats that were grown were consumed for feed and another 5 per cent was used for seed, so only 5 per cent of the oats was being marketed.

Anybody who does even a rudimentary analysis of the Canadian Wheat Board and how it operates and works clearly recognizes that put in place there is an agency that is best suited for selling massive volumes of grain particularly into export markets. It does it by shiploads and by large contracts, usually dealing in multiple millions and often into the billions of dollar contracts. Most of our contracts with the Soviet Union are in the neighbourhood of $5 billion. That is not what is happening to the oats industry.

The oats industry for some 15 years now has been an industry that markets largely to the race horse industry in the United States. It sells in 25 to 100 pound bags and into truckload lots. It leaves from the farm gate and heads to specific sources located in another country. More recently, in this past decade, there has been an upsurge of interest in oats as a health food.

What we have, as was correctly described by the hon. member for Moose Jaw—Lake Centre, is niche markets, small selective markets. That is not what the Canadian Wheat Board was best able to advantage the farmers to move into. He cites and lays before the House of Commons his evidence that says that farmers were opposed to this.

I recognize that taken in the over all there was an opinion from farmers all across the prairies that somehow this might be weakening the Canadian Wheat Board. But when we take a look at who were the farmers that grew the oats as a industry for export, it was those very farmers who came to government and said: "We request that we have the privilege and the opportunity to

create our own market, because the Canadian Wheat Board is not opening up the markets for us and is not doing it in significant enough volumes".

It was because of the growers who grew for an industry, who grew for export, and whose business it was to be in the oats industry that the government responded and met that market. Then came the argument from the hon. member that he can now demonstrate that we can see the results of this move of folly undertaken by the government because the prices are low. It used to be higher. The Canadian Wheat Board dealt with it. The prices are low now, therefore there is a connection.

How convenient it was that he also forgot to add the enormity of the surplus of the feed grains in every grain growing region of the world and that it is not the case of the marketing situation. It would not matter if the Canadian Wheat Board was marketing it now. When you have enormous surpluses around the world in feed grains, obviously you are going to have a decrease in price. It is not a change in the marketing system that has impacted on price. It is intellectually wrong to try and draw that connection and to lay it before people as if somehow there is a connection between the two.

Mr. Funk: It brought the prices up.

Mr. Malone: I want to hitchhike on that bit of shouting from across the way. The hon. member says that the prices went up. I very much believe that that is the pressure and that will be the absolute result of being able to self-market in a small percentage of an industry where you have the opportunity to find those markets and to hit the foods.

There are three major plants in Canada that are expanding: two in Ontario and one in Alberta. They are spending multiples of millions of dollars to build new oat facilities, signalling the fact that there is a new confidence in the oat industry after years and years of decline in oat processing in this country. We then change the process and, within the year, three new plants spend multiples of millions of dollars to make the oat industry expand.

I have no qualm with any argument saying that the prices are going up. What my hon. colleague from Wetaskiwin said precisely was that high quality oat prices are going up. That market is being met. It is only the lower grade qualities that are lacking in price of any substantive amount and that is because there is a surplus of feed grains in the market.

I would like to come back to the other allegation that was made by hon. members opposite, that in the consulting process the Saskatchewan, Alberta and Manitoba wheat pools were not consulted. The truth of the matter is that I have not seen much more enthusiasm for the opportunity to market oats than there was by the agency called Excel in Calgary. It said it could meet the market, find the niches, put oats in and, given the long haul, it would advantage farmers in a very significant way. Excel is an agency of the Alberta Wheat Pool.

In speaking at the time that this move was made, I was told by officials of the Alberta Wheat Pool that they would take a public face against this. At the same time one of their agencies was telling me that it was quite enthusiastically looking forward to marketing oats. It believed that there was an opportunity for a broadening of the market and that more farmers would be able to grow oats because they would be able to market more oats than the present system was able to do.

Where do we come back to when we come full circle on this argument? This is not a question of, as I think the NDP is trying to impute upon the government, an intent to weaken the Canadian Wheat Board. That is not the view of the Government of Canada. We believe in the Canadian Wheat Board. We believe it is doing a good job. We have taken a single commodity that represented 2 per cent of the total marketing capacity which was not being marketed adequately and have said that there is a better approach. It is going to demonstrate itself that it will be a better approach. That being done, advantaging farmers, the NDP has not recognized that the Wheat Board markets better to the larger volumes on the international scale. This is a niche market aimed at a racehorse industry, farm to farm, farm to farm, or from farm to processor to the food industry in the specialized rolled oat industry.

Madam Deputy Speaker: I am sorry to interrupt the hon. member. His time has now expired.

Mr. Maurice Foster (Algoma): Madam Speaker, I am pleased to have an opportunity to speak on Bill C-230 standing in the name of the hon. member for Moose Jaw—Lake Centre.

This bill goes back to the spring of 1989 when the Minister of State for Grains and Oilseeds unilaterally announced that he was taking the marketing of oats from under the arm of the Canadian Wheat Board. It is interesting that this government which used to talk a great deal about consulting with Canadians did precious little if any consultation with Canadian farmers in western Canada when he took this action.

It seems that he consulted with the Canadian wheat growers, the barley growers, the canola growers, the hog and beef producers, but for some reason or other he did not take any time to consult with oat growers. If he had consulted with some of the big farm organizations like the Canadian Federation of Agriculture or the Prairie Pools Incorporated, which have something like 130 farm members, he would have found out that the farmers did not want oats removed from the jurisdiction of the Canadian Wheat Board.

The hon. member for Moose Jaw is proposing to put this back under the jurisdiction of the Canadian Wheat Board. It is very interesting that hon. members who spoke this afternoon from the government side suggested that somehow the hon. member was not making the presentation in a very fair way.

• (1440)

The Canadian Wheat Board Advisory Committee had its district meeting in the spring of 1989. The hon. member for Wetaskiwin who spoke this afternoon was saying that this was a great thing. If the hon. member for Wetaskiwin had taken time to attend that meeting in the spring of 1989, he would have found that 82 farmers showed up at the Wetaskiwin meeting—I assume he did not himself—and that a motion was put to reinstate oats under the Canadian Wheat Board and it passed 53 to 8. If he attended that same meeting in his own home town, he would have known that a motion was passed to remove the Minister of State for Grains and Oilseeds. They called on the Prime Minister to take that action and that was passed, likewise, by a vote of 36 to 21.

The hon. member for Crowfoot would know, if he had taken the time to analyse the Canadian Wheat Board Advisory Committee meetings, that similar meetings calling not only for the reinstatement of oats to the jurisdiction of the Canadian Wheat Board, and in many cases calling for the removal of the minister responsible for grains and oilseeds were held in Stettler, in Westlock, in La Crete, in Spirit River, and in Valleyview. Then he would not be opposing this motion which is before the House today.

If we look at what has happened to oat prices since the minister's announcement, we could hardly get a more dramatic telling of a tale. I believe the announcement came some time in January 1989, and the top price for oats at that time was $156 a tonne. Today, in October 1990, only some 18 months later, that price has dropped to $109 a tonne. We can see that removing oats from the Wheat Board may have done something for those producers that the minister consulted with, most of them not oat producers but barley producers, wheat producers, canola producers and others that he claims to have consulted with, and perhaps some of the livestock groups. It really has not done much for securing new niche markets or ensuring the stability of the industry. In fact it has gone down very dramatically.

What we face today is a government that is determined, through free trade and through supporting and assisting large grain marketing agencies, to try to break orderly marketing in this country. Unfortunately, it is doing too good a job in my opinion. Removing oats is the first step. Barley will likely be next. Ultimately, if it was around long enough which I do not believe it will be, it would eventually disband the Canadian Wheat Board.

Clearly, if we meet privately with the representatives of the Saskatchewan Pool, the Alberta Pool or Manitoba Pool, they will tell us that as the borders are opened up under that free trade deal the power and the operation of the Canadian Wheat Board is going to be severely tested.

I believe that two things happened in the spring of 1989. It is hard to tell which one was the most harmful but removing oats from the jurisdiction of the Canadian Wheat Board was very harmful. Equally harmful was the budget of the great and powerful Michael Wilson because in that budget, in the spring of 1989, he removed one-half billion dollars of support to Canadian agriculture, everything from dairy support programs, to crop insurance, to prairie agriculture rehabilitation of branch lines, to the advance payment program, to the at and east program, to a whole broad range.

What we have as our negotiators sit down at GATT this fall in Geneva is a Canadian agriculture industry which is on its knees praying, not negotiating from a position of strength like the United States or the European Economic Community negotiators, that they will get some kind of a deal out of the GATT negotiations. The reason they are in that position is because the government has totally disarmed them to fight the subsidy war. They come to the negotiating table with no armaments. It would be like sending our ships off to the Persian Gulf without the proper armaments, without the proper military equipment. That is the position our negotiators are in.

This fall farmers growing wheat in western Canada can deliver something like three bushels per acre. That amounts to about $12 best. That is No. 1 wheat. How can a farmer spending $70 or $80 an acre to put in a crop survive? He cannot. So we go to that table having to make a deal.

Last fall, for three or four months we pleaded with the Minister of Agriculture not to take away the interest-free cash advances. It is a very inexpensive program for the Government of Canada, something like $25 million or $27 million. It provides in the short term, six to nine months, something like $400 million or $500 million of cash flow. It increases the value of the crop. It gives the farmer flexibility. They would not do it.

Everybody opposed it, with the exception perhaps of the western Canadian wheat growers, who now have reversed their position and even they oppose it. The farmer has absolutely no cash flow this fall. What will happen, nobody knows. Hopefully the Minister of Agriculture will come to his senses and reinstate it at least for this year. It will not be enough. It might be only half a billion dollars but it will provide some cash flow.

Those actions by the government have put our negotiators at GATT in a very weak position. We are moving away from orderly marketing. This bill moves us back towards orderly marketing. Therefore, I hope that at the end of the day the government might consider supporting it.

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, it gives me pleasure to rise and support my colleague from Moose Jaw—Lake Centre and the other members who have spoken eloquently in support of this bill. I think it is a very well thought out and timely bill that he has presented, and one that I think all sectors of the farm community would like to see us move on.

What particularly struck me though were the interventions from the government side of the House in defence of the really indefensible action of taking oats out of the Wheat Board in the arbitrary fashion that it did a year and a half ago. Their defence, I think, indicates quite clearly to everybody why this party, the political party that used to represent the public opinion of half the people on the prairies has now been reduced to a rump on the prairies, the fourth place party on the prairies and sinking even lower. They have lost touch, they do not consult, they do not have any respect for the traditional institutions of the prairies, they are letting their traditional support from the farm community whither away.

• (1450)

Farmers are falling like flies, but because a few of their friends are becoming millionaires, they are saying that everything is a success.

So as to allow the members here to be able to vote on this bill, not talk out the clock, I would like to sum up my remarks and ask the government to allow a vote on this issue.

Mr. Ken Hughes (Macleod): Madam Speaker, I wonder as a question of clarification how much time do I really have to speak—two minutes?

I would like to clarify a couple of points that were brought up earlier. It is pretty clear to me, and I think to most knowledgeable observers here today, that the debate is really not about whether or not the Canadian Wheat Board is good or bad. I think we all agree that the Canadian Wheat Board has a very important role and maintains a very important place in the marketing of prairie agricultural products.

But I think it is important to point out that oats was causing trouble for the Wheat Board itself. It cost the Canadian Wheat Board a tremendous amount to handle most of the small orders that were being placed for oats. Most of the oat growers are small specialized growers and the transaction costs of the Wheat Board handling these orders was tremendous. Also, it applied cost to all the activities of the Wheat Board.

I was asked by the hon. member for Portage—Interlake—known by his oat farmers as the hon. member from Porridge—Interlake—to draw to the attention of the House a story dated October 26, 1989 in the *Manitoba Co-operator*. This is directly germane to the discussion earlier by my colleague opposite, who suggested that there was nothing going on in the prairies to take advantage of the market for oats. Here is a story that tells us all about it. Let me quote:

> Free trade and the removal of oats from the Canadian Wheat Board are responsible for an oat processing mill to be built near Portage la Prairie according to the company's president.
>
> A $17 million mill, when completed in 1991, will sell 70 per cent of its production to the U.S., said William Kent, president and chief executive officer of Can-Oat Milling Inc., a Manitoba-based company.
>
> The Canada-U.S. free trade deal broadens the new company's ability to market its product, Kent said.
>
> "We are looking at North America as a total market, not just Canada. Without free trade we would not have—

Madam Deputy Speaker: I must interrupt the hon. member. The time provided for consideration of Private Members' Business has now expired.

Pursuant to Standing Order 96(1) the order is dropped from the Order Paper.

[*Translation*]

Pursuant to Standing Order 28(1), the House stands adjourned until next Tuesday at 11 a.m, pursuant to Standing Order 24(1).

The House adjourned at 2.53 p.m.

HOUSE OF COMMONS

Tuesday, October 9, 1990

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 11 petitions.

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

* * *

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE TO STANDING COMMITTEES

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to table, in both official languages, a number of Order in Council appointments which were made by the government.

Pursuant to the provisions of Standing Order 110(1), these are deemed referred to the appropriate standing committees, a list of which is attached.

* * *

[*English*]

AIRPORT TRANSFER (MISCELLANEOUS MATTERS) ACT

MEASURE TO ENACT

Hon. Doug Lewis (Minister of Transport) moved for leave to introduce Bill C–85, an act to provide for certain matters respecting official languages, employees' pensions and labour relations in connection with the transfer of certain airports.

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

* * *

PETITIONS

GOODS AND SERVICES TAX

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I have the honour to present a petition signed by numerous residents of Mississauga, Ontario, who are opposed to the goods and services tax.

The Minister of Transport may find it surprising that the people in Mississauga, who have no member to stand up and present such a petition for them in this House, are having to present it through me. They are delighted to use their ancient right to come to Parliament and object to the goods and services tax and particularly the tax on books and printed material.

These petitioners take the view, as do millions of other Canadians, that the taxation of books is inherently bad and the goods and services tax, which proposes to do exactly that, is a bad tax and ought not to be passed by Parliament. They call upon Parliament to reject that tax.

BILL C–21

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, it is my duty to rise and present a petition under Standing Order 36.

The petitioners are 41 in number. They are from the three villages of Redcliffe, Tickle Cove and Openhall. These small communities in Newfoundland have no industry and have nothing really except fishing and the grocery stores that keep them going.

They are very much against Bill C–21. While Bill C–21 is being considered as it is now, their interest is in having the variable entrance requirement reintroduced so that they will qualify for unemployment insurance after 10 weeks as opposed to 14 weeks, which would make it impossible for them.

They humbly pray and call upon Parliament to revoke these measures.

JUSTICE

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, I am honoured to present a petition bearing the signatures of nearly 4,000 Winnipegers, many of whom live in my riding of Winnipeg St. James.

The petitioners are deeply concerned about the plight of David Milgaard, who has been in prison for 21 years. He is serving life for murder for a crime he maintains he did not commit. The petitioners humbly pray and call upon Parliament to demand that the Minister of Justice release David Milgaard forthwith or direct the courts to review his case.

This is an urgent matter. People familiar with the Milgaard case have for many months been urging the Minister of Justice to take action. Nothing has happened, causing intense frustration. Some people are at the breaking point. The petitioners implore the minister to take action now.

GOODS AND SERVICES TAX

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, pursuant to Standing Order 36, I am honoured to present petitions on behalf of 224 Canadians from coast to coast who are concerned about the impact of the GST on the printed word, which we know is the cornerstone of democracy and literacy.

These petitioners pray that the House ask the government to reconsider its position and withdraw the GST.

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure of presenting two petitions.

In these petitions citizens are saying: Whereas the uninhibited dissemination of the printed word as the cornerstone of democracy, culture, education and a literate and productive society will be negatively affected by the GST application, we ask that the historic principles embodied in pre-tax status for the printed word be maintained by retaining the zero rate in the GST legislation and regulations.

• (1110)

IMMIGRATION

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I have hundreds of signatures from Canadians, right across Ontario, objecting to the government's cancellation of the self-exile class of refugees. As an example, they point out that Ukrainians do not have any office in the Ukraine where they can apply to come to Canada. They have to go all the way to Moscow. The government agreed to open a consular office in Kiev, but to date there is no such office. They are appealing to the government to restore the self-exile class to many east Europeans who do not have full service offices in eastern Europe through which to apply.

GOODS AND SERVICES TAX

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I have a second petition from Canadians right across Ontario and from other provinces, objecting strongly to this government putting a tax on the printed word. They claim that the Government of Canada since Confederation and without hiatus applied a zero rate of tax to magazines, books, and newspapers, and now proposes to include them in the GST. They just abhor this.

At a time when we are trying to fight illiteracy in Canada, which is a very severe problem, it is just not comprehensible why a government would put tax on the printed word. They object strongly and ask the government to remove any GST on the printed word.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my honour to present a petition this morning pursuant to Standing Order 36 on behalf of a number of residents of several communities in the province of Ontario who point out that the government has decided for the first time in our history to tax literature. They say that uninhibited dissemination of the printed word is a cornerstone of democracy and for that reason ought not to be taxed and made more difficult for people to access. I agree with that, Mr. Speaker. They are asking the Parliament of Canada to do whatever it can to have the government back off from that decision. Mr. Speaker, again pursuant to Standing Order 36 I have another petition from the communities of Agassiz, Mission, Chase, Tumbler Ridge, 100 Mile House and Kamloops, British Columbia, Calgary, Alberta, Louis Creek, Knutsford, Savona, Cloverdale, and Princeton, British Columbia.

The petitioners are all against the government's decision to proceed with the goods and services tax. While they outline a variety of reasons why they oppose the tax, fundamentally they say do not go ahead with it at all and introduce real tax reform as opposed to this tax deform.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 314 and 318.

[*Text*]

THE OPERATION OF PRINCE ALBERT NATIONAL PARK

Question No. 314—**Mr. Laporte:**

For each year from 1984 to 1990, has the government incurred costs for the operation of Prince Albert National Park and, if so, what costs?

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Costs incurred by the Department of the Environment, Canadian Parks Service, to operate Prince Albert National Park from 1984 to 1990 have been:

	Operating	Capital	Total
	(thousands of dollars)		
1984–85	3235.7	1005.7	4241.4
1985–86	3005.1	937.8	3942.9
1986–87	3688.0	3800.1	7488.1
1987–88	3515.2	4419.7	7934.9
1988–89	3730.0	1369.8	5099.8
1989–90	4295.5	2474.6	6770.1

LOWER FRASER VALLEY FLOOD CONTROL IMPLEMENTATION

Question No. 318—**Ms. Langan (Mission—Coquitlam):**

Is there an Environment Canada/Environment British Columbia program known as the Lower Fraser Valley Flood Control Implementation and, if so, (a) does it have an expiry date and, if so, what is it (b) has all the money available to this program been committed (c) in (i) 1988 (ii) 1989 (iii) 1990 (iv) 1991, have flood control projects been funded under the program and, if so, which ones?

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Yes, there is a Canada—British Columbia program known as the Fraser River Flood Control Program.

a) Yes, the expiry date for the program is March 31, 1995.

b) Yes, all the available money to this program has been allocated to approved projects.

c) (i) 1987/88: Total expenditure $5,142,370. Projects include: dyke construction in Pitt Meadows and South Dewdney; emergency bank protection in Kent.

(ii) 1988/89: Total expenditure $4,951,147. Projects include: dyke construction in Pitt Meadows, South Dewdney (complete), and Glen Valley; emergency bank protection in Kent.

(iii) 1989/90: Total expenditure $4,970,000. Projects include: dyke construction in Pitt Meadows (complete), Glen Valley (complete), Coquitlam River, and Chilliwack.

(iv) 1990/91: Total expenditure $5,000,000. Projected construction in Mission (complete), Chilliwack (complete), Coquitlam River, and Harrison Hot Springs.

(v) 1991/92: Projected expenditure $5,000,000. Projected construction in Coquitlam River (complete), Harrison Hot Springs (complete), Delta, and Kamloops.

NOTE: The federal government and the province of British Columbia each contribute $2,500,000 annually to the program.

[*English*]

Mr. Speaker: The questions as enumerated by the parliamentary secretary have been answered.

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

Mr. Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

[*Translation*]

MOTION TO ADJOURN UNDER S. O. 52

THE SENATE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I wish to give notice, pursuant to Standing Order 52, and ask the House to discuss a very important matter, namely the Parliament of Canada, which is in a crisis situation at this time, and I believe that since the House of Commons is at this time best suited, if I may

say so, to take the initiative, it is therefore urgently necessary for this House to consider the entire question of parliamentary rights in the Senate and the order to be established and maintained by the Chair in the Senate. Furthermore, and I say this without prejudice, I think it is in the interests of Canadians that we should have a debate on this issue here in the House of Commons, in order to launch a wide-ranging discussion and restore the confidence of Canadians in Parliament.

Mr. Speaker: I want to thank the hon. member for Ottawa—Vanier for his comments. As hon. members are no doubt aware, similar points of order were raised last Friday and, as I said, it is probably not appropriate to have an emergency debate. However, I think that this week we would do well to consider with some measure of concern the events that occured in the other place. Today, however, I regret to say, is not the appropriate time. I thank the hon. member.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—EMPLOYMENT

Hon. Roy MacLaren (Etobicoke North) moved:

That this House condemns the government for its failure to provide Canadians with policies designed to assure full employment through international competitiveness and consistent with the principles of sustainable development.

The Acting Speaker (Mr. Paproski): The hon. deputy House leader on a point of order.

[*Translation*]

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Pursuant to Standing Order 57, I give notice that at the next sitting of the House, before the Order is called for resuming debate on motion No. 16, in the name of the Secretary of State for External Affairs and concerning the invasion of Kuwait by Iraq, and on any amendment thereto, I shall move that the debate shall not be further adjourned.

[*English*]

The Acting Speaker (Mr. Paproski): On debate, the hon. member for Etobicoke North.

Mr. MacLaren: Mr. Speaker, the motion that we have placed before the House today reads:

That this House condemns the government for it failure to provide Canadians with policies designed to assure full employment through international competitiveness and consistent with the principles of sustainable development.

We have presented this motion before the House at a time when Canada has entered a period of recession. Canada has seen six consecutive months of negative growth in our economy, the standard definition of recession. But, to put our current situation in more tangible terms, if one could take a snapshot of the Canadian economy today, what would one see?

One would see first of all high interest rates throughout our economy, throughout our country, decidely higher than those in our principal trading partner, the United States. We would see an inflated value for the Canadian dollar, an inflated value that drives down Canadian exports, making Canadian products more expensive for other countries to purchase. Not surprisingly, Mr. Speaker, given those two factors, high interest rates and a high Canadian dollar, we would see higher unemployment.

We have in fact seen high unemployment. We have seen it go up again this past month as it did the previous month. The Canadian economy is now characterized by increasing unemployment.

We would see underfunding of government programs to make us more globally effective, more globally competitive. We would see an economy that is unable to generate the necessary support programs necessary to ensure our further global competitiveness.

All that is to say that Canada has entered a recession.

We hear frequently the Minister of Finance speaking about how Canada is on a debt treadmill. He is wont to offer the House and to the Canadian people a whole litany of problems that arise, in his view, from the very large debt that Canada has accumulated and the service charges that Canadians must pay on that accumulated debt. And yet it is this same government, this same Minister of Finance, who has not succeeded in bringing down the debt. He speaks of the need to do so. He tells

us on every occasion that the debt must be reduced, but the debt has been growing faster than our economy.

• (1120)

Since the Conservative government took office the national debt has more than doubled. It has risen from $170 billion in 1984 to almost $400 billion by the end of this year. That has been allowed to happen despite an unbroken period of economic growth beginning in the early 1980s. And yet the deficit is expected this year to exceed that of last year and is expected by some to approach the record level in the post-recession year of 1984.

We Canadians all know that the Minister of Finance's forecasts about his deficit have frequently been wrong, almost consistently wrong; so too have his forecasts about interest rates. Indeed, his interest rate forecasts for 1988 and 1989 were wrong. Certainly those for 1990 will be as well. The 1985 budget tabled soon after this government came into office forecast the annual deficit to be only $17 billion by the end of this decade. And yet here we are at the end of the decade, and the government has not reduced the deficit to $17 billion. It is much more likely to be more than twice that amount, $34 billion or more.

Earlier this year the Minister of Finance forecast a budget deficit of only $28 billion. He based that forecast, which is bound to be erroneous, upon an average rate of interest of 11 per cent this year. But now that it is October and we are well through 1990, it must be evident to every Canadian that average interest rates this year are not going to be 11 per cent; they will average closer to 13 per cent or 13.5 per cent.

This is where the failure of the government to provide Canadians with a budget, offering hope and stability in our economy becomes most evident. The Minister of Finance makes much of the undeniable fact that the government has reduced its official spending. All Canadians are aware of that. All provincial governments, all pensioners, all patients in hospitals, all students and a myriad of other Canadians are fully aware that the government has been reducing its spending. But what should be profoundly unsettling to this government, and indeed to all Canadians, and what gives rise to our motion today is that despite such reductions as it has made in its official spending both the debt and the deficit of Canada continue to increase.

Why is that so, Mr. Speaker? There are two reasons, basically. One is that the government has not related its reductions in spending and, principally, its reductions in social spending, to any broadly based reforms. It has offered Canadians no other vision of the future than curtailing spending on present social programs. It offers no coherent policy of social development in our country. It offers no program of education support or of retraining. It offers no programs of support in the medical field or in terms of unemployment assistance, other than to tinker with and reduce the programs that past governments have put into place.

A major problem with this government's economic policy—and one major reason why it has placed itself in a position where both the deficit and the debt continue to increase despite its protestations to the contrary—is interest rates, a subject of which all Canadians are painfully aware.

We know that interest rates are already playing havoc with the forecast of the Minister of Finance for 1990. For example, the minister recently forecasted a likely deficit of $30 billion this year instead of the $28 billion that he had earlier forecasted, but all economists, observers and commentators know very well that even the minister's revised estimate of $30 billion is substantially lower than the deficit that this government will incur this year.

And yet, despite its protestations during a time of real economic prosperity, the government has failed to do what it set out to do. Further, with recession now upon us, social costs will go up as unemployment increases. Tax revenues will go down.

Interest charges on the debt now equal our annual deficit. The reason why interest on the deficit is so high is simply because interest rates are so high. The reason why interest rates are so high is because this government has relied solely on the Bank of Canada to combat inflation through high interest rates.

Fighting inflation by high interest rates only works when the high interest rates bring on a recession. And that is precisely what we see in Canada today. By the end of July, Canada had experienced six consecutive months of negative growth. Translated into more tangible and immediate terms, that means that unemployment has again increased in our country in September, reaching 8.4 per cent nationally. Regionally, of course, that unemployment rate is much higher, reaching 17 per cent in Newfoundland. Housing starts have fallen yet again this month, as well as last month and the previous

month, a sure indicator that our economic growth is faltering.

High interest rates have also done precisely what one expected them to do in inflating the value of the Canadian dollar. As short term money flows into Canada seeking higher returns, it contributes to an exaggerated value for the Canadian dollar. The Canadian dollar has in fact increased by almost 20 per cent against the U.S. dollar, with devastating effects on our export trade. Ask anyone in the business community whether they feel they can effectively export from Canada with that sort of penalty.

In effect, the costs of many Canadian goods and services has increased by 20 per cent, while the cost of many imports has declined by a like amount, leaving the Canadian exporter at a real disadvantage. The result of course is the loss of markets abroad and indeed the loss of jobs at home.

The irony is that this government, which promised the people of Canada increased prosperity in the years ahead largely on the basis of the United States–Canada Free Trade Agreement, has itself created the very circumstances in which the agreement cannot work for Canada's benefit, if it can at all.

Mr. Speaker, if you were so foolhardy as to enter a free trade agreement, a bilateral agreement, with only one other partner much bigger than you are, the last thing that you would do is saddle yourself with interest rates that are many points higher than that of your principal competitor. In the case of Canada's free trade agreement with the United States, our interest rates are five to six percentage points higher than those of our trading partner. Our dollar is today inflated well beyond its real value in terms of Canadian productivity.

• (1130)

Mr. Speaker, all those who supported the free trade agreement must now be wondering why they did so in the face of plant closures and transfers to the United States. They must wonder how a government which was so committed to a bilateral free trade agreement could be the same government that has created the very circumstances in which the free trade agreement will bring no net benefits to Canadians, whatever the intrinsic merits or demerits of the agreement itself may be.

In keeping with other so–called monetarist governments around the world, the present government has viewed the control of money supply, largely through the manipulation of interest rates, as the key to Canada's greater economic growth. It is a central feature of monetarist theory that inflation is caused by too much money chasing too few goods. Inflation, in turn, destabilizes the economy, undermines investors' confidence and handicaps a nation's exports.

The theory is, of course, that the manipulation of interest rates controls the money supply in two ways; it can dampen borrowing which in turn dampens investment and consumer demand, and it can slow over–all growth and employment which can, in turn, dampen wage demands. Increasingly, this idea, this simple preoccupation of the government, this sole policy it pursues with such single–minded intensity, is being called into question. Specifically, it is now everywhere evident that inflation cannot be combated through monetarist policy alone without inflicting severe damage on Canada's over–all economic performance.

Let me say a word about why this government's policy has failed. Its economic prescriptions can be traced, at least in part, to the fact that its fiscal and monetary policies are out of step. The government has consistently failed to reduce its deficit at a time when there was an upswing in our business cycle, which should have led government to pursue counter–cyclical fiscal measures.

Governments' mounting deficits themselves have emerged as a significant brake on our economic growth. At a time when domestic savings should have been employed to finance investment in our private sector, the domestic savings have instead been used to finance excessive consumption in the public sector. The private sector, therefore, has been forced to go offshore for capital, leading to higher foreign indebtedness. That is on top of the high levels of offshore borrowings recently undertaken by the government itself to finance its continuing deficits.

At present, $41 billion flows out of Canada each year simply to pay interest rates on our growing foreign debt. The problem has become acute. Ideally, at this downward turn in the business cycle, as we cross the threshold into recession, the government should have been pro-

ducing surpluses in order to make up for the short-falls in private investment. Instead it is employing the savings of foreigners on top of our limited domestic savings to finance excessive public sector expenses. Not surprisingly, dividends paid to non-residents more than doubled in the second quarter to $10.5 billion, from $4.3 billion in the first quarter, aggravating the problems of foreign indebtedness.

More important still, high levels of government spending over the past six years have served to over-stimulate an economy which at least in central Canada was already heated. This is the fiscal policy from a government which pursues the goal of dampening inflation through a single-minded preoccupation with high interest rates.

Concurrently, the inflationary impact of the government's tax increases has further damaged our economy. Partly because tax increases and real wages in Canada have failed to match the cost-of-living increases, leading to recent demands in both the private and public sectors for higher wages. The implementation of the GST will only aggravate this situation. Wage settlements are outstripping productivity gains, leading to a rise in Canadian production costs and an erosion of our national competitiveness.

Thus the government finds itself in the ironic situation of fighting inflationary pressures, which to an extent it has itself created. As I have already noted, it has used one tool and one tool only, the sledgehammer of higher interest rates, to attempt to achieve its goals.

Under the circumstances, monetary policy alone cannot exclude inflationary pressures from our economy. Indeed, in many respects monetary policy actually serves to fuel the problems that Canadians are facing today.

What fundamentally undermines the government's efforts to curb inflation is, as I have noted, the national debt. Every time interest rates increase, the government has to spend more to service its debt, and it has to raise taxes to finance its other spending. In short, monetary and fiscal policy have become inseparable, and we have a vicious circle from which the government seems wholly unable to extricate itself.

It is worth asking whether this government's monetary policy, that is to say high interest rates, is serving the ends for which it was intended: presumably economic growth, economic well-being and jobs for Canadians. The purpose of tackling inflation is to ensure price stability, which in turn enhances the long-term health of the Canadian economy.

Yet, the Canadian economy today is visibly suffering. We are in a recession. Monetary policy is inequitable across regions of Canada. What is euphemistically described as slowing the economy or taking the heat out of the economy really translates into pursuing slow growth and, more important, unemployment.

High interest rate policy is undermining Canadian exports. High interest rates also increase artificially the Canadian dollar by increasing demand for Canadian dollars to purchase of short-term paper.

We must keep in mind what inflationary policy really means. Our level of government spending has accelerated through high interest rates. Our productivity and competitiveness have been undermined, and our economy is passing into a recession.

Indeed, if the problem is that consumption is outpacing growth, it is time that the government realized that the solution does not lie simply in curbing or limiting demand—the goal of monetarists everywhere—but in increasing our national productivity. High interest rates cannot further that goal. On the contrary, we must reduce interest rates. We must reduce the costs to Canada if we are to compete internationally.

We must look at ways of improving labour mobility. We must look at many more ways of increasing labour productivity such as through education, through social security or through human resources development. In that way, we shall create the circumstances in which a motion, such as I have had the honour to table today, would not be needed in this House.

• (1140)

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I want to start by congratulating the hon. member on an excellent presentation. Also I want to commend him on his motion and, in particular, the fact that he is relating the issue of

the labour force to the international competitiveness of our country.

Fairly recently I was in the process of consulting with some of my constituents on the issue of education. I received a little note from a Dr. Pugsley, a professor of management at McGill University. No one could have summed it up better than he did. He said that "there is an important connection between a well trained labour force and international trade for a country the size of Canada, but mentioning this just makes people yawn". No one could have put it better and I am very happy to see one of my colleagues bringing forward this correlation between the two.

I would like to ask him a question about his views on the issue of education and the connection between education as it relates to the labour force and to the reshaping of the status of Canada on the international market. I would like to ask him if he could put some emphasis on the need for a national strategy to deal with the issue of education, as it relates to that.

Mr. MacLaren: Mr. Speaker, I am very pleased that my colleague, the hon. member for Ottawa Centre, has raised the question again, which I touched on in my speech, of the central importance of education, in the broadest sense, to increased productivity in Canada, that is to say, our ability to compete with other countries in an increasingly globalized economy.

Any education strategy which he and I would both urge would, I am sure, embrace a spectrum of activity for a federal government. It would range from short-term adjustment programs necessary to cushion the impact of the changing nature of international trade and Canada's role in it, through to the longer-term contribution that a federal government can make to the education of Canadians so that they can compete effectively in a global economy.

Of course, all of us in this House recognize fully that the provincial governments bear the prime responsibility in our federation for education. But equally, I am sure that we have all recognized that over the years the federal government of Canada has played an important role in transferring funds and making support available to education in Canada which is an area, unfortunately, that has fallen to a degree, victim to this government's cost-cutting measures. This has, therefore, not placed young Canadians in the position of being able to compete effectively in the world economy.

I would hope that when the next government comes to office, which will be a Liberal government, we shall see a plan put into place. Such thinking has already been discussed and examined with Canadians across the country. We must define the role that the federal government can play not only in the short-term adjustment assistance that is often necessary to afford a transition for an industry or a company, in terms of global competition, but also in the longer term which my hon. friend, I am sure, had in mind when he raised the question.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I have a question for my hon. friend. I listened very carefully to his opening speech on this important motion and, frankly, a great deal of what he suggests comes very close to the orthodoxy of our party, not the orthodoxy of the Liberal Party.

For example, first he is concerned about inflation. I want to ask him then three questions. The first question is about inflation. We have inflation now running between 4 per cent and 5 per cent. Could the hon. member tell us where inflation was in 1982 under a Liberal government?

Second, the hon. member for Etobicoke North speaks about spending and the deficit. He knows of course that on operations of the government we are running now a surplus that I think is over $14 billion. Could he tell us what the operating surplus or deficit was in 1982 or 1983 when the Liberals lead government?

The third and final question has to do with the whole question of a vicious cycle which he thinks that we are moving into. He used a conservative analysis, saying that high interest rates lead to inflation. Is he aware of how high interest rates were in 1982 and how high inflation was in 1982 in Canada? Is he aware that, today, after a great deal of spending and monetary relaxation in Great Britain, what interest rates and the inflation rate are in Great Britain compared to what we have in Canada?

Mr. MacLaren: Mr. Speaker, I do not know whether or not the hon. member was was in the House of Commons in 1982. In any event, he should know very well that the period of 1980 to 1982 was a period when Canada, and

indeed the world, was making a transition from the severe recession triggered largely by the oil price increases of the late 1970s. The member will know very well that global interest rates then shot up, as they did in Canada. The member will know very well that governments of the day in Canada, and indeed in other countries around the world, sought to offset the recessionary impact of higher energy costs by instituting public measures to promote employment and to help stimulate the economy.

The member, who prides himself on being a small businessmen, will recognize that in terms of recessionary periods governments must step in to assist the economy. During a period of prosperity, such as we have just experienced, governments, in terms of good Keynesian economics, will reduce to a degree their activities in the economy so as to permit the expansion of the private sector. The minister knows that there is no point in him taking time telling us about some spurious or imaginary circumstances in 1982 which did not exist.

What I am saying to the minister and what he should recognize is that inflation rates in the United States, our principal trading partner to which 70 per cent of our exports or more go—are today no higher than in Canada. In fact, they are lower. But what are interest rates in the United States today? Substantially lower than they are in Canada. In such circumsdtances, how does the government think that we can compete with the United States? How does it think that it is going to get any benefits from its much vaunted free trade agreement if it runs interest rates that are typically 4 to 5 percentage points higher than those in the United States and if it drives up the value of the Canadian dollar to the point where tourism, among other vital Canadian industries, drops off because of the cost of Canadian goods and services are beyond their real value in terms of any productivity measurement?

Does the government think that pursuing a monetary policy of this sort places Canada in a competitive position in the world today? The minister knows better than that. He knows better than 4 or 5 percentage points in interest rates over those in the United States is bound to have a deleterious effect on our international trade and to render us less competitive than Canadians should be and less productive than Canadians should be.

That is the real answer to this member's questions, not some sort of imaginary world in 1982 when presumably the government from its own ideas thought that it would like to have high interest rates, divorced from the rest of the world and divorced from the inflation that had been triggered by the oil crisis of the late 1970s. He knows better than that.

• (1150)

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I have some remarks I want to go through rather systematically, but before I do so I would like to answer the questions I just posed to the member for Etobicoke North who refused to answer the questions I put to him.

First, in 1982 we all know that interest rates were about 22 per cent to 23 per cent. They are now considerably below that. We know, too, that in 1984 when the present government took over the deficit was running at $38 billion, 8.6 per cent of the total wealth of the Canadian economy, compared with today where the deficit is now less than 4 per cent of the total wealth of the Canadian economy. He knows the answer to that.

As well, when he talks about plant closures, he very carefully omits the news that there have been a tremendous number of expansions, enhancements, and improvements of plants in Canada at the manufacturing level, the service production level of the economy, as well as some very good news in terms of employment creation since the trade agreement.

All of what the hon. member said on his motion, quite frankly, ends up being in many ways a kind of reverse hymn of praise to what our government has been doing. We have lowered inflation. We have lowered interest rates from when he was here. We have lowered the burden of the deficit as a percentage of the economy, expanded trade, and seen a tremendous number of jobs created in the last six years.

He also talked about the last two or three quarters where we have had flat or negative growth in the Government of Canada. He omits to tell us of course that we have had seven and a half years of economic expansion largely as a result of the policies of this

government. As a result of that, we have a stronger economy and a better balanced economy as we move into a global recessionary context.

I am very pleased to be able to raise a number of issues in this debate that go beyond what the hon. member has raised. He has talked essentially about macroeconomic policy, interest rates, deficits, and so on, and I have dealt with that.

Let us go beyond that to the actual mechanics of how we increase international trade in this great country of ours. We have trouble with the NDP and the Liberals on this, but we have to realize that markets around the world are becoming increasingly integrated. In other words, we cannot operate in isolation in Canada. We have to integrate ourselves with world markets and be competitive in that integrated context.

Therefore, I want to speak for a few minutes today about what we are trying to do as a government to support Canadian exporters around the world. Canada as we know is a leading trading country in the world, but in many ways our trading performance outside of agriculture, automobiles, and automobile parts has not been that vigorous. We as a country have to strengthen our economy throughout in order to make us an exporting power. To do that there has been a number of very exciting programs that I want to make reference to.

This month is Canada International Trade Month. It was announced last week by the Minister for International Trade. This announcement was a way to try to sensitize Canadians to the importance of exports and the importance of international trade for Canada. It flows from something else and that is our national trade strategy which was established, not just by our government, but by first ministers in the country in 1985.

The hon. member will be interested to hear that that strategy had three objectives. The first is to secure and enhance access to foreign markets—the first ministers all agreed to this. Let us secure access to foreign markets, of course the FTA is crucial to that, as is GATT. The second objective is to improve our trade competitiveness. All first ministers, together with the Government of Canada, wanted to make us more competitive and our programs flow from that. The third objective is to strengthen our international marketing efforts. As Minister of State for Tourism, I recognize the tremendous importance of marketing to sell the image of our country, but marketing is very important for almost all segments of our economy, and that too was recognized as part of this strategy.

To do this I think hon. members will remember the government proposed a two track policy to accomplish that strategy. One track was multinational through the Uruguay Round of trade liberalization. I had the honour of representing the Government of Canada at those negotiations with the Secretary of State for External Affairs. I remember the week in Punta del Este very well. It was was rainy, just like today, all week long. The meetings were held in a gambling casino. Maybe that is where trade meetings should be held. It was very difficult to tell whether we would ever end up with an agreement.

Our government worked very hard, together with the Cairns group and others, to help break the log jam on services and agriculture and to promote trade liberalization on goods and textiles. We now are into the fourth year as a result of that Uruguay Agreement. It still, however, difficult to tell whether we are going to end up this January 1 with the kind of agreement we hoped for in the Uruguay Round. The government is giving all the leadership it possibly can to help bring that about.

The other track we looked at, of course, was the more controversial one of the free trade agreement. As a result of the free trade agreement, we secured and enhanced our access to the American market. I shudder to think what we would have done in the last year and a half without that agreement when we had unilateral American actions. A good example is pork. There was a ruling just last week that said that the Department of Commerce research and positioning on pork was not accurate or tenable. Therefore, based on that research, they could not proceed.

That sort of good news for Canada would never have been possible without the dispute settlement mechanism of the bilateral trade agreement. Not only was the dispute settlement mechanism which allows the country one-tenth the size of another country to have equality accomplished, but it has also produced a much more vigorous and competitive economy and, of course, we have had 250,000 jobs created since the agreement was signed.

This two track trade policy is the heart and soul of our over-all strategy. Beyond that, we have to do a number of pragmatic things to enhance our trade. We now deploy investment counsellors from the private sector to key locations around the world. Our trade officers more aggressively promote investment to Canada. We now have some 2,000 investment related events conducted annually, together with extensive advertising and extensive communications program, likewise, our science and technology activities abroad. These activities are not just in Canada, but abroad, and are designed to maximize access to R and D outside the country. They have been strengthened. We now have 32 officers in 24 posts servicing about 3,000 technology inquiries per year.

The mainstay of our trade promotion thrust to increase the efficiency of our international marketing program is the well-known program for export market development, the so-called PEMD program. With an annual budget, PEMD has $35 million. It provides for company participation in fairs and trade missions and supports individual corporate marketing efforts. We have adapted PEMD to the changing world scene to better assist the efforts of small business.

As the minister of small businesses, I am extremely pleased to see that this particular approach, which under the previous government was not a bad program for big business, has now been made much more adaptable for small business. I could show to members of the House the Canadian business guide, just produced last week, entitled: "Exporting to the United States". If an hon. member has a small business in his or her constituency that does not know how to export to the United States and needs some primer and some help, this document is very helpful.

We have adapted PEMD, then, to the small business community as well as to the medium and large business communities, and it is working. In 1989, 59 per cent of PEMD approvals went to Canadian companies with total sales of less than $2 million. I am very pleased that that program is not only up and running, but that it is better balanced.

Another pillar in carrying out our marketing effort is the trade commissioner service. Some 240 trade commissioners located in 129 countries are responsible for analyzing markets, assisting in markets, promoting foreign investment, and identifying foreign technology.

Also, in order to ensure that this high level of service reaches more Canadian companies, we established 12 international trade centres across Canada. They are the local points of contact for every actual or potential exporter for all the department's services. There is a deeper problem that Canada faces that this government is coming to terms with, and that is awareness. People are just not aware of the importance of exporting or how to export. We have a program in place to improve that awareness by making small and large businesses more export ready and to support exporting capacity.

• (1200)

A variety of programs are in place to do this. They include the high technology seminars, the Marketplace program and the export awards program. As well, there is the InvestTech Cross-Canada Tour and a variety of *ad hoc* seminars and briefings on subjects, ranging from the FTA and Europe '92 to export controls and transportation, which have been organized. They have been a tremendously useful set of seminars to help make our business community more aware of the opportunities of export.

In 1988, the Minister for International Trade was pleased to announce a $57 million, five-year trade development program with a focus on the United States. That focus has been working very well. It includes the Nexus program, the NEBS program, but also there is a wider program, which members will recall. Last fall the Prime Minister announced a $93.6 million series of programs to aid businesses in expanding their market efforts into the global marketplace, with a focus on Europe and the Pacific. The government has dedicated over $150 million to trade development over the past two years, and this comes at a time when budgets are being tightened everywhere. It is a very clear example of the kind of commitment that this government has shown to enhancing awareness of exports and assisting in exports in terms of trade mission fairs, knowledge, technology, transfer and so on.

I would like to make a comment to summarize what has happened. We have some very interesting numbers that I do not think have ever been read into the record here in the House. As a direct result of our efforts, our clients have reported in 1989-90 1,736 export sales worth $4.8 billion; 129 new joint venture and licensing agreements worth $198 million; 68 foreign investments in Canada worth $746 million; 62 Canadian investments

abroad worth $116 million and 86 technology transfers worth $82 million. These results speak for themselves. These programs are working. There is more dynamism and export orientation in this country than ever before.

The Department of Industry, Science and Technology, of which I am a part, also has been very much a part of this strategy. We do not have time to go through all the programs that ISTC is responsible for, but many of them are co-ordinated with External Affairs. Therefore, the programs I have spoken to involve the Department of Industry, Science and Technology.

There are two crucial things I would like to mention before I sit down. First of all, we in Canada feel that there has not been an appropriate entrepreneurial culture in Canada. What we have been trying to do is develop an entrepreneurship awareness or stimulation in Canada through an awareness program, and also through the new National Entrepreneurship Development Institute. That awareness program is working. We have all 10 ministers of education across Canada working with us to put entrepreneurship programs into the high schools. We are creating a culture of entrepreneurship in Canada which will help us greatly in terms of world competitiveness.

Second, with regard to the Department of Industry, Science and Technology generally, we have put in place a Strategic Technologies Program. This is a very interesting program that affects the whole Canadian economy. What it does is promote technological capabilities and competitiveness across all sectors. This includes the resource sector, the high tech sector and the service and medical sectors. It responds to world-wide trends demonstrating the value of strategic alliances. It enhances networking and linkages across Canada. When it does that, it also promotes Canadian unity.

An example is a Vancouver company getting together with a Trois-Rivières company. I know of a company in London that has just done a joint venture with a company in Newfoundland. These things are uniting for the country and they flow from the Strategic Technologies Programs. These strategic technologies include biotechnology advance materials and informatics, for example. This program has been very well received by companies. It is enhancing our ability to be competitive. This adds up to not only a set of good intentions for Canada, but programs that are out there working, in place, enhancing our competitiveness.

That, together with responsible fiscal policy leadership which we have had from the Minister of Finance for the last six and a half years—the only topic to which my hon. friend really referred earlier—and together with an ability to moderate inflation, to make us more competitive in terms of inflation in other countries in Europe, Asia or elsewhere to decrease our deficit in a continuous way, will also allow us to be more competitive.

All of this fits together. Today, we have a government committed to competitiveness globally and programs to make it work.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I listened with interest to what the hon. Minister of State for Small Businesses and Tourism was saying.

I was curious about whether there was a single person in the House of Commons who would agree with the points he was making in terms of the general thesis that the government is on the right track with support for small business. I have just completed a three week survey of the small businesses in my constituency during which I asked them what they thought about how the present federal government was handling the economy in terms of their interest.

I am pleased to say that two out of ten businesses thought that the government was not doing too badly. Fair enough. One of the ten did not really know because it was too busy surviving and was not able to make an intelligent decision. But seven out of ten businesses thought that the government was on a disastrous course, one on which, if it continues that way, will not allow them to be in business for any length of time.

I want to ask the minister responsible for small businesses what he thinks of the Canadian Federation of Independent Business and its survey regarding the impact of the goods and services tax on the small business sector. This, of course, represents in excess of 70,000 small businesses across the country which were surveyed in an objective and scientific fashion. I say relatively.

The point is that an overwhelming majority, virtually everyone, says that the government is taking them on a

suicidal course, that its monetary policy and its fiscal policy are exactly wrong for what is required today.

I want to ask my hon. friend and colleague what he thinks of John Bulloch's suggestion when he, as the spokesperson for the Canadian Federation of Independent Business, asked the government to withdraw the goods and services tax in an effort to save the small business community of Canada.

Mr. Hockin: Mr. Speaker, I am delighted to finally hear the hon. member quoting John Bulloch after ten years of disparaging him, criticizing him and defending himself against John Bulloch's complaints about socialist tendencies to spend too much and to intervene too much in the economy. Suddenly, he is standing up and quoting him.

That is fine. I am glad he is starting to read some different materials. What John Bulloch has argued for is very important for the government to hear as well as the opposition. What he is arguing for is an integrated sales tax with the provinces. He is disappointed that we have not accomplished this, but we are starting to accomplish it.

Newfoundland emphasized the other day that it is going to participate. Quebec and other provinces are looking at it. As soon as we have a national sales tax, John Bulloch will be much happier, as will his client group.

The second thing that John Bulloch wanted is a broader based tax. He did not want to exempt food. The hon. member wants to exempt food. John Bulloch does not want to exempt medical care in hospitals. The hon. member does not want that included in the tax base either, so the hon. member would be with us on that. He would want them exempted just as, indeed, we want them exempted. That is our problem with Mr. Bulloch.

I want to tell my hon. friend that I was fascinated this month to see the latest material from Mr. Bulloch in which he says: "Look, the government has made some interesting changes on the GST. It is doing some things that are helpful, and instead of constantly criticizing the GST I would like to explain how the GST works for my membership."

I think he had eight pages of how the GST works and how it can be made useful. In that material, he emphasized that the GST is very good through input tax credits, through the input credit arrangement, improving cash flow for small businesses. This is something we have been arguing for six months. I am very glad that Mr. Bullock now recognizes that.

• (1210)

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I will quote someone whom I have been quoting for a long time, I say to the Minister of State for Small Businesses and Tourism, a person who from time to time he has quoted. Indeed, at one point, lest he forget, his fearless leader from Baie Comeau actually appointed this person to her present position. The person is Judith Maxwell. She is the chairman of the Economic Council of Canada, thanks to the Prime Minister, the minister's boss. She said quite recently, indeed in the last few days, that "relying solely on the Bank of Canada to combat inflation through high interest rates is harming rather than helping the economy". That was said by Judith Maxwell, the same Judith Maxwell appointed by the boss of the Minister of State for Small Businesses and Tourism.

That same Judith Maxwell goes on to say that "there is a better way to fight inflation than through high interest rates".

Mr. Tremblay (Lotbinière): The Liberal way.

Mr. Simmons: Yes, it is the Liberal way, and I thank my friend for indicating that he is not completely oblivious to what we stand for on this side of the House. I thank him for that. It is the Liberal way. There is a better way, I say to him.

Mr. Riis: Unwittingly.

Mr. Simmons: I say to him and his friend, the Minister of State for Small Businesses and Tourism, there is a better way than high interest rates. Of course there is a better way, and I am glad that at least one Tory—is he really a Tory—at least one Tory agrees with me, and I compliment him. But, now I digress.

I want to ask the Minister of State for Small Businesses and Tourism if he agrees with Judith Maxwell's prescription. I want to read it to him. She says there is a better way. She said that better way could include a commitment to full employment. That would be welcome news in Newfoundland where we have an unem-

ployment rate of 17 per cent plus, thanks to the policies of this government. Does he agree that there is a better way than high interest rates? Will he stand now and disown the high interest rate policy of his government, and, more to the point, will he tell us that he will recommend to cabinet a policy of full employment? Two fairly simple questions, and I am sure he will resist the temptation to get smart alecky at this point. I see a smirk on his face, but I hope that in his heart there is some concern for the 17 per cent of Newfoundlanders who are unemployed, thanks to the policies that he is unwittingly supporting.

Mr. Hockin: Mr. Speaker, that was not a smirk, that was a smile. I was enjoying the intervention of my hon. friend. Two points on interest rates. The hon. member quotes Judith Maxwell, who has also made the Government of Canada very aware that in the last year credit formation in Canada was up 15 per cent. It was up even higher the year before. Credit formation in this country, people using credit cards, wanting to buy things, is outstripping the money supply. This adds inflationary pressures and the only way you can moderate or come to terms with this is to have somewhat higher interest rates in order to dampen demand, and this has worked. My hon. friend fails to tell us that the federal discount rates in Japan, Germany, Britain and the United States are up by 2 per cent, 3 per cent or 4 per cent more than they were a year ago. So, we are part of an over-all global trend. The hon. member always forgets to mention that. We are affected by that.

What has happened is, in fact, interest rates have been coming down. They have been coming down for about 14 straight weeks. They are coming down slowly, but they are coming down. Therefore, the policy is working and the furnace is cooling off. The hon. member would just fiddle with the thermometer. The government believes in dealing with the furnace. The furnace and the fires of inflation are what really matter, not what the thermometer reads. What the government has done is put in place a situation whereby interest rates have come down for 13 or 14 straight weeks.

On employment, my hon. friend says we should aim for full employment. There was a comment made beside me saying that of course the Soviet Union has full employment and East Germany has full employment. You can have full employment in a formalistic way by paying people nothing and putting them through make-work schemes. The best way to have full employment in this country is in fact to pass that unemployment insurance bill now in the Senate, which would train people, which would decrease the deficit, and this we are determined to do.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I just returned from five days travelling through my riding, five days in which I visited with farm families at their kitchen tables, on the steps of their combines, and at the gates of the barns. Every one of those farm families that I talked to talked about being on the brink of bankruptcy. Government policies have pushed them to the point where they can no longer maintain their existence on the farm producing food for Canada and the world. Those farm families are concerned about the low price of grain, high interest rates, high fuel costs, and the removal of the interest-free cash advance for grain.

The government is talking about maintaining high interest rates to keep the use of credit cards down. We are losing an entire industry in western Canada. We are losing an industry that is maintained by people and individuals who have been on that land for years. The government over there has the audacity to say that it has to keep interest rates high and that it has to keep fuel costs high because of this international marketplace.

Surely this minister who talks about support for small businesses that are going down because the agricultural economy in western Canada cannot support them any more can answer a simple question about how it is that they can continue to talk this way when we are losing the industry.

Mr. Hockin: Mr. Speaker, I thank my hon. friend for his intervention because it is quite true that one of the unhappy results of this overheated economy in urban Canada has been to put pressure on interest rates, which hurts the small business person especially in the outlying regions and especially the farmer. I think his intervention is understandable for that reason.

That is why the government, though, has brought forward income stabilization programs in the agricultural sector to come to terms with that. Those programs are very well received and very respected. They should be furthered. They should be enhanced, and that is what this government is committed to.

In terms of small business, though, the NDP wants to have a minimum tax on all corporations regardless of their size. I quite agree that we should have a minimum tax on financial institutions: those big companies, big trust companies, banks and insurance companies. We brought one in.

However, small businesses now, when they have years of losses, are able to put the losses against when they finally make a profit. This allows a small business to survive. The NDP policy toward small businesses is to tax them every year, even if they have loss carry-forwards. We do not believe in that. We believe in a healthy small business sector of our economy.

Mr. Lorne Nystrom (Yorkton—Melville): I think the minister is distorting our policy a bit, Mr. Speaker. We are talking about profitable corporations, and he knows that.

Mr. Thacker: Can you carry forward losses?

Mr. Nystrom: Yes.

Some hon. members: Oh, oh.

The Acting Speaker (Mr. Paproski): Order, please. The hon. member for Yorkton—Melville has the floor on debate.

Mr. Nystrom: Mr. Speaker, the motion before the House today deals with the need for full employment in this country. It talks about being more competitive internationally and having a policy of employment that is consistent with the principle of sustainable development in Canada.

I think those are very laudible goals and very laudible objectives. We should seek to have in this country, first of all, full employment and, second, we have to be more competitive internationally in terms of exports to begin with and in terms of developing more of our own resources and products in this country instead of importing many things from abroad. All that must be done according to the motion keeping aware of the importance of sustainable development in Canada in terms of the environment.

I want to begin by saying that I think Judith Maxwell, in terms of the Economic Council of Canada, has hit the nail on the head when she said in her annual report a little while ago that there is something fundamentally wrong with the Canadian economy, fundamentally wrong with the way we have organized our country for the last 10 or 20 years. All members of Parliament should take a very close look at the table on page 40 of that particular report. That table compares 16 countries in the OECD, the Organization for Economic Co-operation and Development, in terms of their long-term unemployment rate between 1970 and 1989, a 20-year period. Of those 16 countries we rank number 15 in terms of the highest long-term unemployment. Switzerland, Japan, Norway, Austria, Sweden, West Germany, and Finland over those 20 years all had unemployment rates of well under 5 per cent, but Canada ranks number 15. We are behind Belgium. We are behind Italy. We are behind the United Kingdom, with all the problems it has had in the last few years in terms of restructuring its economy. The only country of the 16 that we are ahead of is Spain.

• (1220)

I think that tells us a lot about the situation with which we are now faced in this country in terms of a major failure of government and other key players in the Canadian economy. She also says in the Economic Council Report at page 45: "Canada has never made more than a timid commitment to full employment". Here she is talking about not just the last six years under the Conservative government but about previous Liberal governments in this place and about the short nine-month Conservative government back in 1979-80 as well. I think we have to take a look at what is wrong with our economy structurally.

The other thing we should look at is the cost of high unemployment. When I am talking about the Economic Council of Canada and its report, I am talking about a group, as a member from Newfoundland said a few minutes ago, that was appointed by the government itself. These are appointees of the federal government. They have issued one of the more critical, one of the more thoughtful annual reports about current government policy that I have seen in this institution for a long time.

Another thing we should look at are the costs of high unemployment and how much it is costing this country of ours. We have an unemployment rate now that is more than twice as high as many other highly industrialized countries around the world. There was a recent study by the Toronto-Dominion Bank which said that the average

Canadian worker produces around $54,000 worth of output per year. That same Toronto–Dominion Bank study says that if we were to cut our unemployment rate by half, in other words by 575,000 people, and multiply that by $54,000 per year, we would have an extra output of $31 billion per year or 5 per cent more in terms of output in this economy. This is a study by a fairly conservative organization, the Toronto–Dominion Bank.

I think Canadian people should realize what this means. The average worker produces around $54,000 per year in output. This is not somebody who is working at a very high salaried job and producing all kinds of goods and services or somebody who is at the low end of the scale. This is the average per worker, $54,000 per year. If we had an unemployment rate that was down around the level of western Europeans or Scandinavians, that is an extra $31 billion per year. Just think what we could do with $31 billion per year. That is a lot of money in terms of the government's deficit, in terms of educational and health services, in terms of research and development, and in terms of making our economy more productive, more humane and more equal for Canadians across this land.

It is not only the benefits of $31 billion per year, but let us imagine the costs of having over one million Canadians unemployed, the money that we spend for unemployment insurance benefits every year. The money that is spent by the federal and provincial governments on social welfare and social services is astronomical. We do not even have a proper mechanism of calculating the other costs to health care. How much does it cost our country in terms of additional health care every year because we have an army of over a million unemployed? What does it cost in terms of higher crime rates in this country or the unhappiness that people suffer through because they do not have a job, and a proper mechanism to feed their families?

I think this government would be serving this country well if we would devise a way of calculating the cost of high unemployment so we could see what the costs of this country are and see what the cost to the individual is of an unemployment rate of over a million per year in Canada.

With these kinds of statistics, I think it is about time that this government devised a policy that has as its number one objective full employment in Canada. I do not see that happening when I look across the way.

This country, in terms of job creation and in terms of money it spends on unemployment, tends to spend most of its money on things like unemployment insurance and welfare benefits and social benefits rather than spending money creating jobs. In Sweden, for example, around 2.38 per cent of the Gross Domestic Product of that country is spent in labour market programs. In this country it is around 2.1 per cent, a little less but not much less.

However in terms of how they spend it, it becomes very interesting. In Sweden about 71 per cent of the money goes into training, counselling, and other programs to get Swedes working. Around 29 per cent goes into stay at home unemployment insurance benefits. In this country it is the opposite way around. We spend 76 per cent on things like UI and benefits to the unemployed, and about 24 per cent on structural changes to create jobs.

The minister says that is a very valid criticism, and I agree. We should be changing that. I fully agree with the minister that we should be changing that and spending a lot more of our resources and a lot more of our creativity trying to create long–term jobs for workers. That historically has not been the case, and that is a valid criticism that has been made by a number of people, including I believe the Economic Council of Canada.

It is not just the government of this country that seems to be spending too little money in trying to find decent jobs and training people, but the business community is doing the same. My understanding is that the business community spends about 0.5 per cent of its payroll on training people, one–half of one per cent on training people. The United States to the south of us spends about 1 per cent, which is around double, in terms of training people.

The American economy is not going that hot either. The Americans have unemployment rates much higher than the Scandinavians or the western Europeans or the Japanese. However, in the United States they spend twice as much in the private sector in terms of training people for the jobs in a modern industrialized society.

Of course the federal government is, in relative terms, cutting back on spending in terms of retraining and counselling for people who are out there in the labour market. These are some of the facts we should be

looking at as a Parliament in terms of trying to improve the situation here at home.

Also in terms of training, I look at the record in this country in terms of employment equity. We are looking at the review of that very shortly. I do not think the government program in terms of providing more job opportunities for women, the minorities, the visible minorities, aboriginal people, and disabled people has been a good one.

We passed an employment equity bill in 1985 or 1986. It was a voluntary bill that coaxes and cajoles the federally regulated companies to employ more minorities and more women. That has not worked. There are many countries around the world that make their employment equity programs more mandatory and that have targets that are enforceable. In those countries the programs tend to work but in this country it is not working.

We are also failing when we look at jobs for older workers. The older workers in this country are often the people who are discriminated against. They are not getting the proper breaks that they should be getting.

• (1230)

For a modern industrialized country, I believe the illiteracy rate is one of the national disgraces of Canada. The further east one goes towards Atlantic Canada, the higher the illiteracy rate. I think a lot of the reasons for that ties in with the lack of economic opportunities and economic possibilities which exist in other parts of Canada.

In Newfoundland we find the unemployment rate is officially at 17 or 18 per cent. One sees in many parts of Newfoundland a real illiteracy rate of around 40 per cent or more. I think that is a very sad commentary on something that is lacking in Canada.

If you look again the Economic Council report, Mr. Speaker, you will notice that one thing they are commenting on in terms of failure of the government policy over the last 20 years is the area of regional disparities.

I remember very well, back in 1968, when Pierre Trudeau campaigned across this country. He campaigned on the idea of a just society, where there would be more opportunities for people in outlying areas of this country. I remember him introducing in the House a structural change in creating a Department of Regional Economic Expansion, or DREE, later changed to DRIE.

But if you look at the Economic Council report on page 34, they point out that over those 20 years, despite the money we spent on regional expansion and regional disparities and the targeting of certain areas by governments over the years, there has been no real decline in this country in regional disparities. The difference in the unemployment rate between the parts of Canada doing the best and the parts doing the worst has not changed in any significant way in the last 20 years.

There is something fundamentally wrong, as Judith Maxwell says, with the way we organize our economy in Canada, when despite the lip service and the money we are providing to parts of this country, such as Newfoundland, many parts of Atlantic Canada, many parts of Quebec, northern Ontario and parts of the west, these mandate programs have made no real change in the narrowing of the gap between the haves and the have nots. Again, I think that says a lot about the need to have some significant change in this country.

Another thing that strikes me—the Economic Council has not been timid to mention this as well—is that we have problems with the economic structure *per se* in this country. When the government tries to remedy some of the problems it will make the worst situation in many other parts of the country. I refer to a recent example of the monetary policy of the Government of Canada.

The government saw a highly overheated economy in southern Ontario. The housing market was going through the sky, the economy was going very well, the unemployment rate was down. So they brought in a monetary policy to allow the bank rate to escalate to where it was more than 5 per cent higher than the bank rate in the United States.

Where does it have the most negative effect, Mr. Speaker? It has the most negative effect on the parts of this country that are the least advantaged economically, such as Saskatchewan where its farm population is barely making a living. It is one of the first parts of the country to suffer from a high interest rate policy. The small business community for which the minister is responsible, particularly in the prairies, the Gaspé of Quebec, or

Atlantic Canada, is another area that suffers because of high interest rates.

As long as we have these tremendous disparities and discrepancies, the application of macro or global economic policy is going to discriminate and hurt very badly many Canadians that live in my part of the world, more so than Canadians who are fortunate to live in areas with high employment.

Mr. Speaker, we have a lot of problems that are structural. The government is not responding to those problems. If we had a meaningful parliamentary system where we could hold the majority government accountable, then government backbenchers and opposition MPs could force this government to address those problems. This is the reason why we need some serious parliamentary reform so this institution has more clout in trying to get the government to address the problems of the day.

We have serious problems that have been brought about because of globalization, because of massive technological change. We have to be competitive internationally. We have to specialize in certain things and do them very well.

As someone who comes from the prairies, I have said that for a long time. We have to specialize in things like upgrading the raw materials that come out of western Canada, or our other resources or our food. We have to develop a mining equipment industry and a farm machinery industry, things we do not do very well. But there are a lot of things that we could be doing well and should be doing well and we are not. That is the real world that is out there. But we have not been doing that. As a result we now have tremendously high unemployment.

What has been the government response? The response has been high interest rates which have driven a lot of people out of work; a free trade deal that has given up a lot of Canadian sovereignty and independence in terms of addressing our problems; Americanizing this country in terms of giving away some of the flexibility and freedom we had in the past to deal with problems of this sort. We are starting to see that exhibited now more and more.

The government is now trying to negotiate a free trade deal with the Mexicans. If this is accomplished I suggest it is going to hurt Canadian workers. We have a high Canadian dollar, partly because of the free trade deal which is making it even more difficult to create jobs. It makes our goods more expensive to sell abroad. It makes Canadian grain, potash, oil and our manufactured goods more expensive to sell, which is creating more unemployment.

We have across the way a government that perhaps lacks in imagination more than any government in the history of this country. Our country that has so many resources and so much skill and so much possibility is really going down the drain.

As I said, of the 16 countries that were studied by the OECD we rank number 15 in terms of the highest unemployment rate and that tells you, Mr. Speaker, a lot about the lack of imagination. Of the countries that were studied, as I said, by the OECD we ranked fifteenth out of 16. Only Spain is beyond us, Mr. Speaker, and that tells you a lot about the failure of this government over the last number of years.

The Acting Speaker (Mr. Paproski): Questions or comments, the hon. member for Québec-Est.

[*Translation*]

Mr. Maurice Tremblay (Lotbinière): Lotbinière, Mr. Speaker.

The Acting Speaker (Mr. Paproski): Lotbinière, of course.

Mr. Tremblay (Lotbinière): There is a difference, Mr. Speaker.

Mr. Speaker, I want to take this opportunity to—

[*English*]

The Acting Speaker (Mr. Paproski): Excuse me, there is a difference but you are both Tremblays.

[*Translation*]

Mr. Tremblay (Lotbinière): Indeed, Mr. Speaker. We will not ask the Chair to explain the difference.

That being said, and to get back to my speech, there are limits to tolerance and indulgence. Perhaps I may comment on some allegations made by the hon. member for Yorkton—Melville with respect to an OECD report that ranked Canada fifteenth out of sixteen. First of all, if I understand correctly and if my version is might, as far as I know the OECD has 24 member-countries, and in fact, I believe the hon. member mentioned the past twenty years.

Mr. Speaker, we must not forget here in Canada, that if we go back 20 years, this includes fourteen years of Liberal government. According to OECD reports since 1984, Canada, in terms of its Gross National Product, now ranks second—not sixteenth—among OECD members, behind Japan. In terms of job creation, Canada ranks first. This means that as far as job creation is concerned, Canada has created more jobs in the past five years than Italy, France and Great Britain combined.

Facts are facts. It is all very well to quote figures, but they must reflect the facts.

The hon. member also referred to training and mentioned that in Canada, 0.5 per cent was budgeted for training, compared with 1 per cent in the United States. I may remind the hon. member of the New Demoratic Party that for months, and now nearly a year, Bill C-21, one of our major mechanisms for upgrading the qualifications of the unemployed, has been delayed and in fact blocked by the Senate. When it suits the New Democratic Party, it supports the Senate's outbursts, its strategy, but then it turns around and says the Senate should be abolished. Mr. Speaker, this reminds me of the debate on Meech Lake, when the New Democratic Party said: We are not against Quebec, we are against Meech Lake.

• (1240)

Mr. Nystrom: Not me! I never said that!

Mr. Tremblay (Lotbinière): Possibly because your familiarity with French culture has made you perhaps more sensitive, more aware of what is involved. I was referring to your party.

As for regional disparity, here again, the hon. member quoted the same report for the last twenty years. Once again, we must not forget that during those twenty years, fourteen years of Liberal government did not improve regional disparity. They made it worse, despite all the talk in 1968 by the former Liberal leader, Mr. Trudeau, about justice and a just society. However, despite Mr. Trudeau's electoral platform, we were left with a terrible legacy. On the other hand, since 1984, when this government came to power, we have had two major and extremely effective agreements: the Western Diversification agreement and the agreement with the Atlantic provinces, both of which are vitally important economic instruments. And only last week, the House voted on a very important bill, Bill C-44, thanks to this regional agreement.

I think we should be allowed a certain amount of time to make up for the legacy we received from the Liberal party. This cannot be done. I would appreciate hearing what the hon. member for Yorkton—Melville has to say.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I compared the unemployment rate in our country with that in other countries. I realize that the Organization for Economic Co-operation and Development has 24 members. However, according to the Economic Council of Canada and Judith Maxwell, they did a study of 16 countries, including France, Switzerland, the United States and so forth, and of the 16 countries they analyzed—this is on page 40 of Judith Maxwell's report—Canada ranks fifteenth in terms of the highest unemployment rate. The study was done during the 70s and 80s. I don't have the figures for the last six years. However, the study discusses structural problems in this country. Maxwell also refers to the problems of the present government under Mr. Wilson and Mr. Mulroney, who have spent too much time fighting inflation. She said just that: we have spent too much time fighting inflation. As a result, we now have an unemployment rate that is still climbing. If we look at the latest figures, the unemployment rate in Canada is now over 8 per cent. In this country there are still over one million people out of work.

They drew a comparison with many other countries such as Switzerland, Japan and Norway, whose inflation rate is similar to Canada's, but these countries also have a job creation policy, and their unemployment rate is about 2, 3 or 4 per cent, not even half the unemployment rate here in Canada. Those countries have a system under which there is co-operation between the government and its economic partners.

Mr. Speaker, I recommend that my Conservative friends read very carefully the report by Judith Maxwell and the Economic Council of Canada, and her recommendations and proposals for dealing with the economy. She is against the present policies of the federal government.

[*English*]

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I have just three very quick questions. The hon. member quotes the Economic Council of Canada and Judith Maxwell who also supports the GST and the free trade agreement, two things which the hon. member does not support. He is very selective in quoting one sentence from a recent report.

The hon. member spoke quite well on the question of training. Does the hon. member support the emphasis in our unemployment insurance legislation now stuck in the Senate, which tries to shift some resources from simply payments to training? Does he support that thrust? That is my first question.

The second question is about small business. The hon. member's party has said it wants every company in Canada taxed. I am asking the hon. member if a small business has losses, would he allow it to carry the losses forward in order to protect it against tax in the year when it does make profits? If he does not support that, it is tremendously bad news for the small business community, especially in Ontario under an NDP government.

Third, our Department of Industry, Science and Technology has made a shift somewhat similar in response to some of the criticisms the hon. member quoted in one of his references. He said that the departments of regional economic expansion in Canada in the last 20 years have not really done a very good job in dealing with unemployment. When we took over, the federal government was spending $17 billion or $18 billion on one kind of regional expansion program after another. We took a look at these programs and found that most of the programs were paying businesses to do what they probably would have done anyway. It was a tremendous waste of taxpayers' money. We have changed ISTC from a grant-giving type of department to one that gives strategic intelligence and advice and helps companies adapt to new technology. What does the hon. member think of that new change of strategy?

Mr. Nystrom: Mr. Speaker, first, the minister asked about Judith Maxwell's views on the GST and the free trade agreement. I did mention those two things, but I concentrated on unemployment because the motion before the House today deals with employment. It deals with the unemployment problems we have in the country and the report by Judith Maxwell and the Economic Council is one that zeros in on unemployment and the structural problems we have. She has said that we need fundamental change. That is why I was talking about this today. I assume that is why the motion was proposed by my friend from the Liberal Party in Ontario. That is the response to that particular question as to why I concentrated on unemployment.

In terms of the specifics of the questions, the hon. member asked if I support the shift away from payments to the individuals to training. This is unemployment insurance money in the bill before the Senate. I do not support robbing Peter to pay Paul. It is a shift away from giving people adequate benefits or training.

What I am saying, and what the report and many other studies have stated, is that we should not penalize the unemployed, but, at the same time, we should be putting a lot more money into training. In other words, do not take it away from the unemployed and put it into training. Take it out of the general coffers of the Government of Canada. The private sector must put more money into training, which it does in the United States and Europe. That is what we are saying, and that is what Judith Maxwell is saying as well.

The Acting Speaker (Mr. Paproski): I regret the hon. member's time is expired.

[*Translation*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, I want to take part in this debate to explain what we as a country should do to get ourselves out of the economic mess where this government has left us.

We are all aware of the serious economic problems dragging our country down the drain: 34 tax increases since 1984; an accumulated debt which has tripled since 1984; one third of our expenditures goes to pay the interests on that debt; and one of the lowest growth rate in the western world. The Minister of Finance does not want to admit it, Mr. Speaker, but we are in a recession.

The government will tell us it cannot be held responsible for that, but it is wrong. As my colleague from Etobicoke North told us, the fundamental error is that after the free trade agreement there were no adjustment measures to help employees and companies that stood to

lose something as a result of the agreement. At five per cent higher than those of the Americans, our interest rates made it impossible to modernize our industries, not to mention the fact that keeping our dollar above 80 cents is a serious handicap for our export companies. As a result we lost 160,000 manufacturing jobs and Canada's agriculture has taken a turn for the worst.

Of course the government will claim that its policies were designed to win the fight against inflation, but again the government is wrong.

• (1250)

Allow me to recall what the Economic Council said last week about the fight against inflation: "At our own expenses we have learned that fighting inflation through restrictive monetary policies will produce results only if it paves the way for a recession, but that in turn reduces employment, investments and export sales. Therefore we should seek other solutions."

Mr. Speaker, the economic policy of this government is utterly dated, our economy is stagnant, we have lost our competitive edge, and our economic posture is decadent. What can be done? It is very simple. We must quickly reset our sights and regain our competitiveness, and it is in that context that I would like to tell you about sustainable development.

[*English*]

Our economy is in tatters. A dramatic reversal in government policy is required if we are to turn the situation around and it is within that context that I would like to discuss with the House for the remainder of my time the concept of sustainable development.

Before going on, let me say a couple of things about environmental protection. Environmental protection in my opinion, and in the opinion of all of those on this side of the House, needs no economic buttressing. Environmental protection is a moral value. We are part of the ecosystem. We are not dominant over it. It may have been in the earliest of prehistory, when humankind had to struggle for its very survival, that the concept of being dominant over nature was important, but surely ever since the Industrial Revolution when we had it within our power to totally destroy the planet on which we live, the concept that humankind must be dominant and must be engaged in a war with nature is one that is no longer applicable.

Environmental protection is a moral value and for that reason I do not raise sustainable development here because it needs economic buttressing. Quite the opposite. I raise sustainable development because I believe that it is virtually impossible to have a strong economy unless one takes into account the needs of the ecosystem of the earth on which we live.

Furthermore, properly costed, I do not believe that it is possible for any kind of a project—industrial, private sector, municipal, provincial, or federal—to take place that in any way degrades the environment. It is simply faulty economics to say that one can build a project and degrade the environment because the costs to successive generations will be so great as to negate whatever returns one has. If anybody in this room has any doubt about that, then I would simply ask them to take a look at the terrible scenes of pillage that have occurred in eastern Europe as whole societies tried to build an economy without taking into account the environment. Whole societies are now on the ground economically because they did not understand that you cannot destroy the air we breath, the water we drink, and expect to maintain any kind of competitiveness within the industrial agricultural process.

What is sustainable development? It has been defined by some as more of a compass than, indeed, a finite target toward which one must go. I tend to share that view. I also have always liked the definition of sustainable development that was first given to us by the Haida Indians on British Columbia's coast. They said that the environment, the earth, is not a heritage which we have inherited from our ancestors, but rather it is something very precious which we have borrowed from our grandchildren.

In more recent times, the Prime Minister of Norway, Mrs. Brundtland, defined it as development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Unfortunately, sustainable development does not appear to be a part of the government's vocabulary. In the preamble and in the purposes of Bill C–78, the Environmental Assessment Review Act, the government did not see fit to put in the words "sustainable development". We are about to embark upon a new generation in the way in which we are going to govern the economy in the environment and the government does not have the decency or the understanding of the way in which the

world is going, to even bring up the word sustainable development, such is their fear of coming in to the 1990s.

Over the last five years, since 1984 when this government took over in power, what have we seen but dramatic cuts in research and development for alternative energy sources. Today, less than 10 per cent of all the research and development done on energy, is done in terms of renewable energy resources. Is there no understanding on the other side of the House with regard to the needs of economy and the needs of people?

What I am expressing is not simply a personal opinion. In a report card published this summer on those nations which make up the G-7, it was stated and I quote: "How does Canada, in relationship to sustainable development, score relative to other countries?" The result is, poorly. Over all, Canada was tied with Japan for fifth place out of seven. We were behind West Germany, France, the United States, and we were behind Margaret Thatcher's United Kingdom. The reason for this is as follows: "The reason for Canada's poor performance is that when it comes to translating high-sounding principles into domestic policies, regulation enforcement and funding, the federal government"—the government that the members opposite represent—"really falls down." In other words, we are good at espousing principles such as sustainable development, but we do not yet possess the national political will to translate such principles into effective domestic action.

That is the problem that we have faced in the country since 1984. This government has not had the political will or the leadership to bring this nation into the last decade of this century. How can the government be so short-sighted? Sustainable development applies to every single field of economic activity. It applies to agriculture. The Canadian farmer is struggling. Farm debt is—

The Acting Speaker (Mr. Paproski): The hon. member will have nine minutes remaining in his debate, plus 10 minutes of questions and comments.

It being one o'clock, I do now leave the Chair until two o'clock this day.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

CANADA POST

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, for over a year and a half the people living in the Atlantis Housing Complex at 143 Ryland Avenue in Bible Hill, Nova Scotia, have been fighting to get door-to-door mail delivery to their homes. All the units have separate sidewalks and similar service comes all the way up to their units and then past them to the next houses.

Because of a very small technicality, these people, many of whom are seniors, have been denied door-to-door service. In the last several months I have been in touch with officials at Canada Post many times regarding this issue. Although they have been accessible and co-operative, my constituents still do not have a satisfactory resolution to their problem.

This case is now under its final appeal and I urge the post office officials to apply common sense and extend this service to 143 Ryland Avenue.

* * *

GOODS AND SERVICES TAX

Mr. Bob Wood (Nipissing): Mr. Speaker, over the last few weeks we have heard a lot of talk about democracy and the supremacy of the will of the people. The GST debate is a case in point. It is no secret that the people of Canada overwhelmingly reject the GST. Over 80 per cent of all Canadians oppose this regressive tax, and the number continues to grow. In fact, from my riding of Nipissing alone, I have received well over 6,000 protest cards on the GST and how it will escalate the cost of such basic services as hydroelectricity.

Despite this opposition, the government is continuing to push ahead, regardless of what the people believe. Who is being undemocratic here when the will of the Prime Minister and the Minister of Finance can prevail over the will of millions of Canadians? How democratic is it when people with incomes of $100,000 or more pay

$1,600 less in income tax today? How democratic is it when corporations get their taxes cut, only to have them shifted to a segment of the population that is being hit with 32 separate tax increases?

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

* * *

STANDARDS COUNCIL OF CANADA

Mr. Blaine A. Thacker (Lethbridge): Mr. Speaker, it gives me great pleasure to ask other members of this House to join me in congratulating the Standards Council of Canada on 20 years of outstanding service.

The Standards Council is actively involved in international standards work through the International Organization for Standardization and the International Electrotechnical Commission.

Members of the House may be interested to know that these two organizations recently conducted a global survey to forecast needs for the future. The study attracted 2,700 respondents in 40 countries, including 100 from Canada, representing a broad cross-section of industry, academia, government and standardization experts. The results, Mr. Speaker, are interesting. Respondents identified cancer diagnosis, nuclear waste disposal and environmental protection as the areas of highest urgency.

It is fitting, therefore, that these two international organizations have selected the environment as the theme for world standards day, which is being marked on Sunday, October 14. I am pleased to join with other members of the House in congratulating the Standards Council and its record of service these past two decades—

Mr. Speaker: The hon. member for Nanaimo—Cowichan.

* * *

BILL C-21

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, as November 1 approaches, Canadians who make their living from the sea, fishers, shore workers and their families across the country are facing a devastating winter. The cause of this crisis is our own government with its blind determination to gut the unemployment insurance system while sacrificing the needs of Canadian workers.

Last November, the New Democratic House leader asked the Minister of Employment to introduce legislation for the variable entrance requirements. In a callous disregard for the plight of seasonal workers and workers in areas of high unemployment, she refused.

Had the minister followed my colleague's advice, representatives of fishers and shore workers from the west and east coast would not be here today scrambling to avert a disaster.

The New Democratic Party has opposed Bill C-21 because of the harm it will cause. The minister is well aware that had she brought forward legislation last fall for the variable entrance requirement, we would not be in the mess we find ourselves in today.

I call on the Minister of Employment to give up her childish policy of her way or no way, because we know in this instance her way is wrong. Avert a disaster. Withdraw Bill C-21. Bring in the variable entrance requirements now.

* * *

AGRICULTURE

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, the government has consistently given support to grain farmers under the Prairie Grain Advance Payments Act and the Advance Payments for Crops Act.

A further step to aid farmers with their cash flow problems would be to reintroduce interest free cash advances. I am encouraged to hear that a working meeting of farmers, industry and government representatives was held in Winnipeg on October 5 to consider this matter. That this meeting did take place is reassuring news to all Canadian farmers.

I urge the group to present their recommendations as soon as possible.

* * *

PALESTINE

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, the bloody events in Old Jerusalem this past weekend have prompted a stronger call by the international community for a just solution of the Palestinian situation.

This type of violent activity can no longer be tolerated and should be dealt with immediately by the Security Council, with the full support of the Government of Canada.

As we approach the annual United Nations debate on Palestinians, I ask the Secretary of State for External Affairs to urge all members of the Security Council to accept, if offered, a resolution calling for an international presence, either in the form of UN observers or officials from the office of the Secretary General.

It is only in this way that attempts to tie the invasion of Kuwait to a settlement of the Palestinian question can be pre-empted. The international community can then work further in solidarity against force and aggression toward a peaceful and permanent solution of the Palestinian-Israeli situation.

Listening to both Palestinians and Israelis this summer, I know, Mr. Speaker, that both sides want peace. The international community should help set up the process to achieve a lasting peace.

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[*Translation*]

PARLIAMENT HILL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, Public Works is planning the construction of a parking lot and a shopping mall under the Parliament of Canada, at the cost of $68 millions. Many people are opposed to that because of the environment, on the grounds that the historical character of the buildings must be preserved, and so on.

Mr. Speaker, with that money, we could build 136 shelters for incapacitated senior citizens, 250 youth centers as well as housing for the poor across Canada.

I am against that project. I already have an outdoor parking spot on the Hill, like all factory workers in Canada.

* * *

[*English*]

VIOLENCE AGAINST WOMEN

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, this morning the Prime Minister announced to the Commonwealth ministers responsible for women's affairs how much the Canadian government is doing for women. What a surprise this is for the women of Canada! Particularly offensive is his assertion that his government is dealing with violence against women, which is a serious problem in every country of the world, and Canada is no exception.

Today, women gathered on Parliament Hill to display 150 banners dealing with the reality of women's lives. Nearly a majority of them were about violence against women. In Canada, one out of every two women seeking refuge at a shelter for battered women is turned away because of lack of space. Thirty-seven per cent of the murders in Canada are related to family violence. Almost 100 women a year die at the hands of men they live with or have lived with. This government's policies—cuts to women's programming and capping of funds for battered women's shelters—are costing women their lives. This, Mr. Speaker, is the reality for Canadian women.

* * *

CHILDREN'S RIGHTS

Mr. Ken James (Sarnia—Lambton): Mr Speaker, few would argue that skills training will play a vital role in Canada's future economic growth and competitiveness. Yet, too often, we overlook the fundamentals. Basic fundamentals—basic literacy and numeracy skills—are the foundation for skills development. We must then begin with the basics, basic skills and their formation.

Canadians recognize that the seeds for skills development occur during childhood. Such an observation adds to the appreciation of our children as our most vital resource. Our children must receive greater attention.

The successful completion of the world summit for children is a good starting point, helping to focus attention on the urgent needs and problems of our children.

With the creation of the children's bureau and the pledge that the welfare of our children will be a high priority, I, like the families and children across Canada, look forward to the initiatives which will arise from this agenda.

If we are going to progress and have the basic skills to compete, our children must be a higher priority. In this light, I readily applaud our government's commitment to do so.

NATIONAL DEFENCE

Mr. Joe McGuire (Egmont): Mr. Speaker, the lessening of tension in Europe has led to a decision to bring 1,400 NATO troops back to Canada. More recently, there has been a Soviet–American agreement to reduce troops and military hardware in Europe. This will facilitate a further Canadian withdrawal of its NATO forces, which number 6,200 army and air force personnel.

It is time for the Department of National Defence to do some serious re–examination of its policy on base closures. For example, where will the 2,000 air force personnel be stationed when they come back?

The Department of National Defence now has an opportunity to correct or at least partially correct the error made in closing CFB Summerside and leaving Prince Edward Island as the only province without a military base. Leaving 413 Squadron, Search and Rescue, in Summerside will complement the helicopter repair business being recruited to locate on the base, will encourage the location of similar types of industries in Summerside, maintain Search and Rescue in its proven best location and show that DND has the ability to adapt to changing world realities and implement policies which make military and economic sense.

* * *

[*Translation*]

NATIONAL RENOVATION MONTH

Mrs. Marie Gibeau (Bourassa): Mr. Speaker, I would like to stress again the enormous importance of housing in this country, both as a material and social asset.

Canadians in general are well housed, but our houses are getting old. More than 20 percent of all houses in Canada are now over 40 years old, and this will increase to 50 percent by the end of the century. Many of these houses, which are an important source of affordable housing, will need major repairs. In fact, some 10 percent of our apartments are already in need of serious attention.

The month of October was designated National Renovation Month in Canada. The federal government, through Central Mortgage and Housing Canada, will work together with the renovation industry to protect and promote this important national investment.

In closing, Mr. Speaker, I want to congratulate the Canadian Home Builders' Association and the Bank of Montreal for their role in raising awareness on this important issue.

* * *

• (1410)

[*English*]

HEALTH

Mr. David Berger (Saint–Henri—Westmount): Mr. Speaker, in June in this House I raised the question of the Minister of National Health and Welfare's $4 million cut to the budget of the National Health Research and Development Program.

Over the summer I was in touch with leading researchers and learned firsthand of the damage caused by these cuts. It is important to understand that this is the government's only program for funding applied health research, which includes preventive health care, health promotion, disease prevention, work place hazards, cancer prevention and native health care.

As incredible as it may seem, all innovative health care research has been put on hold or permanently cancelled by this short–sighted government. One University of Quebec researcher affected by the cuts proposed to study the risks of cancer due to asbestos exposure in the general environment. The Minister of National Health and Welfare knows as well as anyone that it is far less expensive to prevent cancer than to treat it.

I urge the minister to restore the funding for health care research now.

* * *

THE ENVIRONMENT

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Chalk one up for Mother Nature, Mr. Speaker. This fall the Adams River in British Columbia has witnessed the largest migratory run of sockeye salmon in 77 years. Twenty–one million sockeye returned from the Pacific Ocean to begin their 560 kilometre odyssey to the spawning beds along the Adams—proof positive that

environmental conservation and restoration programs do work.

The run, still only one-tenth of the size that it was at the turn of the century, will continue to rebuild as long as man continues to remain vigilant to the necessity to clean up his act. What better way to build environmental awareness than to celebrate this annual occurrence?

The federal ministers of environment and fisheries should seriously consider the construction of a permanent historical exhibit, highlighting a salute to the sockeye along the banks of the Adams. As well, the government should redouble its efforts to enhance salmon fisheries throughout the entire Fraser River watershed through the development of community hatcheries and a thorough clean-up of the river.

* * *

CANADA-U.S. FREE TRADE AGREEMENT

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, another business has fallen prey to the Conservative's free trade deal.

The American-owned Olan Mills photo finishing plant in Kingston, Ontario, announced this summer that it will be closing its doors by year end, throwing a total of 94 people out of work. The photo finishing done by this plant will be taken over by the firm's U.S. operations.

With this closure, we are one again witnessing the export of Canadian jobs south of the border. When the Prime Minister promised that the free trade deal would bring employment and prosperity, he neglected to mention that the employment and prosperity would be going to places like Michigan, New York and Wisconsin, not to Ontario.

The government should hope that the people of these states are eligible to vote in the next Canadian federal election because without their votes, this government has as much chance of forming itself into a new government after the election as a branch plant has of remaining in Canada.

* * *

REFORM PARTY

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, the Reform Party wants to take a broad axe to Canadian social programs by cutting spending 10 to 15 per cent right across the board. Reformers want to thank veterans by chopping their pensions by 15 per cent. Reformers want to pay tribute to our pioneers by chopping old age security by 15 per cent. Preston Manning will charge each pensioner a $200 user fee for health care, that is after chopping it by 15 per cent.

How many hospital beds will be closed by these policies? How many fewer hip replacements will be performed? Our seniors deserve more, not less. To reduce spending we need a deft Conservative scalpel, not a bloody Reform broad axe.

ORAL QUESTION PERIOD

[*English*]

JUSTICE

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Prime Minister.

On October 2, speaking of his unwillingness to refer to the Supreme Court of Canada the government's use of section 26 of the Constitution Act to appoint the eight additional senators to force through the GST, the Prime Minister said:

> —the government has received the full assurances of the senior legal advisers of the Crown, that all the actions that we have taken have been pursuant to the statutes, convention and appropriate custom.

On the next day, the Prime Minister said:

> —the Government of Canada has already acted pursuant to advice it has received from the most senior law officers of the Crown.

This morning, the government's lawyers told a judge of the Supreme Court of Canada that they were not ready to proceed to argue the point today and that they needed another two weeks.

If the matter had been so fully researched and thought through, if the matter was so clear on the legalities some two weeks ago, why was the government not ready to argue the point in court today? Why was it seeking a delay?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am sure it will come as a surprise to the judges on the Supreme Court of Canada to hear that we were in front of them this morning, because we were not.

We were in court in Ontario pursuant to a number of applications, one of which I might add was dismissed. The lawyers for the Government of Canada took the position that the case should not be argued today but

should be given some delay partly because other parties were in fact served at a very late date. I understand that members of the other House received notice yesterday. It was the view of the Government of Canada that all parties who were to be involved in the applications should have full and fair notice.

The hon. member will be aware of what kind of notice that should be. In fact the Government of Canada is prepared to make its arguments at any time.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Minister of Justice says that the government is prepared to make its arguments at any time.

If that is the case then I ask the Minister of Justice: Why won't she refer this matter to the Supreme Court of Canada today? Why does she want to allow the doubt and uncertainty to continue? If she is serious about being ready, refer the matter to the Supreme Court of Canada today. I give her that challenge.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, we are not uncertain about the matter, and that is why we are not referring it to the Supreme Court of Canada.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, if the governement is as certain as indicated by the Minister of Justice, why did it ask the Superior Court of Ontario for two week's delay? Why is the government not ready to proceed with this case today?

Hon. Kim Campbell (Minister Justice and Attorney General of Canada): Mr. Speaker, because some of the parties were advised about these proceedings only yesterday and we want to be fair to all of them.

* * *

[*English*]

EXTERNAL AFFAIRS

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

Canadians have been deeply disturbed by the violence and bloodshed that have taken place in the holy areas of East Jerusalem yesterday.

Could the minister tell us if Canada as a member of the Security Council is taking any initiatives to help move toward a just and lasting settlement, as the Secretary of State for External Affairs outlined yesterday, based upon resolutions 242 and 338? In particular, are we still supporting the motion of a UN presence or team to go to Israel to investigate those circumstances?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I am sure the House will share the concern I expressed on behalf of the government yesterday at the events in East Jerusalem, which are dangerous at any time but particularly dangerous given the circumstances in the Middle East now. I think that the energies of all of us must be deployed to try to ensure that a cycle of violence which erupted there again is contained and that elemental problems are solved.

• (1420)

There is a meeting of the Security Council in progress now. There is a resolution before the Security Council that would call for a presence of the United Nations to conduct a specific inquiry in the region. It would be the intention of Canada to support that resolution.

I may have to absent myself during Question Period for telephone consultations with other foreign ministers as part of an attempt to try to ensure that we might have a resolution that could command the support, if not of all members of the Security Council, at least the Permanent Five and the majority including Canada.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, taking into account the worsening situation that the Secretary of State for External Affairs has just described, Canadians are also concerned about reports this weekend that Canadian ground forces are being prepared for possible deployment in the gulf.

Can we have the assurance of the government that there will no deployment of any further ground forces or any Canadian forces into the Middle East or the gulf area, without the sanctioning of a United Nations resolu-

tion and without the approval and consent of this Parliament?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, there is debate in progress in this House now initiated by this government the first day Parliament was back. While there is no absolute legal requirement for the House to come to a vote on the matter, it would certainly be helpful to the government and to the flexibility of Canada if that vote were taken. I understand that opposition parties are reluctant to have the matter come to a vote, and I regret that because I think it would be helpful to our—

Some hon. members: Oh, oh.

Mr. Clark (Yellowhead): Excuse me, Mr. Speaker. This is an important question—

Mr. Riis: Where did you get that idea?

An hon. member: You're not in the Senate now, Nelson.

Mr. Clark (Yellowhead): It may not be both opposition parties. It may simply be the New Democratic Party that is reluctant to have the matter come to a vote.

I have indicated before that the Government of Canada intends to continue to use all of the resources of Canada in a way that will lead to a peaceful solution to the situation in the gulf, including the withdrawal by Iraq from Kuwait.

We naturally expect to consult as fully and completely as is possible with Parliament. The hon. member knows that sometimes events develop very quickly. I have given him my assurance on an earlier occasion that if something develops that requires immediate consultation when the House is not physically sitting, I will be in touch with him and with his counterpart in the Official Opposition to ensure that there is advance notice of what Canada is contemplating.

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THE SENATE

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my question is directed to the Prime Minister. Never before in the history of Canadian Parliaments has so many well-heeled corporate business types owed so much to one man.

The latest transfusion of bluebloods to the other place has Mr. Trevor Eyton, holding 26 directorships; Claude Castonguay, holding 16 directorships; and recently, when things got hot in the other place over the GST, the Bank of Montreal called in its chips and sent Mr. Allan MacEachen off consulting in Brussels.

In light of the fact that Senate directorships run the gamut from banks to pork bellies, I want to ask the Prime Minister as we look at this newest infusion of bluebloods in the other place: will he keep his promise, which he made in 1985 following the fiasco of Sinclair Stevens, that he will introduce and have passed effective conflict of interest laws that will govern both the Senate and the House of Commons?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I noted that my hon. friend pointed out with some enthusiasm the presence of successful business people from the Liberal and the Conservatives Parties as the newest members of the Senate, but he neglected to mention the member of the NDP, the hon. member for Kamloops, who distinguished himself in the Senate on Friday of last week.

An hon. member: Thursday.

Mr. Mulroney: On Thursday or Friday of last week. Right there, Mr. Speaker, right there on the floor of the Senate was the member for Kamloops, encouraging very strongly what the Liberals were doing. Yet on Friday he was in the House of Commons on his feet on a question of privilege saying what the Liberals had just done was absolutely outrageous.

I want to welcome him back from the Senate. We missed you, Nelson. Don't leave us alone any more.

Some hon. members: Hear, hear.

Mr. Mulroney: Save yourself from the senators. Some of the people who were appointed to the Senate recently are men and women of accomplishment across Canada. There is an aboriginal leader from Alberta, a woman from New Brunswick, and so on. They are all very successful people. I know that the NDP is offended by the notion of success and accomplishment, but I will continue to appoint successful people to the Senate unless my hon. friend indicates a preference himself.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my supplementary question is for the Prime Minister. I want the Prime Minister to know that Canadians far and wide

are not so jocular about the jigging and jogging that is taking place in the other place.

The Prime Minister knows well that there is legislation that is before this House. There is the privatization of Petro-Canada. There is the deregulation of financial institutions. There is a communications bill. Yet we have Mr. Twinn on the board of directors of Petro-Canada. We have Mr. Castonguay, Mr. de Nino, and Mr. Eyton on the boards of directors of financial institutions. We have Senator Pat Carney on the board of directors of Rogers Cable.

I want to ask the Prime Minister this, and he does not have to go down to the Senate. He can do the same thing he did the other—

Mr. Speaker: Perhaps the hon. member could put the question.

Mr. Rodriguez: Did the Prime Minister ask the new senators to give up their directorships so that there would be no apparent potential conflict of interest as perceived by Canadians?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, as my hon. friend knows, at the Meech Lake meeting of the first ministers I proposed the abolition of the Canadian Senate. It was not fully endorsed at the time.

We then brought about fundamental reforms in the Canadian Senate as a result of the Meech Lake discussions. Indeed, had Meech Lake passed in June we would now be on our way to British Columbia for the first of a series of meetings which would result in a thoroughly reformed and elected Canadian Senate, to which this government is committed.

I can give my hon. friend the assurance that the appalling display of misconduct by the Liberal senators has set off a wave of revulsion across this country and will result, I am absolutely certain, in a completely reformed Senate of Canada.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, surely the Prime Minister is not suggesting to Canadians that the way to reform the other place is to put a whole pile of business men with obvious and potential conflicts of interest into the other place without the proper legislation that controls such potential conflict of interest.

[*Translation*]

Is the Prime Minister prepared to call them in and ask them to resign as directors.

Mr. Saint-Julien: In the unions!

Mr. Rodriguez: And in the unions.

Right Hon. Brian Mulroney (Prime Minister): Mr Speaker, this House and the Senate will eventually adopt a piece of legislation under which people who sit on boards of directors of unions or financial institutions which may be in a conflict of interest with the legislative provisions will have to make a choice about their career.

The government has brought before Parliament this very important measure on conflicts of interest, and I am confident that my friend will want to make sure that all members and all senators respect the provisions of this bill once it has been signed by the Governor General.

* * *

• (1430)

[*English*]

VIOLENCE AGAINST WOMEN

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, my question is for the Minister of Justice.

The third meeting of the Commonwealth Ministers Responsible for Women is being held in Ottawa this week. Violence against women is on the agenda. Two Canadian women are killed weekly by their partners. Domestic disputes and wife battering are on the increase. Statistics show that sentences for men convicted for spousal assaults are minimal, if at all.

What concrete action will the Minister of Justice take to ensure that abused women are protected by our judicial system?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I thank the hon. member for her question because it is an issue of grave concern to all Canadians, not just to Canadian women.

The government's program with respect to family violence spans a number of different departments. It is a $40 million initiative. I am pleased to respond with respect to what the Department of Justice is doing.

The Department of Justice has made the protection of women from violence a major focus of its work. This includes reform of the Criminal Code. The law governing sexual violence was amended in 1983, and the department is assessing the impact of those changes.

In addition, we are analysing measures to deal specifically with violent pornography. We have funded research to other projects; for example, a television program to inform the general public about the existing law of sexual assault and an evaluation of programs for men who batter their spouses or lovers.

Also, in the area of policy development, the department has set up a departmental committee to develop policies relating to women, especially violence against women, and it participates in an interdepartmental committee developing policy on family violence.

With respect to the administration of justice, the department has provided support for conferences and seminars designed to sensitize justice professionals on sex equality issues, especially as they relate to violence against women.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I would like to thank the minister for her very comprehensive report on what her department is doing.

I think that action has to speak louder than words. I believe it is time that the Minister of Justice brought the attorneys general of the provinces together to amend the Criminal Code to protect women.

Will the minister take this action immediately?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, at the federal-provincial meeting of attorneys general in June at Niagara-on-the-Lake, a decision was made to form a federal-provincial task force on women and the law.

One of the first things I did was invite the provincial attorneys general to participate with me. I indicated that I would host a federal-provincial conference on women in the law which, I hope, will be held in the late spring of 1991, with an agenda formed by this federal-provincial task force. The thrust of that conference, I hope, will be threefold: women in the legal profession, women in the courts, and the substantive law as it relates to women. I think this will provide a very timely opportunity for us to work on the federal-provincial level to address the very questions that she raises. I might add that they are excellent questions and I share her commitment to them.

* * *

STATUS OF WOMEN

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my question is also for the Minister of Justice.

P.O.W.E.R., a Winnipeg based community group has been praised by the Commons justice committee as being a model project for helping women. Yet it was forced to close its doors several weeks ago because of a lack of public funds.

Will the minister commit herself today to helping this organization get started again?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am unaware of the issue which the hon. member raises. I would be very pleased to review it to see if it is appropriate for our department to be involved in it. I cannot give you an answer beyond that.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I thank the minister for her answer. I have a supplementary question for the same minister.

P.O.W.E.R. is helping women who are prostitutes who wish to get off the streets to do so. This was an issue raised and reviewed in the justice committee and one that concerns women in several cities.

I would like to ask the minister today if she will take the initiative to see that projects like this are sponsored across the country.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, the report of the Standing Committee on Justice and the Solicitor General which raises a similar issue is a very good one. It makes some very significant recommendations with respect to dealing with the root causes of the problem of violence against women on the streets.

I can only say that I have not had the opportunity to review it with enough depth to come forward with policy proposals. I respect those recommendations and I respect organizations that are involved in dealing with the

problem that way. I hope to be able to bring forward positive initiatives to this House before too long.

* * *

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, my question is for the Minister of Finance. It deals with the shock Canadians received this weekend while reading the newspapers. In a time of restraint and serious government cutbacks of critical programs, particularly social programs, Canadians were informed that the Government of Canada is soon going to send out a 16–page, three–coloured propaganda brochure to every household in the country.

Some hon. members: Oh, oh.

Mr. Riis: Mr. Speaker, surely this is an error. Will the Minister of Finance tell the House and the people of Canada that the government is not going to spend hundreds of thousands of taxpayers' dollars to send out a three–colour, 16–page propaganda brochure to every single household in the country.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, it may interest my hon. friend that there have been some 384,000 phone calls made to the GST information number seeking out the very information that is in this brochure, as well as in the one that we sent out in May of this year.

The hon. member talks about the cost of this. It works out to 13 cents a copy. That is a quarter of what it costs to go out and buy *The Globe and Mail* here. I think this is a very cost–effective way of responding to the concerns that people have. It responds to their questions in an open, frank and direct way, providing information to give direct answers to questions.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, as the Minister of Finance obviously knows, only one–half of 16 pages are devoted to the goods and services proposal.

Some hon. members: Oh, oh.

Mr. Riis: The rest is filled with absolute garbage. It is government propaganda. At a time when we are cutting back on women's programs, when we have tens of thousands of children lining up at food banks, when we are having serious cuts to native programs and social housing programs, is this the way the government feels it should be spending taxpayers' money?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, what we have tried to address in this particular document is the broad range of economic policies that must be followed if we are going to be able to finance the social programs that my colleague wants to have.

That is why on page 1 we talk about the importance of this country maintaining and building its competitive position so that it can trade effectively and create the jobs here at home. We talk about the importance of having a skilled workforce as part of the major part of our economic plan, about how people who are unemployed can get training.

I might say, Mr. Speaker, that it is important to get the bill on unemployment insurance reform through the Senate so that we can continue to provide these programs. Many people have asked about how taxpayers' dollars are spent. That is precisely what this document tries to do.

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, my question is for the Minister of Finance. He says that the people of Canada are going to get accurate information from this particular pamphlet it is distributing.

I wonder if it is the same kind of information that has been rejected by the CBC as being ill–conceived and inappropriate. It has been rejected by the Advertising Council of Canada because it is false advertising.

Has the Minister of Finance made sure that the information in this brochure is more accurate than what he has already provided Canadians?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I invite my colleague to read the document himself. He may find that it is absolutely accurate and he might also learn something by doing so.

[*Translation*]

Mr. Douglas Young (Acadie—Bathurst): I have a supplementary for the Minister of Finance, Mr. Speaker.

Now that the minister has had more than six months since he tabled his budget in the House, can he tell us whether he is still sticking to his forecast concerning interest rates? Does he still think that the deficit will be less than $30 billion, of has he come to grips with

Canada's economic reality and will he table a new budget to reflect that reality?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I know very well what economic reality is in Canada. I have been presenting a very clear, open and honest picture of what to expect from the economy, as set out in my budget of February this year. My colleague is probably not aware that I made a speech on September 17 in Edmonton where I set out clearly what we expect for the balance of this fiscal year. The questions that he has just posed were answered fully in that speech.

* * *

• (1440)

AIR CANADA

Mr. Sergio Marchi (York West): Mr. Speaker, my question is for the Minister of Transport. Persistent reports indicate that Air Canada is planning massive lay-offs of upwards of 2,000 to 3,000 people.

Given that deregulation has moved our air industry closer to monopolization, and given that the government is preparing to negotiate an open skies agreement with the United States, is the minister not concerned with this dramatic down-sizing of our largest Canadian air carrier, which may be a premonition of things to come for the entire Canadian air industry?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, my hon. friend will be aware that deregulation has vastly improved the number of routes, the number of flights that are available to Canadians, has increased the number—

Mr. Allmand: Where? Name one.

Mr. Lewis: Why don't you try Sudbury? There were two flights before deregulation and now there are 17.

My hon. friend knows that from time to time all companies go through rationalization. What my hon. friend is doing is reacting to headlines and pure speculation. I invite him to wait for the actual facts.

Mr. Sergio Marchi (York West): Mr. Speaker, the fact of deregulation is that two Canadian air carriers have basically gobbled up most of the regional air carriers. Most communities in the regions no longer have jet service, thanks to the deregulation policies of this government.

Given that the predicted number of lay-offs at Air Canada are very disturbing, what kind of adjustment programs is the minister prepared to introduce to help these and future displaced workers in the Canadian air industry. Can he assure this House that communities in the regions will not be isolated as a result of such massive and disturbing cutbacks?

Hon. Doug Lewis (Minister of Transport): I suggest to my hon. friend, Mr. Speaker, that as a result of deregulation the communities do not have less jet service, they have better air service. That is what all the communities wanted and what they got from deregulation.

As far as pure speculation is concerned about what lay-offs what company might have, I suggest to my hon. friend he has got the plane in front of the pilot.

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ATLANTIC CANADA OPPORTUNITIES AGENCY

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, my question is for the minister responsible for ACOA.

On three separate occasions my New Democratic colleagues have raised serious questions about this government's involvement with Technitread and now there is an RCMP investigation under way. This is but one of a litany of horror stories connected to this minister's department.

The minister said he would accept full responsibility if mistakes were made. Well, mistakes were made. When will he do the honourable thing and resign?

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, I am a little surprised at the tenor of my friend's questioning. It is really out of left field.

I told his colleagues from Nickel Belt and Essex—Windsor that I respected their acumen as regional development critics. As a result of what they indicated at committee I stated that I would have a second look at this particular project. I did that. There was no further public funding for this project.

I explained to my colleague from Nickel Belt that I would tell him what the purchase price was. He was of

the erroneous impression that it was $1 for the property which was part of No. 26 colliery. It was $250,000. Also, there is a lien on the equipment of this company for $1 million held by ECB. While this project is in trouble, I want my colleagues to know that I did take responsibility. I did cut off the funding. I ordered my officials to do this.

I am a little surprised that the member opposite seems to take such obvious delight in attributing a lot of horror stories to an economic development agency that has done so much for an area in Canada that needed it so badly.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, it is not a question of taking delight in horror stories. It is a question of making sure that public funds are well spent. In this case they have not been well spent. There are any number of occasions in which they have not been well spent in Cape Breton and elsewhere.

My supplementary question is directed to the Prime Minister and it is about ministerial responsibility. The minister said, and I quote from the committee proceedings: "If there has been a mistake made, I will take full responsibility." There clearly have been mistakes made, the minister has admitted that there have been mistakes made. Does ministerial responsibility not mean anything any more? Is it not time the Prime Minister removed this minister?

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, if my colleague equates taking responsibility with doing the right thing and doing what his colleagues advocated as being cause to resign, that indeed is a new concept of ministerial responsibility.

Again, I repeat that ACOA has, with the understanding of colleagues from his party and from the Liberal Party, made modifications to some of the rules that govern economic development. It should be noted by the House that well over $1 billion has gone into Cape Breton, through various programs of assistance, all well deserved.

What we are trying to do is find out how we can get a better return for our investment and do a better job of regional development planning. This is why we have recently obtained the services of Mr. Tony Brait, a respected Newfoundland businessman, to do a comprehensive assessment of what we have been doing right and what we have been doing wrong in Cape Breton. I hope we will have the support of all colleagues opposite in this regard.

* * *

[*Translation*]

PARLIAMENT HILL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Public Works.

Last week, *Le Droit* reported that your department planned to build a parking and shopping centre under Parliament Hill, and that this project would cost $68 million.

Would the minister agree this project is useless, since all members have outside parking space like any factory worker in Canada and we have more important priorities on our minds?

[*English*]

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, I will tell the House that this is a discussion paper that was circulated widely by some people who apparently are seized with an edifice complex.

Some hon. members: Oh, oh.

Mr. MacKay: While there may be need for increased parking and other facilities, I am not particularly impressed with this concept. I want to assure my colleague that no moneys have been appropriated, no decisions have been taken and I, for one, am not too impressed with this concept.

* * *

TRADE

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, my question is directed to the Minister for International Trade. The government recently announced that Canada will participate with Mexico and the United States in discussions intended to lead to the negotiation of a North American free trade agreement.

Will the minister confirm the statement of the United States trade representative that the three countries have agreed to the end of January, three months from now, as the deadline for determining whether Canada will be at the table?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I am glad that in this negotiation we have the support of the Liberal opposition in the House, as was shown by the statements made by the members for Broadview—Greenwood and LaSalle—Émard.

I can say this: There is no deadline but we would like to settle these preliminaries by January or February, if we can. But there has been no deadline set and of course these are only preliminary discussions to ensure that we can agree on an agenda and the modalities for such negotiation, if it occurs.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, given the current levels of wages, working conditions, and environmental abuse in Mexico, will the minister identify which labour-intensive industries in Canada will be hit the hardest by Mexican competitors? Has the government yet undertaken any sector-by-sector studies of what adjustment assistance will become necessary to help Canadian workers and Canadian industries?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I am appearing before the House of Commons Standing Committee on External Affairs and International Trade this afternoon and I invite all members and spectators who might want to come to attend.

We are not concerned about wage levels alone because, of course, wage levels alone are simply one item in the factors that affect competitiveness.

• (1450)

The greatest competition for this country lies with the United States, the European Community, and Japan—the highly industrialized, high wage countries which have the research, development, and technology to compete with us—not low wage countries.

We are not going to follow the advice of the NDP and cut off all trade with the developing world so that the developing world will never become developed.

Some hon. members: Hear, hear.

AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is directed to the Minister of Agriculture. In his absence, I will ask the associate minister to respond.

The minister knows that world wheat prices are the lowest in 60 years, so low that in fact the Canadian Wheat Board can hardly make sales on the international market.

How can farmers pay their bills this year when the Wheat Board is not able to make many sales on the international market and the prices are the lowest since 1930? What is the government going to do to help these producers?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs) and Minister of State (Agriculture)): Mr. Speaker, I would say, first, that the $500 million we put on the table this last spring was the response of the federal government to the needs of the farmers in Canada.

We asked the provinces to share the burden with us, because we think agriculture is a shared responsibility in Canada.

The other reason is that at the international level we worked, since the Prime Minister's speech in Tokyo, to put agriculture on the agenda of the world's trading nations. Since that time, we have brought agriculture as the first priority so that all countries reduce their subsidies in this field.

In these last few weeks before December, what we have done and what we are going to do to help farmers in the west is to make all countries around the world realize that those subsidies are just destroying agriculture.

Mr. Maurice Foster (Algoma): Mr. Speaker, grain farmers are facing the worst cash flow crisis in their history this fall with practically no markets and very low prices.

How can a farmer even meet his direct out-of-pocket production costs of some $65 per acre, when he can only deliver $11 per acre? That results in a loss of some $54 per acre. What is the government going to do?

The government did away with interest free cash advances last fall. There is no cash flow from the sale of wheat. When is the government going to act? What is it going to do?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I said earlier that the government has done everything it could to help farmers, not only this year—We have spent billions of dollars to meet the most pressing needs of Canadian farm producers. To a certain extent, we did so to protect them against the negative impact of this subsidy war between the United States and the European Economic Community, which has forced our farmers to sell their grain at a ridiculously low price. That is why we have made representations on the international scene to make people more aware of the situation and, once this price war has been stopped, restore fair prices that will be far more helpful for Canadian farm producers, both in western and eastern Canada.

* * *

[*English*]

RESEARCH AND DEVELOPMENT

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is directed to the Prime Minister.

The Minister of Science and Technology has just today opened National Science and Technology Week by hawking posters which tell Canadian youth: "We need your imagination."

Some hon. members: Hear, hear.

Mr. McCurdy: Meanwhile, using the deficit as an excuse, the Minister of Health and Welfare has made a nearly $4 million mortal blow to the National Health Research and Development Program, which is a program intended to save health dollars through science. I understand further outrages are on their way.

My question to the Prime Minister is this: Is it that we are going to need youth's imagination to see this government's imaginary science policy?

Some hon. members: Hear, hear.

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, if I may answer on behalf of the Minister of National Health and Welfare, I would just like to tell the hon. member that since we came into office in 1984 health and welfare research combined as a whole has increased dramatically. That is what we have done since 1984.

In the Centres for Excellence, we have also put in $240 million and, through Bill C–22, we made a $100 million transfer from the federal government to the provinces for medical research. That is what we have done for research in Canada.

Some hon. members: Hear, hear.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, in fact, the record will show that the government's share in research in the country has fallen and that the ratio in regard to the GDP has fallen.

My question to the Minister of Science and Technology is, what is his intention with respect to the government's matching program for the granting councils? That is an issue that is of serious concern. I want the Minister of Science and Technology to deny that those moneys that are in the granting councils now will not be used for some other purpose beside supporting basic research in the universities.

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I would like to remind my hon. friend, both with respect to his previous question and this one, that the granting councils last year received the largest increase in the whole of the Government of Canada.

With respect to the matching funds, we have always made it very clear that the matching funds would not disappear. They are an integral part of what the government is trying to do to bring science, the universities, and industry, close together for the benefit of the economy of the country.

* * *

[*Translation*]

WAR MEASURES ACT

Mr. Louis Plamondon (Richelieu): Mr. Speaker, my question is directed to the Right Hon. Prime Minister.

October marks the twentieth anniversary of the War Measures Act in Quebec. The Canadian government apologized to Japanese Canadians for using the War

Measures Act against them and paid compensation totalling several million dollars. My question is this: Is the Canadian government, on this twentieth anniversary, prepared to apologize to the people of Quebec for imposing the War Measures Act and jailing 500 people without a warrant, and is the government prepared to offer a certain amount, as compensation for this unfair treatment, as they did to Japanese Canadians?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Canadian government has already done better than that. About two years ago, the government completely revised the War Measures Act to ensure that the events of 1970 would not happen again. I think that is—

Some hon. members: Hear, hear.

Mr. Mulroney: And furthermore, I can inform my hon. friend that on the weekend, I called Mrs. Françoise Laporte to transmit, on behalf of the government and the Canadian people, our profound admiration and deep affection for her and the members of her family.

Some hon. members: Hear, hear.

* * *

[*English*]

RESEARCH AND DEVELOPMENT

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, in the absence of the Minister of National Health and Welfare, I will direct my question to the Prime Minister. It is about the cut to the National Health Research and Development Program.

The top priority of the Minister of National Health and Welfare and the government ought to be to provide the best possible health care to Canadians while controlling or reducing costs. Yet, the minister has cut the only program which funds innovative health care research in Canada and since 1984, contrary to what the minister answering for the Minister of National Health and Welfare has said, this program has been frozen and will now be reduced by $2.5 million as a result of the cut to this research program.

Will the minister restore funding for health care research which, for example, would study the methods of encouraging the elderly to get vaccinated against the flu?

• (1500)

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, I would like to remind the hon. member that the budget for the Medical Research Council of Canada has increased by 9 per cent in this last fiscal year, bringing it up to $216 million.

Some hon. members: Hear, hear.

Mr. Danis: Second, as I said a minute ago, when this House passed Bill C-22 thereby making available $100 million to the provinces for medicine research, his political party blocked it in the other place. So we are doing something about research. The Official Opposition is not.

Some hon. members: Hear, hear.

* * *

[*Translation*]

PRIVILEGE

PARLIAMENT HILL

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, I rise on a question of privilege concerning all the hon. members in this House. Those of us who truly care for our heritage are concerned, and rightly so, by the prospect, as reported in the press, of an underground parking and mall being built in front of the Parliament.

First, Mr. Speaker, the officials in Public Works may have had serious plans that the minister knew about, but the opposition members certainly knew nothing and were never consulted.

Second, Mr. Speaker, the issue concerning all the hon. members is that we have been portrayed in the press as—

[*English*]

—butchers of historical sites. I would like to bring to the attention of the House that this caricature of the members of Parliament, indicating that we were in favour of such a plan, is totally ridiculous. Mr. Speaker,

as it is the responsibility of the Board of Internal Economy, it would be in the interests of this House and all members that you make a statement on this matter as soon as possible.

Some hon. members: Hear, hear.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, had the hon. member been paying attention during Question Period, he would have heard the minister responsible say that in fact he does not like the idea, does not support the idea, it is an idea somebody else raised.

The point of privilege was undoubtedly heard by the hon. member's constituents and I am sure they will applaud him for raising it, but it was totally unnecessary.

Some hon. members: Oh, oh.

SPEAKER'S RULING

Mr. Speaker: I wonder if I could deal with the point raised by the hon. member for Gatineau—La Lièvre. I am not persuaded that the matter is a point of privilege, but the hon. member has, I think, made a point and I am sure that there are other ways to deal with it.

The hon. member for Ottawa West.

QUESTION PERIOD

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I rise today on a point of privilege arising out of Question Period on October 4 last, and the notice I gave you at that time that I intended to rise on this point of privilege.

Mr. Speaker, on that day three different comments by government members unfairly imputed motives to me and accused me of suggesting impropriety on the part of senior public servants and starting a rumour regarding a public servant who had no right and no forum in which to defend himself.

I deny categorically the motives imputed to me. I have nothing but the highest respect for the integrity of those who serve the Canadian public. To say otherwise is to undermine my credibility and my ability as opposition critic for Public Service employment to represent in this House the interests of Public Service employees, many of whom are also constituents whom it is my duty to represent.

Mr. Speaker, if anything, the question was prevented from being put, and I think your own comments in *Hansard* make it clear, whereas the comments from the Prime Minister, the House leader and from the member for Surrey—White Rock—South Langley may have suggested that I was suggesting something other.

I think your own words, Mr. Speaker, make it clear that there was some question as to whether I was leading in an improper direction. However, the question I was prevented from putting would have made it absolutely clear that my intention was to ensure the ongoing integrity of the Public Service by questioning why the Public Service Commission has been allowed to become non-functional and effectively defunct. That is effective today.

It is clear that government members—and I will be happy to amplify on this in detail—are attempting to construct an atmosphere, perhaps to filter perception by inferring motives, as was done three times on that day.

Some hon. members: Order.

Mrs. Catterall: Rather than the words being spoken, it is the interpretation being put on them that is guiding what members are hearing in this House. Such attempts to colour the perception of the public and other members are not infrequent, and I question whether they are accidental.

Some hon. members: Order.

Mrs. Catterall: Mr. Speaker, my right to speak freely in this House, to represent the constituents that I am here to represent and to have my credibility with those constituents based on what I say, not what other people have imputed to what I have said, was undermined by what happened in the House on October 4.

I am quite prepared to amplify. I want to make simply one more point. A comment was made in this House following Question Period by the member for Surrey—White Rock—South Langley that very clearly said that I had started a rumour regarding a public servant who had no right to defend himself. That member was allowed to make and to complete that comment not on a point of order, not on a point of privilege, but simply as a comment.

An hon. member: It is on the record.

An hon. member: It is in *Hansard*.

Mrs. Catterall: Subsequent to that I was not able to complete my point of privilege so that I could challenge that statement and so that in fact I could challenge the statement of the Prime Minister that I had suggested impropriety on the part of a senior public servant.

Mr. Speaker, I know that you have had the opportunity to review *Hansard*. I ask you to consider whether both the Prime Minister and the member for Surrey—White Rock—South Langley might be asked, as you have done on other occasions when imputations of motive were made against members and when their credibility was under attack, to consider whether they might want to clarify the statements they made at that time; whether those were appropriate comments to have been made under the circumstances; and whether my having been denied the opportunity to ask a second perfectly proper question may not have been influenced by the comments made by the members in the House—

Mr. Speaker: Wait a minute. Wait a minute. The hon. member has been given a lot of leeway. She rises on a point of privilege. The point is whether or not motives have been imputed. It puts the Chair in a very great deal of difficulty if she is now suggesting that the Chair's conduct was in any way affected by anything that was said. I think the hon. member would want to leave that alone. I have listened very carefully to what she had to say. The hon. House leader.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am not sure we need to deal with this at great length because the question which gave rise to the concerns of the hon. member for Ottawa West was her question on October 4, where, quoting from *Hansard* at page 13803, she said:

> Mr. Speaker, my question is for the Prime Minister. The very day Mr. Peter Lush resigned his patronage appointment as chairman of the Hamilton Harbour Commission because of information revealed in this Chamber, and before the law firm to conduct the investigation in the whole affairs was even named, Mr. Glen Shortliffe was moved out of his position as deputy minister of transport and into the Privy Council Office.

That leaves in my mind the implication that somehow this move by Mr. Shortliffe was related to a desire that the facts about the Hamilton Harbour Commission not be brought to line. That is the clear implication from this, to which the—

• (1510)

Mr. Speaker: The House has listened very patiently to the hon. member for Ottawa West in putting her point of privilege. I think that the House also ought to listen to the reply.

Mr. Andre: —to which the Prime Minister replied that in fact the move of Mr. Shortliffe to associate secretary of the Privy Council Office was on the advice of the secretary of the Privy Council, Mr. Tellier, and that it was a part of the normal movement, that Mr. Shortliffe in fact was in essence being promoted, brought back to the centre because of the talents and abilities he showed.

As the hon. member knows, this is not a Public Service Commission appointment. It is an order in council appointment. Deputy ministers are employed at pleasure, if you will, and are appointed by the Governor in Council. That is what the Prime Minister said: Please do not implicate Mr. Shortliffe in terms of some sort of alleged cover-up or hinted at cover-up, that in fact he is an outstanding public servant who has been moved into this new position of authority and that it is simply wrong and a discredit to him to suggest that somehow this movement is related to the issue of what happened at the Hamilton Harbour Commission. It was in that regard, to protect Mr. Shortliffe's reputation, to see that in no way, shape or form was his change of position within the government in any way related to an alleged or hinted or suggested cover-up, so that the facts would not be known and so on. It was in reaction to that.

If the hon. member is now saying that in no way was she suggesting that Mr. Shortliffe's move had anything to do with the Harbour Commission and it was unfortunate that those two paragraphs of her question happened to come one after another and they were two different subjects, well then she should merely stand up and say that. I am sure that everybody on this side will say: "Fine, we agree with that. We agree that there is no effort to disguise the facts, cover up any facts in terms of the Hamilton Harbour Commission". There is also no effort to move any public servant because of that. Mr. Shortliffe is still a member of the Public Service of Canada serving in a very high position and the Prime Minister was doing nothing more than to make sure that there

was no alleged suggestion or hint allowed to remain out there that somehow this is related to a cover-up.

That is what this is all about. The hon. member should not take offence at that defence of the Public Service by the Prime Minister.

Mr. Speaker: The hon. member for Ottawa West in brief reply.

Mrs. Catterall: Mr. Speaker, I think the hon. House leader has simply repeated the error made. At the time I asked the question in the House, I had no knowledge that anybody had recommended the appointment. If he reads *Hansard* on page 13804, he will discover that it was not the propriety of Mr. Shortliffe's actions that the Prime Minister suggested I was impugning but the propriety of the Clerk of the Privy Council. I had no knowledge as to who might have recommended an appointment or if somebody had, only that the Prime Minister made an appointment and, therefore, I was certainly not imputing any motives to anyone. I was simply commenting on an appointment by the Prime Minister.

Mr. Speaker: The hon. member for Ottawa West has raised for the second time a matter which has given her a great deal of difficulty. I should make it very clear that the other day I did interrupt her on a question, and there is always difficulty when the Chair interrupts because sometimes the Chair can interrupt too soon. However, I suggested to the hon. member that perhaps she would want to discuss the matter with me, that she certainly would want to look at the "blues" and that her right to carry on her question of privilege would remain.

I confirmed that with the hon. member this morning. She has raised the question. I have the point and, having listened to argument on both sides, I will return to the House when it is appropriate to do so. I thank both hon. members.

CANADIAN NATIONAL RAILWAYS

Mr. Jim Fulton (Skeena): Mr. Speaker, I am sorry. Earlier today when you asked me if I had the question of privilege, I was not aware it was going to be raised today. I thought it might be tomorrow.

It is a most important matter of privilege. It is a practice—

Mr. Speaker: I want to assure the hon. member that I would not want to delay a question of privilege unless the hon. member wished it delayed. I was put in a state of confusion. However, the hon. member is now rising on a question of privilege.

Mr. Fulton: Mr. Speaker, I rise on a question of privilege regarding a practice that has come to light from a Crown corporation. It is a practice which, if continued or expanded either to other Crown agencies or to other areas of government, would lead to the erosion of both the independence and the rights of individual members and of the House.

In particular, I refer to a letter that I received dated September 14 from Government Affairs of Canadian National Railways. It is a letter I believe most, if not all, other members of the House received. It opens by saying:

> Dear Mr. Fulton:
>
> It has come to CN's attention that some of our pensioners have begun a letter writing campaign to members of parliament regarding the indexing of pensions.

Then it says:

> For your easy reference, I have enclosed a draft—

It also ends the draft by saying that the letter is available on a five and a half inch floppy disk for users of Word Perfect.

The letter needs to be put, just in terms of a few sentences, on the record. I think you will see quite quickly, Mr. Speaker, that the practice which has been undertaken by CN—I think perhaps meaning well in hoping to cut down in the work of members of the House—in fact does something quite different in that it could lead the offices of some members to send back an answer that is both erroneous and contains false information to CN pensioners across this country.

It starts by saying: "Dear *xxx* so that you can type in the name of the person who has written to you from your constituency. Then it says:

> —your pension is guaranteed for life. The CN pension plan also has a very fair spousal benefit, which is also guaranteed.

It carries on at some length and concludes by saying:

> It appears that CN pensioners are being treated fairly by all concerned. I hope this letter helps clarify matters for you.

The concern that I have is: first, without me soliciting any information whatsoever from CN, it has on its own decided that because there may be some CN pensioners somewhere in Canada writing letters to MPs, it will draft a letter on its own from a corporate perspective, put it on a five and a half inch floppy disk and make it available to 295 members of Parliament to respond to their constituents with information that is neither correct nor in any way appropriate to responding to the individual concerns of the constituents who are writing.

It is important for the record. I have been involved, perhaps because of the nature of my constituency, in hundreds of CN pension cases over the years. In almost every case, cases that resulted from deliberate actions taken by CN to withhold or to deal inappropriately with—

SPEAKER'S RULING

Mr. Speaker: I think the hon. member has made his point. He has received a letter which apparently all hon. members have received from the Canadian National suggesting a reply that might be sent to CN pensioners.

The hon. member says that this could or might create a situation in which I take it the hon. member's or other hon. members' privileges might be affected.

First of all, I point out that wherever this came from it does not seem, nor is it alleged by the hon. member, to have come from any government department or from a minister of the Crown. While it may very well be a complaint, I think all of us at times have received recommendations from one group or another to write letters to the government or to other members of Parliament with respect to certain matters of concern to whomever brought the matter to our attention.

It may well be that in some circumstances offence may be taken to it. There may be very well a question of debate as to whether a Crown corporation ought or ought not to be doing this, or whether or not it is a matter for a minister of the Crown to intervene in, but I think that that is a matter primarily for Question Period and a matter for debate.

I think I have to say that under the circumstances I cannot find that it is a question of privilege.

• (1520)

PUBLIC SERVICE COMMISSION

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I rise on a question of privilege and also on a point of order, in the sense that as of today this House, which usually relies on the Public Service Commission of Canada for its duties in protecting the merit principle, has to put up with a situation where the commission in itself does not exist any more. In other words, the commission has one commissioner only, not the three required by law, and therefore cannot function. I appeal to you, Mr. Speaker, to think of the importance of this situation.

The Public Service Commission tables a report annually in this House, answers to Parliament and, as such, protects the merit principle and protects Public Service employees that we all have in our riding. As of today, there is only one commissioner. The law requires a quorum of two, at least, to hear appeals, to hear grievances, and to make appointments to senior levels.

This House has to take notice that we are at this time without a commission and therefore paralysed in so far as protecting the rights of individuals across this land who work for us as government employees and who deserve better than negligence. Untold disorder will occur when there is no order in the Public Service Commission at this time.

SPEAKER'S RULING

Mr. Speaker: The hon. member has raised a matter which is obviously of great interest to this House. However, I would ask the hon. member or other hon. members, if it is to be raised further, to bring it up at another time.

Depending on the answer that is or is not received, it may be appropriate to bring it back to the Chair, but I just say to hon. members the matter has been raised; there it is. I am sure it is a matter which is not unknown to other hon. members or necessarily being taken lightly, but it is not appropriate to proceed as a question of privilege or a point of order. However, there certainly may be other ways to pursue it.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, can I ask for some clarification on that. If the commission reports to Parliament and if it is directly accountable to Parliament—and I have been told several times in the House that the minister who tables the report on behalf of the commission is not answerable to Parliament for

the commission and that only the commission is answerable to Parliament—may I ask what your role as Speaker then is in ensuring that accountability to Parliament is maintained. At the moment that accountability does not exist. Not only is the chair vacant, a second position has been vacant for over a year. The chair is also the chief executive officer. This means that the commission now has no chief executive officer either.

Mr. Speaker: I will check carefully the request of the hon. member. I think there may be some misunderstanding as to how the body of which she speaks reports. If there is any way in which it is the responsibility of the Chair, I shall report back to the hon. member and to the House.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—EMPLOYMENT

The House resumed consideration of the motion of Mr. MacLaren (p. 13900).

The Acting Speaker (Mr. Paproski): When the House recessed for the luncheon break, the hon. member for LaSalle—Émard. He has nine minutes remaining in debate, plus ten minutes for questions and comments.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, when one o'clock was called, I had just finished reading from an international report which basically said that the reason Canada is not pursuing sustainable development is simply that this government lacks the requisite national will.

The question is: How can this government be so short-sighted? Does this government not realize that sustainable development applies to every field of economic activity?

In the case of agriculture, the Canadian farmer is struggling. Five major droughts in the prairies in the 1980s have certainly brought home the effects of climate change. The contamination of groundwater, the result of fertilizers and pesticides, is but the tip of the iceberg as are indeed the concerns about food safety. It is clear that this nation needs new arrangements to secure a food system that is both economically and environmentally viable.

Turning to forestry, properly managed forests will bring together two seemingly irreconcilable objectives, economic and environmental. On the one hand is the preservation of the basic resource for our largest export industry. On the other are the benefits of biological diversity and wildlife habitat. An improperly managed forest simply means that we in this nation will face a race to see who will suffer most: the next generation's jobs or the next generation's ecosystem.

The point is that you simply cannot have a strong economy if you do not make protection of the environment your number one priority. If there is any doubt about this, then I would simply ask the members present to look around and take a look at what we and our international partners and competitors have done with the fishing industry.

The issue is: wherein lies the problem? The problem lies with this government. This government believes that sustainable development is simply a cost as opposed to the prevention of a cost before it occurs. This government indeed looks upon sustainable development only as a cost and fails to understand the tremendous opportunities that are involved.

I would suggest to members on the other side of the House that they take a look at West Germany and ask themselves why it is that West Germany is both the environmental leader of Europe as well as the economic leader of Europe. It is no coincidence. One follows the other.

When will this government begin to understand the demands, the needs, and the opportunities of the 1990s? There are many solutions to the degradation of the environment, all of which have positive implications for the economy.

Is it a coincidence that Japan has cut its consumption per unit produced of fuel by 30 per cent? Is it a coincidence that Japan has cut its material usage by over 43 per cent? Japan does not necessarily have the best reputation, as I discussed earlier this morning, in the world in terms of environmental matters; but in terms of the development of its own economy the Japanese have understood the application of sustainable development to industrial development. It is in the process of winning

the battle, while we under this sterile government are losing the battle.

Turning to new technologies, 20 per cent of the world is in the process of polluting it for the other 80 per cent. Over the course of the next 30 years as the Third World or the developing world begins to improve its standard of living, it too, if it follows our lead, will begin to pollute. As the population of the world doubles from five billion to ten billion, the problems without the development of new technologies will simply become unbearable.

This is an enormous opportunity for a country like Canada to take the lead, to build a whole new industrial base, not on the provision of arms as others have done but on the creation of new technologies to win the ultimate battle, that is the battle for the preservation of this earth.

[*Translation*]

The environment does not bear only a social cost. It also provides a magnificent opportunity to lay a new industrial base, as the United States did in 1910 with the automotive industry and both the States and Japan did between 1945 and 1950 with computer technology. We could take the lead in industrial development. The time is right. Now we need to be imaginative. We need initiative.

[*English*]

In conclusion, I began by talking about the economy. I began talking about some of our problems. I now end having talked about sustainable development and the tremendous opportunities that it provides. Let us never forget that the protection of the environment is a moral value. It needs no economic support. Preservation of this planet is the essence of what humanity must fight for over the next 25 years. Let us also realize that sustainable development provides us with the opportunity in regard to our economic dilemma. It gives this country the chance to lay a whole new industrial base and pick up where we have often lost. It gives this country the opportunity to show the moral leadership that the world so requires. It gives this country the opportunity to show the kind of moral leadership that national unity requires if, indeed, Canadians are going to believe in something beyond themselves.

• (1530)

The issue is, are we as a nation up to the challenge? I believe we are. We believe in this planet. The time has now come to take the lead in preserving it.

[*Translation*]

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, I listened very carefully, as did all members of this House, to what the hon. member for LaSalle—Émard had to say about the opposition motion, and I intend to deal right away with the focus of the hon. member's comments: the importance of sustainable development policies for the future of our environment and our ecology.

The hon. member for LaSalle—Émard is right when he refers to the importance of protecting our forests and our environment and of having development policies that will protect our environment in the future. However, Mr. Speaker, I do not agree with the hon. member when he criticizes the government's so-called failure to act. There are limits to what can be— I thought the hon. member made an excellent speech and a very eloquent one. However, I do not agree when he says the government has a miserable reputation in this area.

You will recall, Mr. Speaker, that the hon. member described this government's lack of leadership with respect to sustainable development and, at the same time, expressed himself in critical terms regarding Bill C-78, the *Canadian Environmental Assessment Act*. And why, Mr. Speaker? Because the preamble does not contain the words "sustainable development". What does the preamble contain? It says this:

"WHEREAS the Government of Canada seeks to achieve an appropriate balance between economic development and the preservation and enhancement of environmental quality—"

Mr. Speaker, what is this supposed to be, if not a definition of a procedure for achieving sustainable development! It is even better than the words "sustainable development". It goes even further. A procedure is defined for achieving sustainable development. A little further on in the preamble, it says this:

"—the degradation of environmental quality at the same time ensuring that economic development is compatible with the high value Canadians place on environmental quality."

Mr. Speaker, it is easy to wax eloquent and say that—

Mr. Tremblay (Lotbinière): It's an old speech.

Mr. Robitaille: Mr. Speaker, Bill C-78 has been tabled in the House to replace an old order in council issued at the end of 1984 by the former Liberal government because at the time anything to do with the environment was dealt with not through serious legislation, but by way of last-minute orders in council when the government knew it was going to be turfed out. Mr. Speaker, the hon. member for LaSalle—Émard should make these fine speeches before his leader Jean Chrétien who, during over 20 years, let Consolidated Bathurst management pollute one of the Mauricie's most beautiful river, the St. Maurice river, without ever denouncing them. He was rewarded with a seat on the Consolidated Bathurst board of directors shortly after leaving politics.

Mr. Speaker, my question to the hon. member for LaSalle—Émard is quite simple. He claims that Bill C-78 shows how very little the government cares about sustainable development. The Liberals have yet to come up with an alternative to the GST bill, so what kind of proposition does the hon. member have in mind to improve Bill C-78?

Mr. Paul Martin (LaSalle—Émard): First of all, Mr. Speaker, I wish to thank my colleague for his comment. If he agrees so much with me, I wonder what he is doing on that side. You are welcome to join us because we are the only party really willing to defend "green" concepts in this world.

What changes, did you ask? For one thing, I would not be afraid to mention sustainable development in Bill C-78. You are right, the preamble does touch on many things. But the question is: why is it not mentioned? Why be so afraid to use the word and its definition which is now internationally recognized?

You also asked for a few examples of improvements. First, I would mention sustainable developmentt in the preamble. Second, when we look at section 4, which states the purposes of the bill, we clearly see that the government has no intention to implement sustainable development. It reads: "The purposes of this Act are to ensure that the environmental effects of projects receive careful consideration before responsible authorities take actions—, to encourage responsible authorities—, and to ensure that—" That is all jargon. No concrete purpose is stated and sustainable development is not mentioned, even among the purposes of the bill.

Come to think of it, what justification could there be for Bill C-78 besides implementing sustainable development? I believe that the fact that sustainable development is not mentioned in this document shows again how backward this government is with regard to the evolution of the Canadian policy.

[*English*]

Mr. Jack Shields (Parliamentary Secretary to the Minister for International Trade): Mr. Speaker, I appreciate the opportunity to be able to take part in this debate today because I think that when we look at it, 1990 will go down in history as a major turning point in world history.

The scope and range of the developments of the past 12 months really rival anything we have seen since the Second World War. We are on the verge of a new era that may seem threatening to some people, but I like to look on it as offering magnificent opportunities for countries and firms prepared to master the challenges we now face.

We in this government intend to meet those challenges not by being negative, but by building a strong co-operative partnership between government, the private sector, and provincial governments to exploit the competitive opportunities of globalization.

Let me review how quickly things have changed in the past year. I guess the most significant one is the total collapse of the U.S.S.R. They have a bankrupt ideology, ethnic tensions. The ideology of state ownership was obviously not working so something had to be done. Now we see the logic of the market principles.

This magnitude of change has been underlined with the destruction of the Berlin wall and the very real rush for eastern European countries to move in and try to set up democratic governments similar to ones we see in the western world. The unification of Germany took place just a few days ago. In the other end of the world we see

the reversal of 40 years of apartheid in South Africa. We admire the courage of the people in Latin America who are now throwing off the wasted governments of dictatorship and corruption and are pushing for democracy and freer markets. Of course, we see Mexico moving in this direction to a freer market economy.

Across the Pacific we see Japan and the four tigers, and now the emerging cubs of Malaysia, Thailand, Indonesia continue to outpace growth everywhere in the world. Inter-regional investments are leaping the national frontiers and moving into these other countries.

• (1540)

Finally, the economies of Europe have discovered with renewed fervour the promise of co-operation and open borders. The second half of the 1980s marked a renaissance in the European ideal leading to the stirring prospect of a strong and united European market for close to half a billion people in the next few years—half a billion people, a strong market. A free market—a free movement in those areas.

It is exciting both politically and economically. It is an exciting time for everyone interested in building on Canadian strengths through new or expanded trade investment and technology ties.

Mr. Speaker, this is not a time for wringing hands and deploring the lost opportunities of the 1960s, 1970s and the 1980s, but a time to build on the promise and success of what we initiated in the 1980s.

We are a government that is acutely aware that we must look outward and forward, rather than inward and backward. Our policies must respond to these challenges and seize the opportunities because failure to grasp these emerging opportunities for Canada in the global economy in this decade of the 1990s would doom Canada to second class citizenship status. This government will not make that mistake.

We know these global forces and developments mean that Canada will face increased competitiveness as well as tremendous opportunities in years to come. This government will elaborate an ever more sophisticated and complex approach to our trade and industrial policies and to our trade relations. We will build on the achievement of the past six years. We will adapt our policies to meet the constant challenges posed by rapid global developments.

We know the challenges we have to be aware of—continued globalization of industries through the investment decisions of multinational enterprises. These multinational enterprises now produce and sell their products wherever they can reap the greatest advantage.

We accept the increasing importance of the investment and service sectors complementing the more traditional resources and manufacturing sectors. We are aware of the increasing risk, largely due to the United States Congressional protectionism and heavy handedness, of a shift to unilateralism, with key decisions of trading issues being reached by a bilateral basis along the Washington-Tokyo and the Washington-Brussels axis, with the interests of smaller players like Canada, sometimes ignored and forgotten.

We recognize that the Gulf crisis has hastened development of a potential third global energy crunch which, if not well managed, will undercut new opportunities. We realize that the greater integration of eastern Europe into the global economy will place great strains on available capital—capital, of course, is the engine of growth—and increase political pressure for more debt relief.

We know that debt relief also represents an awesome challenge for both developing and developed countries. The total debt load of developing countries now surpasses $1.3 trillion, with little immediate prospect that the trend can be reversed.

Many LDCs remain mired in slow growth, poor trade prospects and continued corruption. We know that. We recognize the challenge that this presents for this government.

On a brighter note, however, Mr. Speaker, we are pleased by the new market orientation of many Latin American economies. It is an encouraging sign that there remains potential for growth in the development world.

Finally, we are alert to the emergencies of the environment as an economic and trade related issue because our fragile environment calls for responsible trade and industrial policies. At the same time, we will need to be wary of green protectionism, the abuse of environmental principles with restrictions that meet narrow protectionist ends rather than environmental protection which we

see starting to emerge and restrictions aimed at responsible forestry practices where Canada can be particularly vulnerable. We have to be careful of those things.

The rapid pace of change that we have seen makes everyone a little uneasy. It makes Canadian citizens a little uneasy. They are fraught with risk, we know that. I prefer to see it as filled with promise. The challenge is to respond constructively and thus exploit the opportunities for growth.

It is too easy for the critic opposite to throw up assertions that we need his constructive analysis of these changes and a co-operative approach to mastering them. That is what we need, we need co-operation.

The conclusions we draw and the policies we erect are critical to Canada's ability to grow in this new interdependent, highly competitive world. The world is shrinking. The last time that the world faced such momentous change was more than four decades ago. The result was a bold new global system to create order out of the chaos of 15 years of depression and the Second World War.

Based upon an unselfish United States commitment to liberalism and multilateralism, institutions like the International Monetary Fund, the World Bank, the General Agreement on Tariffs and Trade, known as the GATT, and the United Nations brought about the greatest increase in economic and political well-being in the history of the world. If we can keep the risk in check, 1990 offers potential to unleash another round of similarly creative forces, forces that achieved so much in the 25 years after 1945.

Canadians will have to accept the globalization of the economy and the pressures of market realities cannot be ignored. At best their impact can be delayed for only a short period.

No government can long develop its trade policy or its domestic economic agenda in isolation from the realities of the global marketplace. This is what previous Liberal governments did in the sixties and the seventies. They followed a policy that sought to isolate Canadians from the international economy. The result of course was the decline in our competitiveness.

This government is determined not to repeat the mistakes of our predecessors. For a middle power like Canada, our commitment to the principles of reciprocity, non-discrimination, and transparency cannot be over emphasized. It means that a stable, open, non-discriminatory, global economic system must remain our number one goal as we adapt to a rapidly globalizing economy. It means that we must recognize that liberalized trade is a two-way street. Canadians not only benefit from open, secure access to foreign markets, but Canadians also benefit from foreign competition in their own market.

The challenge of competitiveness is the best medicine for any business. One only has to ask Northern Telecom, Alcan, Spar Aerospace, Lavalin, or any of the hundreds of successful Canadian companies which have found that meeting the competition at home means beating the competition abroad.

The government is acutely aware of the importance of creating a spirit of entrepreneurship. We understand the critical role of international trade to Canadians. Indeed, October is export month and our ad campaign is aimed at making Canadians more aware of the importance of our international trade effort to their jobs, to their incomes, and to their economic well-being. The ads are in a language even the opposition should understand. We are responding to the competitive challenge at home and abroad with the following priorities. I will outline them briefly.

• (1550)

We will pursue and enhance access to our major market, the United States, which we gained through the free trade agreement and through the General Agreement on Tariffs and Trade.

We will continue to push strongly and constructively for a substantive and large conclusion to the multilateral trade negotiations in Geneva.

We will continue to explore with our European trading partners how we will jointly build the right kind of instruments to ensure that Canadian entrepreneurs will be able to reap the benefits of the European Renaissance symbolized by 1992.

We are prepared to build on our initiatives towards Latin America, going beyond our OAS membership and a free trade agreement with Mexico, and build new partnerships throughout Latin America.

Finally, we will continue to pursue policies and partnerships that will ensure that Canada will be a major player in the Asia/Pacific region.

We are working on these priorities with much intensity through the Departments of External Affairs and International Trade.

There are challenges that exist when these things happen and we know what the challenges are. The challenge of the 1990s is to get our house in order. Today's debate places the spotlight on this critical issue. I thank the opposition for creating this opportunity. I deplore, however, their negativism. We, in Canada, must speak with one voice, a voice that tells the world that Canadians are confident about their future. We cannot continually allow the negative comments that come forward strictly for the political agenda to mar the opportunities that face us in the future.

More than ever, we must attain the national agenda that we have before us. It is critical to the achievement of our international goals.

Since 1984, the government has sought sustained, non-inflationary economic growth. We have pursued a productive employment strategy, creating more than one million jobs. In the past year alone, our policies have resulted in a net increase of over 150,000 jobs.

I know you are signalling me about my time, Mr. Speaker. I would like to carry on because there is much more to say. I would like to address for a moment the Economic Council of Canada.

In the Economic Council of Canada report, one always hears very isolated facts. I have heard it from the opposition. The Economic Council of Canada states clearly that controlling inflation "is a policy objective that benefits Canadians in all walks of life—In a sense, inflation control is a public good, and this means that all Canadians should contribute to the avoidance of unnecessary pressures on prices and costs."

That observation succinctly summarizes a critical element of the policy thrust of the government. The fact is, through 1989 and into this year, underlying inflationary pressures were significant. These pressures were taking their deadly aim on costs, on workers whose jobs would be lost when their products were priced out of markets, and on all Canadians who depend on fixed incomes.

For example, during the second quarter, total unit labour costs—a critical measure of a country's competitiveness—were growing at an annual rate of 6.6 per cent per annum. That is not only a rate higher than in 1989, but half again higher than in the U.S.

As well, through the first quarter, borrowing both by consumers and business—another measure of inflationary pressure—continued to advance at a rate reflecting an overheated economy. In April, consumer credit was up 12.4 per cent over the same period in 1989, more than double the American rate. Mortgage credit was up 17.1 per cent, a growth about two and a half times faster than nominal income growth in Canada.

The government has acted on its obligation to use the levers available to ensure that these dangerous and destructive forces were not allowed to proceed unchecked. In such an environment, as Minister Wilson has said: "Interest rates had to rise. With the strong inflationary pressures and demand for credit already present in the economy, it would have been irresponsible to reduce the cost of credit." This would only have encouraged further inflationary demands that would have been financed by a greater accumulation of corporate and personal debt. The inevitable result would have been explosive rounds of wage and price increases leading to an even more pronounced and longer-lasting slowdown that we currently face. We saw that in the early 1980s when inflation rose to double-digit rates. Then we had double-digit unemployment and interest rates rose to 22 per cent or 23 per cent.

This is not a might-happen scenario I have outlined, it is what did happen in the late 1970s, as inflation and interest rates soared. The consequence, as we all should remember, was the 1981-82 period with double-digit unemployment.

This is not the prospect Canadians face today, fortunately. Yes, we are going through a period that does involve pain and hardship. The government's policies, which we have been pursuing since the start of our mandate six years ago, have positioned us so that Canadians will not suffer the truly drastic and destructive economic conditions of the start of this decade. We are now in a position to weather the current storm and emerge stronger and more prosperous. This is surely what all Canadians, including my hon. friends in opposition, desire.

There are a number of other areas in which the council report and the direction of government policy are consistent. The council, for example, supports the direction of the government's unemployment insurance reforms,

away from income support and toward job retraining. Similarly, the council supports the kind of decentralized approach to regional development that the government has adopted through bodies such as ACOA.

I want to thank you very much for allowing me to participate. I would be happy to answer any questions which might come from the opposition.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, I listened with great interest to the hon. member's intervention and what he said about sustainable development.

I wonder whether the hon. member would like to comment about sustainable development as practised by his government in the field of energy and natural resources? Would he comment about the fact that Canada has so far failed to ratify the Law of the Sea at the United Nations? That is a very important piece of legislation that would protect resources in the oceans.

Would he comment about the fact that over the last four years the Government of Canada has virtually eliminated energy research in the field of renewable sources of energy? Would he comment about the fact that over the last four years the Government of Canada has increased its dependence on fossil fuels, thus exacerbating for a long time to come the problem of climate warming because, as we all know, the consumption of fossil fuels leads to the production of greenhouse gases?

Would the hon. member comment about whether he is aware of the fact that the government is not spending one penny in the promotion of energy efficiency, which also makes good economic sense? Nevertheless, it is not being promoted in the budget of the Department of Energy, Mines and Resources. Therefore, on that front, we have nothing positive to say, as he urged in his speech, to show a united front to the world? How can we if we have nothing to report that is positive in relation to the reduction of our dependence on fossil fuels, in promoting energy efficiency, and finally, in promoting alternative sources of energy? Canada has a tremendous endowment for a renewable source of energy, particularly in biomass. For that also we have no message to give to the rest of the world because the budgetary restrictions and cuts have eliminated these types of initiatives on the part of his government. Would the hon. member care to comment?

• (1600)

Mr. Shields: Mr. Speaker, one of the things that we faced when we took office in 1984 was program spending that was increasing at approximately 14 per cent year after year after year.

I would like to bring to the attention of my hon. friend that the hon. Minister for International Trade, who was at that time Minister of Finance in the short lived government, brought in a budget, a budget in which he identified very clearly the problems that we would be going to be facing if we did not come to grips with the debt and a deficit that presently existed. He then put forward in his budget that he was going to increase the price of gasoline by 18 cents a gallon across the country.

We all know the result of that budget. We all know that it was defeated in this House of Commons irresponsibly by the Liberals and the NDP. In 1980 they went across the country and decried the budget of the hon. Minister for International Trade that was going to attack the deficit and the debt directly.

What I am suggesting to my hon. friend is that because of the economic situation that this country faced in 1984 when we as a government got a look at the books and saw the drastic position we were in, it was impossible for us to continue on with the programs. We had to cut program spending, which we were able to do, and we brought program spending down to 3.5 per cent. It was an unprecedented turnaround in the economy of this country, one that we had to do. You cannot do the kinds of things that that member over there is crying out to do when you have not got the money to pay the debts and pay for the programs of this country.

In 1984, we were actually borrowing $16 billion to live. We were not borrowing it just to pay the interest on the accumulated debt. We were borrowing $16 billion to pay old age security, to pay our health care programs. We were borrowing from foreign nations to live in this country because of the wild, irresponsible spending of the Liberal government between 1980 and 1984, and even previous to that.

Mr. Speaker, that member stands up and says we are not spending enough money on all of these programs. We are not deserting those areas. We are still doing the

research, but we are doing it in a more reasonable way and one that we can afford. We cannot afford the unreasonable, irresponsible kind of spending that went on with the Liberal government that brought us into this mess that we are in today.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, as you will recall, this morning I had indicated to you that I had spent much of the last five days travelling throughout my constituency, talking to farmers about the plight on the western prairies.

Firsthand I saw the piles of grain being dumped in yards throughout the entire western prairie countryside that I was visiting. In my constituency alone, I am sure there is not a single farmyard that does not have a pile of grain sitting in it because the system is not moving. The grain system is not moving the grain from the elevators to the ports for whatever export markets there might be.

That aside, Mr. Speaker, a lot of the farm people that I have been talking to have been telling me that in addition to higher grain prices, they need the interest-free cash advance. If their grain is not moving because the system cannot move it, the only way they can gain assistance is through loans from the banks. In fact, all of the national farm groups have called for the reinstatement of the interest-free cash advance.

My colleague from Athabasca drives through a lot of farm country to get to his home every weekend when he goes to visit his constituents. He must realize the difficulty that the farm population has throughout western Canada.

He talked at some length in his speech about government policy and the net increase in jobs that government policy has created. I tend to look at the net decrease in farm jobs that government policy has created.

I am convinced that government policy, removing the interest-free cash advance, is going to further increase the number of job losses on the farm and off the farm in Saskatchewan, Alberta and Manitoba.

Earlier today during Statements by Members, the colleague of the hon. member for Athabasca. the hon. member for Wild Rose, called for the reinstatement of the interest-free cash advance. I am wondering what the position of the member for Athabasca is on the interest-free cash advance. Does he support reinstatement of the same?

Mr. Shields: Mr. Speaker, what a short memory we have.

This government, with the leadership of the right hon. Prime Minister, for the first time in the history of this country was able to bring the number one agenda item to the GATT, the General Agreement on Tariffs and Trade. It is being discussed now.

For the first time we are seeing the disruption in the farm community being addressed by working on and reducing the subsidies that the European Common Market and the United States have for the agriculture industry.

Having said that, my hon. friend mentioned that we could not move grain across the country. Certainly, we can move grain across the country, but there are no markets. The markets are dwindling because of the grain trade war that exists between the United States and the European Common Market. We all know that.

The hon. member asked me about support for the farmers in the agricultural community. Mr. Speaker, I want to tell you that no government in the history of this country since Confederation has been more generous and more supportive to the farming industry in Canada than this one.

Billions of dollars have gone into the agriculture industry, literally billions. The member also stands in this House and condemns the goods and services tax. Does he not recognize that the goods and services tax will put over $.25 billion into the farmers' pockets by the removal of the manufacturers' sales tax.

That member goes around, talks out of one side of his mouth and then the other. The prairie advances and those kinds of things, just watch us. Just watch and see what happens. This government has never deserted the farmer.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Debate.

Mr. Caccia: Mr. Speaker, on a point of order, it seems to me that you should look closely at the watch. There is still one minute left for questions.

The Acting Speaker (Mr. Paproski): I look very close at the watch. I have given him exactly 30 seconds over the time allotted.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I should say at the outset that I want to divide my time today in this most important debate between myself and the hon. member for Glengarry—Prescott—Russell because we both have a specific area that we want to touch on.

I rise to speak briefly on the motion presented by my colleague:

> That this House condemns the government for its failure to provide Canadians with policies designed to assure full employment through international competitiveness and consistent with the principles of sustainable development.

Indeed, it is a most opportune time to take stock of just where this government is and where it is leading us through the current round of GATT negotiations.

The government seems bent and bound to avoid a debate in this House on these issues, and in fact has been quietly dismantling the support mechanisms of our marketing organizations while negotiating away the legislative base of our dairy organization and poultry marketing agencies that have brought stability to both the dairy and poultry sectors.

This government has been negotiating away the powers that were given by legislation passed in this House by elected members of Parliament. It has conducted secret negotiations behind closed doors in the GATT and in the free trade agreement. The government is undermining the programs that have served this nation well, and which are indeed the envy of the world.

In fact, when the Canadian documents were tabled in Geneva just over a week ago, we knew that they would provide both the measures of support and tariff equivalent calculations. These are suggestions put forward by the U.S.—the aggregate measures of support or the differences between the domestic price and what the world price is—and are identifying the difference as subsidies. The tariff equivalents are a series of tariff reductions that will be phased out over a period of 10 years, whether from 30 per cent down, 3 per cent per year, or from 40 per cent down, 4 per cent per year.

• (1610)

The dairy industry and poultry sectors of Canada should be exempt from these calculations or measures because they clearly do not make any sense for industries that operate a planned production system in compliance with Article 11 of the GATT. But the exemption from the GATT was not addressed in the Canadian document. Rather, the Canadian position was that Canada should receive a credit to reduce the aggregate measure of support, but this is not acceptable.

The dairy industry has rejected the calculations of the market price support. The basis for 86 per cent of the aggregate measure of support calculation is simply the difference between Canadian milk prices and world prices. In this situation, world prices are simply U.S. prices, in close proximity to the Canada–U.S. borders. These prices for the aggregate measures of support of $2.2 billion are clearly misleading, and the government should admit this error and apologize to the dairy farmers of Canada.

The only direct subsidy for the dairy industry is $266 million for industrial milk and is designed to keep the consumer price of cheese, yogurt and butter at a low level. This subsidy only represents 12 per cent of the price received by producers for industrial milk and, of course, we have no subsidy on fluid milk. The aggregate measures of support are based on the false premise that production costs are equal in both Canada and the United States.

Let me tell you, Mr. Speaker, that the dairy farmers of Canada have shown, beyond a doubt, that Canadian input costs are much higher and it is beyond the power of the Canadian dairy farmer to correct these differences. In fact, just this weekend, I gathered prices from a friend and a constituent of six major input costs on a dairy farm. They are shocking. These are differences between the cost of an operation in Middlesex county in Ontario and an operation in St. Clair county in the state of Michigan. Let me just cite those six examples.

First, let me give an example of the interest rates. The difference between the amount of interest, paid over a 10-year period on a $100,000 mortgage, between Ontario and the United States is $14,690, in favour of the American farmer. That is a difference of 22.4 per cent more interest that the Canadian farmer has to pay compared to his American counterpart.

Gasoline costs $1.35 per U.S. gallon and there is a tax rebate sent to the farmer on an annual basis, provided he buys gasoline with a 10 per cent ethanol content to make

sure that he shows concern for the environment because ethanol–based fuels are less polluting. Gasoline, delivered to a farm, in bulk, as of Thursday, was 54.9 cents a litre. The difference between that price and the U.S. price, converted to U.S. gallons, is 61.6 per cent higher in Ontario. When it comes to fertilizers, there is a difference of 20 per cent per tonne in favour of the American farmer, again.

When it comes to dairy feed, there is a shocking example of a dairy supplement with 40 per cent protein. Again, these are two comparisons, made not more than 70 miles apart, one in Michigan and one in Ontario, and the Canadian price is 73 per cent higher in Ontario than it is in the United States. Machinery parts is another example. A package of six Case International French bottom plough points costs $115 Canadian in Emmett, Michigan. Those six points, made by the same company in Exeter Ontario, are $143.70, a difference of 24 per cent.

When we speak of veterinary supplies, the cost is 200 per cent higher in Canada. I am speaking here specifically of penicillin and streptomycin. In the United States, a 250 cc bottle sells for $19.55 Canadian, while a 100 cc bottle in Ontario costs $24, a cost difference of over 200 per cent.

While our government is working toward increasing the import levels allowed into Canada under the GATT, it is interesting to note that on November 1, 1990, 11 of the major milk producing states in the U.S. will be starting a system of production management or, as they call it, inventory control. Michigan, Wisconsin, Ohio, Pennsylvania, New York, Minnesota, Iowa, California, Texas, Washington, and Indiana are the states involved. This amounts to about 80 per cent of the milk produced in the United States with 1989 as the base year.

Just as the Canadian government is committing a sin by even talking about dismantling supply management systems, other countries like the United States and Europe are starting to see the necessity for the survival of their food growers. It will soon be impossible for Canadians even to have a TV commercial urging us to buy Canadian to keep our workers working, our producers producing.

Surely those who remember food conditions during the Second World War shudder at the Middle East situation that exists today and realize the absolute necessity for food grown at home.

I ask government members to realize that if they are going to open up up import quotas to give away yet more of our Canadian markets, they have a responsibility to ensure that our farmers are not being ripped off through higher input costs which place them in a non–competitive cost position. I also wish to ask them why they have failed not only to protect our producers but to ensure these GATT negotiations guarantee that any agricultural products entering this nation are produced in countries practising sustainable development.

We have the best marketing system in the world. This misguided government is responding to a few multinational traders in a way that is not acceptable to our own people.

The dairy farmers of Canada cannot accept the government's current position simply to claim a credit in the calculation of aggregate measure of support for supply management programs. Such a position is contradictory to the stated objective of the federal government to maintain a viable supply management program in Canada. Any commitment to place a ceiling on or to reduce the price of milk in Canada would automatically undermine one fundamental principle of supply management or planned production, which is to ensure fair and equitable returns to the producers.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have the pleasure this afternoon to take part in the debate in support of my colleague's motion of non–confidence which states:

> That this House condemn the Government for its failure to provide Canadians with policies designed to assure full employment through international competitiveness and consistent with the principles of sustainable development.

Mr. Speaker, as far as the government's economic policy is concerned, the Economic Council released on October 3, as you know, a report in which it condemns this government's policy. Allow me to quote from the report:

> "—there is something inherently wrong in the way we tried to solve our economic problems in the past.

Further in the release is the following statement:

> The annual review also indicates that new economic problems could arise if the decision-makers count only on high interest rates to fight inflation or if the various governments adopt divergent economic policies.

And further still, it reads:

> "Canada's options are few and unappealing", according to the Council.

This government's economic policy is clearly wrong, Mr. Speaker. On the one hand, we have industries closing their doors because the free-trade agreement this government signed had devastating effects in the riding I have the honour to represent.

• (1620)

At the present time, the government is negotiating a new GATT agreement. Of course, everyone agrees we should be part of GATT and have agreements with this international organization. However, there are some grave concerns with respect to the government's policies in this respect.

Mr. Speaker, the government opposite seems to prefer giving away the store first and negotiating afterwards. I would like to read to you part of a letter I received on September 4, 1990, from the Dairy Farmers of Canada, about the GATT negotiations. It reads as follows:

> Deeply concerned, the Dairy Farmers of Canada would like to bring to your attention the enclosed policy statement about the use of aggregate measures of support in GATT negotiations.

Further on:

> Applying a ceiling or reducing domestic support by way of an aggregate measure of support might eliminate altogether any resulting benefits. The Dairy Farmers of Canada are vigorously opposed to applying, in GATT negotiations any AMS commitment to programs subject to the provisions of Article XI.

Mr. Speaker, Article XI is the GATT article that allows supply management in Canada.

Despite these concerns and objections, we just heard our colleague, the hon. member for Lambton—Middlesex, himself a former minister of Agriculture, inform the House that the government has in fact submitted a position that includes the aggregate measure of support, and has done so against the will of the Dairy Farmers of Canada.

The Dairy Farmers of Canada are not the only organization to be concerned about the government's policy on external trade. I have another letter, this one dated September 18, 1990, signed by Mr. Jacques Proulx, president of the *Union des producteurs agricoles du Québec*, the UPA.

Mr. Proulx says in his letter, and I will read you parts of it:

> The policies developed by Cabinet and the upcoming negotiations in Geneva must not be allowed to undermine the performance of our supply management system by taking away the ability of producers to make a decent living with prices based on the production costs of our most efficient producers.

And further on:

> Canada must maintain the structure and scope of farm credit programs, crop insurance and farm income stabilization insurance.

Mr. Tremblay (Lotbinière): When is it?

Mr. Boudria: Mr. Speaker, all this was dated September 18—if the hon. member would bother to listen, he would know—and this was the letter we received, as I said earlier, on that date.

What happened since then? Well, I just told you, Mr. Speaker. First of all, the worst scenario expected by farm producers has just come true. In other words, the position of the government opposite is completely at odds with what farm producers wanted.

It does not seem to worry our ministers opposite. However, I can tell you it does worry farmers in my riding, the *Union des producteurs agricoles du Québec*, Canadian Dairy Farmers and, I am sure, all Canadians who want a prosperous agricultural industry in this country.

[*English*]

This morning a number of my colleagues and I had the pleasure of meeting with the egg producers of eastern Ontario. Egg producers of some 15 or 20 constituencies in eastern Ontario met first with Liberal members of Parliament this morning. After our meeting they also met with Conservative members of Parliament. I am sure that members in this House who were at the meeting this morning will no doubt be aware of their tremendous concerns as well in regard to the GATT negotiations. They are concerned with the issue that I raised just moments ago, the aggregate measure of support issue. They are also concerned with this whole business of tariffication.

The tariffication issue basically involved a proposal, heaven forbid, whereby some of our supply management devices would be replaced by a so-called tariff equivalent eventually to be phased out in the future.

The government got us into the Canada-U.S. free trade deal nearly two years ago now— it feels like 25 years, but it has only been less than two years— whereby tariffs are gradually eliminated over 10 years. Let us assume for a moment that this government is so wrong-headed as to proceed with that policy of tariffication and then those tariffs are gradually decreased and eliminated pursuant to the trade deal.

It has an alleged 10-year phaseout even under the trade deal now, but obviously there comes a point at which the tariff fails to protect. Say, for instance, that the tariff established is deemed to be a value of 20 per cent for the purposes of the argument and it is phased out over 10 years, and that the advantage we have over the United States producer is only 5 per cent. Needless to say, after two and a half years the tariff ceases to give any protection at all. At that point when the U.S. product becomes cheaper than the Canadian one, no matter what tariff we have it will not do any good because the U.S. product will already be cheaper.

That is the point which I think needs to be raised and that is what is wrong with this whole business of getting into tariffication as a method of eventually replacing some of the supply management devices we have right now.

[*Translation*]

Mr. Speaker, Canada's poultry producers, the Canadian Egg Marketing Agency, the Canadian Turkey Marketing Agency, the Chicken Marketing Agency and the Chicken Broiler Marketing Agency got together and spelled out six objectives for the GATT negotiations. Here is a brief summary.

> The maintenance of GATT Article XI: 2(c), the strengthening and clarification of its code of interpretation—
>
> With respect to improving the code of interpretation of Article XI: 2(c):
>
> —a flexible process of notice to GATT;
>
> —a clear definition of goods including those that are controlled in a refrigerated or frozen form—
>
> —a regulation governing a minimum contents of 50 per cent in the case of imports [—] concerning an end to unregulated imports of processed goods—
>
> Tariff support only in the case of non-tariff barriers now illegal or contrary to GATT provisions—
>
> The rejection of a proposition aimed at including programs under Article XI: 2(c)—
>
> The maintenance of a well-established GATT principle that imports must given access proportionally to the market share held during a representative period—
>
> The elimination of government export subsidies on a fair basis, taking into account the significant variations in current levels of support in the countries involved.

Those, Mr. Speaker, are the positions set forth by the poultry producers. I told you earlier about the positions of the *Union des producteurs agricoles du Québec* and of the Canadian Federation of Dairy Producers. But as usual it seems that the government opposite is not listening to anyone. If you never listen to anyone, Mr. Speaker, sooner or later you find yourself in a tight spot. I have the impression that by the time the next elections roll around—if it is not too late for the Canadian agricultural industry and if we still have farmers left after the devastating policies we get from the other side—the farming community will decide once and for all to get rid of the Conservative government.

• (1630)

[*English*]

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I enjoyed my colleague's comments very much. I just wondered if he would comment on the fact that the figures for the aggregate measure of support that were used in the calculations that were tabled by the Government of Canada last week really reflect world prices, including their cost of production, or are they fire sale prices?

I noticed that eggs had used a price from the New York market. I do not know if this was for the last 25 cases at the end of the day that nobody wanted, or if they were really market prices. The milk prices came from selected border points along the Canada-U.S. border. Do you think that really reflects the world prices?

I would also like to ask him if he feels it is proper to go with such a measure of support based on these calculations when there is such a difference in input costs? Does he feel that if our costs and climatic conditions were equal to theirs, where we could pasture cattle for eight to 12 months of the year as they do in some of the American states, would we not be in a better position to compete under the current conditions and proposals as

tabled? What do you think is the long-term future for dairy and poultry in Canada?

Mr. Boudria: Mr. Speaker, I am glad my colleague raised that issue. I had actually forgotten to mention that part of it when identifying what those prices have been over the last few years and their actual reflection of world prices, or at least what we normally understand as being world prices.

We are looking at the area of eggs particularly. I will use that example because it was raised this morning at a meeting that we had on prices that were abnormally low for the last three years. We are starting off with that base which is artificially low in the case of egg prices.

We are also using prices that were in effect in a period of the post-U.S. farm bill, if I can call it that. I think the actual date of implementation of the U.S. farm bill of 1985 was January 1, 1986. The U.S. farm bill contributed some $70 billion U.S. in farm subsidies so that the U.S. could recapture what it thought was its so-called rightful share of the world market.

What happened, of course, is that grain prices and the prices of a number of commodities were artificially lowered by the subsidies brought in by the United States. It follows quite reasonably from that that if prices are lowered on feed grain and beef—which has happened as a result of the U.S. farm bill and the so-called whole herd buy-out program—then prices are deflated on many agricultural commodities, not just those two. In the case of feed, obviously that is a product that is fed to the other animals, and in the case of beef it is a competitor to other meat products. When you lower the price of one, you lower the price of the others at the same time.

What we have, in fact, is an artificially low price period. That period of time is then utilized to make this base. Obviously the base is going to be incorrect. It is going to be artificially low.

To make matters worse, we do not have a similar low cost period to compare with in Canada because we did not have many of these exaggerated subsidies that they had south of the border. So we are comparing apples with oranges. To make matters even worse, as my colleague has pointed out, the input costs, property taxes, fuel costs, minimum wages and social benefits are different in Canada than in some of the U.S. states. A further dimension to that is we have the climatic differences to deal with.

We may be good producers. We may be smart people in Canada, but we cannot recreate the weather of Louisiana and Georgia no matter how smart we are.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. The hon. parliamentary secretary for employment and immigration.

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I appreciate many of the sentiments expressed in the motion we are considering today. I understand the desire to achieve full employment in this country, and I too believe that Canada's future is dependent on our international competitiveness.

Furthermore, I respect the wish to sustain our nation's development. That is why I endorse the principle of investing training dollars in Canadian men and women. I believe it is vital to develop their skills and to provide them with training and retraining opportunities that will allow them to participate fully in our economy. I believe this, because like everyone else in this government, I am determined to build a strong and competitive future for our great country.

I would like to point out that although this motion before the House contains many commendable features, the wording displays a disturbing inability to grasp the complexities of our labour market. The motion boldly claims that our labour market programs are a failure. That is simply a distortion of the facts. This government has always understood the importance of investing in our citizens. Indeed, we are at this very moment making the very types of social investments this motion claims that we are failing to fashion.

These investments come in the form of training and retraining Canadian workers in programs offered through the Canadian Jobs Strategy and our Labour Force Development Strategy. To suggest, as this motion does, that we have failed to provide Canadians with appropriate employment opportunities distorts the reality of our training record.

Indeed, we have always maintained that the failure to preserve a competitive work force would have a direct consequence, not only for the individuals who have lost their jobs, but for Canada's international economic prospects as well. That is why we have dedicated more dollars to job training and skill enhancement than any

government in the history of Canada. In fact, we have always acknowledged that the federal government has a significant role to play in achieving our employment objectives.

To help us achieve our employment goals, we have enlisted the resources and the energies of the provinces, the private sector, employers and workers in comprehensive training plans. This creation of partnerships in employment training has been an important part of the over-all job development strategy.

In doing so, we have not simply cobbled together short-term make-work projects, the traditional approach to job-creation. Instead, we have adopted a different long-term strategy, a strategy that addresses unemployment and labour market dislocations with an eye to establishing prolonged stability. This strategy has proven its effectiveness by adapting to local conditions. Indeed, our training efforts are specifically designed to produce permanent jobs that are in demand now and will be in the future.

As I have already stated, I am proud that the federal government has provided consistent leadership in helping Canadians prepare for the labour market of the 1990s, and I am prepared to outline the actions we have taken.

In September 1985 we launched the Canadian Jobs Strategy after intensive consultation with the provinces, business and labour. Since then the strategy has helped over 400,000 people each year receive training they need for tomorrow's jobs. Unlike previous programs, the Canadian Jobs Strategy is decentralized, relying on people who understand local conditions to come up with solutions that best suit their needs. It places an emphasis on co-operation with the private sector at the local level. It offers a mix of tools and programs and has provided a unique and integrated approach to the labour market.

These programs include such programs as skills investment, job entry, job development, skills shortages, community futures and innovations. All of these programs can be creatively mixed and matched to produce the most appropriate training package to meet the specific local conditions. Best of all, the Canadian Jobs Strategy has an excellent record in helping those who are on the margins of the labour force and are most in need. Because of this, I can assure my colleagues that our work through the Canadian Jobs Strategy will continue.

• (1640)

As you can see, Mr. Speaker, we are now moving further and further away from the passive support programs into the skilled development and relevant career training. Bill C-21, the bill now languishing in the Senate, is an important part of this dynamic job development process. This is all a part of our labour force development strategy which updates the Canadian Jobs Strategy for the 1990s.

This strategy builds on the successes of the Canadian Jobs Strategy and places a major emphasis on skill development and employment training. I would like to remind hon. members that the development of the Labour Force Development Strategy did not come about by chance. It did not emerge spontaneously to fill a vacuum. It was all part of a deliberate plan.

In the 1988 election, we promised to provide Canadians with the best possible training programs for our labour market. We made the commitment during that campaign to build a strong, adaptable and effective labour force. The Labour Force Development Strategy is the fulfilment of that pledge. The Labour Force Development Strategy is a comprehensive, wide-ranging formula for improving the functioning of Canada's labour force. It contains measures geared specifically to help communities experiencing economic difficulties.

These measures include strengthening of the Community Futures Program and the Industrial Adjustment Service. Both programs would receive additional financial support under the Labour Force Development Strategy. Community Futures, for example, will see its 1990-91 budget increase by $50 million to some $198 million, while the Industrial Adjustment Service allocation would be doubled from $15 to $30 million.

Because employment difficulties remain in certain regions, we have undertaken a new regional development initiative to meet these problems. The creation of

the Atlantic Canada Opportunities Agency and the Western Diversification Initiative are cases in point.

The Canadian Jobs Strategy and the Labour Force Development Strategy programs have already had a major impact on the labour market. When the Senate finally passes Bill C-21, I am confident we will see positive results from the initiative as well.

I notice that the motion before us today did not define full employment. This is understandable. Organizations such as the Canadian Employment and Immigration Advisory Council, who are also keen to see full employment have stated:

> It would be impossible to come up with a definition of full employment with which everyone agrees.

In effect, the advisory council acknowledged that defining full employment could be as complicated as Rubik's cube.

In its recent report on unemployment, the Canada Employment and Immigration Advisory Council suggested that the figure of 4 per cent unemployment might be considered full employment. It is our view that the selection of a single unemployed target, such as 4 per cent, is not feasible, nor is it realistic because Canada remains a country of great regional diversity.

Governments cannot push a button to replenish cod stocks in the Atlantic or force automobile plants to be relocated on the Gaspé coast where unemployment is particularly severe. On top of that, Canada, like the rest of the industrial world, is facing rapid economic changes as international trading and manufacturing patterns evolve in a new and unprecedented global economy.

The choice of a target such as 4 per cent to view as full employment can also be very misleading. In fact, an unemployment rate of 4 per cent or less can even mask great disparities. To illustrate my point I need only mention the state of economies in eastern Europe where so-called full employment was the norm.

But we do not have to go to eastern Europe to point this out. We can compare the unemployment rate in Canada in 1967 with that of 1988 to clarify the situation. The unemployment rate in 1967 was 3.8 per cent, and 1988 was 7.8 per cent. A single comparison of two numbers would suggest that Canadians were better off in 1967 than in 1988. After all, if we stick to the advisory council's definition of full employment in 1967, we were actually there with an unemployment rate of 3.8 per cent.

However, a closer look at the numbers suggests that not everything was quite so rosy, particularly when we compare for the two years the numbers of people who held full time jobs year round. In 1967, with apparent full employment, 39 per cent of the population worked full time all year. In 1988, a full 5 per cent more—44 per cent of the population—held full time jobs year round.

Let us compare what this has meant in dollars for Canadians, and let us adjust the comparison to 1988 dollars so there will be no confusion. In 1967, the year that meets the Advisory Council's definition of full employment, 14 per cent of the Canadian population had adjusted annual earnings of $25,000 or more. In 1988, we had an unemployment rate of 7.8 per cent and 25 per cent of the youth and adult population who earned that much. Were we closer to full employment in 1967 or 1988?

What I am pointing out is that full employment is much more complicated than this motion suggests. The government believes that increased employment is desirable. We also believe that the federal government has a significant role to play in achieving this goal. We also believe that, to meet this objective, we must enlist the resources and the energies of the provinces, the private sector, employers, and workers.

I believe the government's record on job creation speaks for itself. Since September 1984, almost 1.6 million jobs have been created, which is one of the best job creation records in the industrial world. Almost 85 per cent of these new jobs are full-time jobs employing people year round.

Over the same six year period, the unemployment rate has fallen a solid 3.2 percentage points. It was 11.6 per cent in September, 1984. This year, it is 8.4 per cent. We intend to do even more.

We have recently authorized a new ceiling of $130 million for work-sharing agreements in 1990. That is double the amount of money that we set aside for work-sharing programs under the current unemployment insurance plan. Because of these allocations,

people who would otherwise have been laid off will continue to work. It will keep them in the labour force and allow them to retain their skills through work sharing. When the economic fortunes in the area return to normal, these workers will be ready to assume full-time positions once again.

As you are aware, Mr. Speaker, countries around the world are now emphasizing training and re-employment over passive support programs. In Sweden, for example, the government has adopted an activist approach towards labour force adjustment to produce a low rate of unemployment. A full 70 per cent of Sweden's labour market programs are directed to training the unemployed and re-employment assistance. Only 30 per cent is directed towards income support.

In Canada, without Bill C-21, our labour market programs would continue to direct only 25 per cent of their resources toward training and re-employment policies. The giant share of the labour market expenditure pie will continue to be eaten up by passive income support measures. Canada's labour force development strategy mission is therefore a challenging one, but I am confident its measures will set up a ripple effect that will benefit many layers of the economy. Already we can see that our programs are realizing dividends.

The World Economic Forum recently released its world competitiveness scoreboard for 1990. In its report, Canada ranks among the best. We now sit fifth in place, comfortably ahead of Sweden, Finland, Norway, Australia, Britain, and France. The report states that "U.S.A., Japan and Canada have the human resources best suited to competitiveness". The World Economic Forum used such factors as skills, motivation, flexibility, employment, vocational training, educational levels, age, and health to arrive at its conclusion. It ranked Canada third in the world in human resource competitiveness.

These facts show that the government has displayed a willingness to work closely and co-operatively with the provinces and the private sector to achieve better human resource development than ever before. We have exerted less government control over the economy and have encouraged private initiative and promoted confidence in business. Nevertheless, we recognize that employment difficulties remain in certain regions. That is a major motivation behind our doubling of work-sharing funds.

• (1650)

Our Canadian Jobs Strategy has had a lasting and continuing impact on the job market, enabling more Canadians to obtain full employment at a higher level than in 1967 when unemployment was 3.8 per cent. The passage of Bill C-21 will enable even more of our citizens to participate in full employment.

We are tackling unemployment on many fronts. That is why, for instance, we have introduced Bill C-21. It places a new emphasis on training Canadian workers for the jobs of tomorrow. Bill C-21 has been carefully designed to improve the unemployment insurance program. It changes UI from a passive program to an active one. In other words, it places new emphasis on training Canadian workers for the jobs of tomorrow.

As Judith Maxwell, head of the Economic Council of Canada put it, this measure is part of a much-needed "transformation of the UI fund into an 'employment insurance' fund".

The report of the Economic Council of Canada had many things to say. The Council's research indicates that governments must promote adjustment in the labour market by moving from passive income support to active labour market policies with special attention to the employability of the disadvantaged groups like older workers. The Labour Force Development Strategy and Bill C-21 emphasize the active programs the council calls for.

With the Labour Force Development Strategy, $100 million has been set aside to provide training assistance to displaced workers and older workers. The council states on page 51 of its report that "there has to be the provision of improved opportunities for the unemployed to undertake training while still receiving unemployment insurance benefits". It calls for our commitment to increase funding under section 26 as "a step in the right direction". We want section 26 to rise to $350 million.

The council also believes that communities can play an important role in rebuilding regional economies. We want to provide assistance to communities and, with the Labour Force Development Strategy, we propose to increase the Community Futures budget by $50 million.

The council recommends efforts be made to develop a greater consensus among the main social partners on major economic policy decisions. They support the effort to involve business and labour in the Labour Force Development Strategy consultative process, managed for

the government by the Canadian Labour Market and Productivity Centre.

I am confident that any objective analysis of the realities of the job market leads to one clear conclusion: To fund passive income maintenance programs at the expense of training and skill enhancement measures is extremely short-sighted. Such a single-minded approach would be disastrous to our competitive and economic health as a nation.

Rather than assume our traditional income maintenance practices are carved in stone, we have chosen to incorporate a more dynamic capability into our programs, capabilities that help prepare our workforce for the realities of the labour market of the 1990s.

Bill C-21, the bill that is now bogged down in the Senate game-playing, is part of our long range Labour Force Development Strategy. This Labour Force Development Strategy dedicates more dollars to job training and skill enhancement than ever before. We are designating $350 million a year for an additional 60,000 UI recipients who previously were not eligible for job training.

We have earmarked $200 million for new training programs for older workers now out of work or in danger of losing their jobs. We plan to quadruple funds for co-operative education. We will set aside another $100 million to direct young people into training programs and apprenticeships that will help them land their all-important first jobs.

I would like to emphasize that Canada's social security system, including our program of assistance to the unemployed, is one of the most generous in the world. With the introduction of this legislation, the Canadian UI program continues to be one of the most generous in the world and we continue to offer benefits far superior to those available in the U.S.

In most U.S. states, people may receive benefits for as few as eight weeks and not more than 30 weeks. Yet, under Bill C-21, unemployed Canadians can receive benefits for up to 50 weeks. In no case, even where the unemployment rate is below 3.5 per cent, as in Toronto, will the length of benefit entitlement be less than 17 weeks. That is more than four months of entitlement and the differences do not end there. In Canada, a person can receive as much as $363 a week in UI benefits, whereas, the majority of Americans can receive no more than $150 to $250 a week in benefits. I could continue documenting the contrast between the two systems but I think my point is obvious. Our commitment to unemployment assistance remains unchanged.

Millions of Canadians will continue to rely on the UI safety net to tide them over between jobs, but they need more. It is time to augment that safety net with another strategy that will lead to the development of an adaptable workforce and this means skills training and lots of it. The Labour Force Development Strategy and Bill C-21 will help Canadians rely less on income support and more on developing and maintaining skills that lead to productive, well-paying jobs. These policies will build a foundation for a strong and competitive future for a Canada that works full-time and year-round.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I listened with great interest to the hon. member speaking about the UI legislation, Bill C-21, as it relates to jobs and jobs training. I could not find the direct correlation between his speech and the motion and speech of the hon. member for Etobicoke North.

Having said that, I would like to point out to the hon. member some information contained in a brochure which was put out by the Minister of Finance. The heading states: "A skilled workforce is a major part of the economic plan" and I totally agree with that. The article goes on:

> Canada's edge in world markets used to be our rich supply of natural resources. As more and more trade barriers open and competition intensifies, the focus has shifted; services and finished products, not raw materials, now offer the greatest trading opportunities.

This is very true, Mr. Speaker. The article continues:

> Between now and the year 2000, nearly 50 percent of all new jobs will require five years of education and/or training beyond the high school level.

Now, let us look at a document from the Department of the Secretary of State which deals with the profile of higher education in Canada to find out what the government has been doing about it. This is a very shocking piece of information and I am sure the hon. member for Kingston and the Islands will be listening very carefully. The document compares Canada with the rest of the industrialized countries and shows expenditures on research and development as a percentage of the gross

domestic product of Canada and eight other developed countries. It compares Canada to the United States, Japan, Germany, Sweden, the United Kingdom, France, The Netherlands and Italy and, believe it or not, Canada spent relatively less on research and development than any of those other industrialized countries, with the exception of Italy. Italy is shown with 1.2 per cent while Canada is shown with 1.34 per cent.

Another table addresses the highly trained and highly skilled workforce. I cannot help but address the issues of science and technology, research and development, and education, because we cannot talk about a skilled labour force without talking about those three issues together.

• (1700)

When you look at the scientists and engineers engaged in research and development per 1,000 inhabitants in Canada, United States and eight other developed countries, you find out that Japan is No. 1, followed directly by the United States, Sweden, Germany, The Netherlands, Australia, United Kingdom, Canada, France and Italy.

Here, once again, if we are to compare it with the rest of the world, we have seen that Canada is nowhere to be seen in the international market when it comes to research and development and the number of scientists per thousand. My question to the hon. parliamentary secretary is this: If we are really moving into the 21st century as a competitive country looking for a balance between the raw material industries and the high tech industries in the world, what is the plan for dealing with this tremendous issue?

Mr. Kempling: Mr. Speaker, that was such a long question that one hardly knows where to begin, but let me say this: The previous government had—

I would like to say to the member for Kingston and the Islands that he is dipping away when other people are speaking, yet when he speaks he likes everyone to listen intently to what he says.

Mr. Speaker, the previous government had a scientific research tax credit in place. When it was announced everyone thought, oh boy, here we go, here is another program to develop research and development, science and technology in Canada. There has not been a full accounting of that yet because there is some lawsuits still in the courts, but we know to date that it has cost the Canadian taxpayer more than $11 billion for the throw-away of money on that research tax. It is an absolute disgrace. I hope one of these days some of these journalists around here will pick that out and write the true story of how more than $11 billion of Canadian taxpayers' money was thrown away on this.

We know that the world is changing. We know that the manufacturers have to move into a global market. That is part of the development of trade throughout the world. We know that specialties have to be made. We have put in place some research and development programs. I think we have increased many of the budgets this year and we are still working on it.

We need trained workers and more skills in our labour force. That is the purpose behind the thrust of Bill C–21. We cannot do everything all at once. We need trained workers in place, capable of operating some of the machinery that is around.

I looked at a machine the other day that cost more than $100 million. It is pretty well run by computer, but the gentleman who is going to run it has to have a university degree in order to run it. That is the type of thing that we are moving into. We have to equip our industry to respond to the marketplace of the world. We are no longer looking at what is around us. We are looking at what is next door to us. The American Gross National Product is almost $6 trillion. It is beyond the comprehension of most people We are sitting right next door to a $6 trillion market. We want to have a piece of that and we have to train our people. The only way we are going to sustain our labour force down the road is if they are trained to enter into high tech operations and so forth.

Our scientists have done very well in the world, looking at the number of them that we have and what they are doing in the world market. We intend to do more. I go back to our ability to train workers. It has to be a combined effort between government, labour, the provinces and business.

I have run a business for many years. I have run training programs in my own business. Like other people, I found that I was alone on an island, training workers for my competitors. I found that I would train people, just get them right up to the point where they become really valuable to me, and one my competitors

would steal him away. That caused me a lot of difficulty over the years, but still we trained a lot of people.

This is what business has to do. It has to take a larger view of the marketplace and say: "The success of my business is not that labour contract that I signed or the fringe benefits that I give to the workers, but it is going to be skills that I can impart to my workers, that I can continue to upgrade them so I can go out and actively bid for more work for my type of business". That is what we are endeavouring to do. We cannot do it all at once. This is a giant step forward in our labour training with Bill C–21, and that is what I was trying to express in the comments that I made.

We still have a long way to go but if the Senate will get off their—as I said to one of my colleagues, what we should do is cut off their Geritol and double the Metamucil. Maybe they would move a little faster, get that Bill C–21 passed and get it into operation.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I congratulate the member for Etobicoke North for presenting this resolution which deals with his non–confidence in the government because it has failed to bring about full employment, to improve our international competitiveness and also in accordance with the principles of sustainable development.

I listened to most of the debate that went on in the House on this resolution. I think that Canada could learn a great deal from some of the countries in northern and western Europe. The member who previously spoke talked about eastern Europe, but I do not think there is much of a comparison there between Canada and eastern Europe. I think that we can learn a great deal from what has gone in terms of labour force development in countries of northern and western Europe where they have in many cases far stronger economies than ours, far more diversified economies than ours and also far lower unemployment rates, so they seem to have an advantage in all three of those areas.

Another way they have an advantage is that many of these countries have a long tradition of social democratic institutions that have been left in place by successive social democratic governments, whether you are talking about Germany, The Netherlands or the Scandinavian countries. The economies of those countries seem to be based on the fact that the economy exists to serve the people rather than the people being there to serve the economy. I think that Canada can learn a great deal from that principle.

When I heard the Minister of State for Small Businesses and Tourism discussing the programs he has in his department, he did not seem that much concerned about the actual people who work in those industries. He talked about programs to generate exports. He talked about programs directed toward businesses that they could use in order to develop exports overseas, but he did not really talk about the people and I think it is the people that this motion is concerned about. When we talk about unemployment, we are talking about people who experience unemployment, people who want to get back to work, and that is a serious problem in the Canadian economy.

The same thing was true in the speech of the member for Burlington that again talk about programs and talk about statistics and talk about numbers, but I think we have to deal with the actual problem of unemployment as people in Canada face it because it is a serious problem. I think there are mechanisms and models that we can look at in northern and western Europe that we can learn from and that are adaptable to our situation here in North America and that may help us reduce our unemployment with something along the same lines as what happens in northern Europe.

I was looking at a comparison in *The Economist* magazine between unemployment in Canada in July, which was at about 8.1 per cent, with unemployment in Sweden, which was at about 1.6 per cent, so there is a substantial difference. When the member for Burlington talks about perhaps 4 per cent being full employment in Canada, there are some countries that have bested that figure. I think that we could take a close look at the models that they have presented to see how adaptable they are to Canada. I think we might find that 4 per cent as a full employment figure, as the hon. member for Burlington suggested, may be far too high and we could employ even more Canadians.

• (1710)

I am not sure that we can do that in the traditional means talked about in the House, making more steel mills, attracting more industry to the country, and encouraging investment. I think there are ways of improving the quality of life and the quality of employment of workers that can actually reduce the level of unemployment and has succeeded in reducing the levels of unemployment in those countries I mentioned.

I would like to suggest just a few. One of them has been suggested many times over in this House by former colleagues of mine, the Hon. Stanley Knowles and his colleagues in previous Parliaments, who have discussed the possibility of lowering retirement ages in Canada so that they are more comparable to retirement ages in Europe. I am not talking about compulsory retirement here, but I am talking about the age of voluntary retirement where people can retire at a relatively young age, perhaps 55 would be the cut-off line in Europe, and at the same time enjoy a relatively decent pension.

There has been discussions on pensions of members of Parliaments around the country recently, how generous those pensions are to members of Parliament. I think people do have a tendency to make comparisons between having to work to the age of 65, going on Canada Pension or old age pension and finding themselves introduced for the first time in their lives, after a long history of employment, to poverty on the very low levels of pensions provided here in Canada.

I think if the Government of Canada took a look at some of the models available in northern and western Europe, it could develop a system where people could have voluntary retirement around the age of 55 and retire at relatively decent pension levels. I am told by people from Holland that pension levels in Holland are around 70 per cent to 75 per cent of income earned while working so that they do not have that sudden collapse into poverty that people in Canada feel when they leave work. They are reluctant to leave work for that reason, because they do not want to end up in the poor house.

At the same time, if we were able to reduce voluntary retirement to the age of 55 at a relatively decent pension, it would create openings in the existing work force for younger people to move into the work force, to move up in the work force, and to bring people into the work force. A major problem in this country is that youth unemployment is always far higher than the unemployment among older citizens from the age of 25 up. It becomes a serious problem because many of those young people end up either unemployed for long periods of time or going in and out of the job market, working as hamburger flippers or working at the very minimum wage. As a result, they really do not build up the kinds of skills needed for a long-term attachment to the work force.

I think it is extremely important that we take measures in this country that will bring younger people into the employment system so that they can develop the kinds of skills and discipline necessary in order to carry on a long career in the work force and not remain dependent on social programs such as UIC or welfare systems in the various provinces.

It is interesting that in the 1986 election in British Columbia, the New Democratic Party proposed a system of early retirement for teachers in the provincial education force. The same thing had been implemented in Manitoba under the NDP government, where the NDP government of Manitoba offered teachers who were at the high end of the salary scale and also reaching their retirement years, early retirement with no loss of pension. Many teachers who had grown over stressed, tired, or just wanted to leave the job after 20, 25 and 30 years of service, in fact, took that opportunity, rejoiced at that opportunity, left the work force and retired at a relatively decent rate of pension. It did not mean poverty to those people.

On the other hand younger teachers, who had received the latest training in universities, who had the latest skills, who had the enthusiasm that comes from coming right out of an institution of higher education and going into the workforce, were happy that they were able to get into the workforce and apply those latest techniques on the students in the school system. I think that everyone benefited.

At the same time, teachers who wanted to leave the workforce were able to leave without penalty on their pension. Younger people were able to come in and get the kind of work they had been waiting for and were desperate for. The students were pleased to see these young, enthusiastic teachers with the latest techniques come into the school system. I think it improved the quality of education, the morale on the teaching force,

and the morale among the students. It was better for all concerned.

At the same time, it reduced the unemployment levels in the province of Manitoba. When it was finally adopted by the Vander Zalm government precisely the same thing happened in British Columbia. The older teachers were able to retire. Younger teachers who had been waiting for years in some cases for jobs in the workforce were able to move into the schools and become teachers. As a result everyone was pleased.

This is something that could be done with public sector employees all across the country. Even in the federal Public Service it would allow people to retire at an earlier age. Younger people could move into the Public Service. We would see a tremendous reduction in the level of unemployment, simply by taking the step of lowering the voluntary retirement age to 55, with no penalty on the pension. It would be good economically and it would be good by lowering the unemployment rates. It is a model that has been used for years in those thriving countries of northern and western Europe which have that democratic socialist tradition I have been talking about.

It does not simply work in the public sector workforce. It also works in the private sector workforce as well. Mr. Speaker, you will probably recall that there was an International Woodworkers of America strike back in 1986 in British Columbia and that it carried on until 1987. One of the main demands of the union strikers in that dispute was the right to retire at age 60 with no loss of pension benefits, whereas before the retirement age was 65. Another was the right to retire at a age younger than 55 with only minor losses in pension income.

That long strike which dragged through the late summer, the fall, and the winter of 1986 and early 1987 resulted in a settlement. Many of the older workers in the forest industry workforce are people who work hard in sawmills and planer mills, in shake and shingle operations, and in logging operations. When you get up in years it becomes more and more difficult to sustain that kind of work every day. Even though these people are strong and committed, it becomes very difficult when you reach the age of between 60 and 65 to continue doing that kind of labour on a day to day basis without having health problems.

As a result of the settlement of that strike in the private sector, many of those workers did not come back to work after the strike. They simply took advantage of the early retirement benefit that the union had won for them and that the companies had agree to. They were able to leave the workforce. Between 1982 and 1986 my community of Port Alberni, which has a population of about 19,000 within the city, had lost about 2,500 workers in the forest industry. As a result of the change in the pension plans of the International Woodworkers of America, hundreds of young people were able to move into the workforce. People who had not worked for five or six years as a result of the decline in the forest employment in that area were able to move into the workforce as the older people retired and enjoyed the benefits of their pensions without penalty.

• (1720)

It was a terrific boost to employment in our region without any further trees being cut down, without any further development taking place in the forest industry. What happened was that everybody was happy as a result of that move.

The forest industry has not gone broke as a result. It is perfectly able to pay those pensions. In addition, it has new, enthusiastic, young workers who are coming into the system, who are no longer on unemployment insurance and welfare, and who are feeling good about being back in the workforce again and contributing productively to the local economy, to the provincial economy, and to the economy of Canada.

That is one thing I think the government could consider. It is something that has been proven elsewhere in the world. It is possible to lower the voluntary retirement age to 55 with no loss of pension benefits so that people can leave the workforce earlier and that young people who are currently unemployed and drawing welfare or unemployment insurance, or working at part-time jobs for very low rates of income and not feeling very much self-esteem as a result, can get into the workforce on a continuing basis and do what they want to do as continuing workers in the Canadian economy.

It astounded me, when the member for Burlington talked about the various training programs and the adjustment programs included in Bill C-21 or under the

ministry he serves, that we generally wait until people are unemployed before we make these programs available to them. It does not seem to make sense, so let me propose another idea that has been used in countries of northern and western Europe that might be of value here in Canada. One of those ideas is paid educational leave.

Let me tell you, Mr. Speaker, a story that was told to me by the principal of the College of New Caledonia in Prince George when I went to visit him a few years ago. He said that they had a meeting between the pulp and paper workers of the pulp industry in Prince George and pulp and paper workers who had come from the Scandinavian countries of Sweden, Norway, and Finland. They had meetings. They went through the mills in Prince George. They took a look at the equipment at which the people were working and the machinery with which people were working. They took a look at the amenities that were available to workers here, the payment rates and the programs that were available to workers here. At the end of this visit the Scandinavian workers sat down with the Canadian workers and the principal of the College of New Caledonia asked them to be perfectly frank about what they felt was right and wrong about the Canadian pulp and paper industry.

One thing that the Scandinavian workers mentioned about Canadian workers was that they could not understand how people with such low level of education could survive in such a high technology industry involved in competition world-wide and that has some of the highest technology in terms of the equipment they use in that industry.

It was a fact, and I think if you analyse the workforce across Canada you will find that education levels in our workforce are much lower than they are in places like northern and western Europe where paid educational leave is encouraged.

I was listening to the member for Burlington when he talked about the fact that he was training his own workforce. He was worried that people who took the training in his workforce would then be snapped up by other employers. That is a problem. I think that is one of the reasons why the government should share with industry in paying for paid educational leave.

One thing that is going to happen is that many people may take the training they have always wanted to take in order to make a career change so that they do not have to go back to work in the same industry. You can understand, Mr. Speaker, that if a person is working in an industry he does not want to work in he is not going to be as productive as if he does make a career change, gets the required education, and goes on to work in an industry where he feels he will be more productive and wants to make a greater contribution.

On the other hand, everybody who leaves the workforce in order to take advantage of that paid educational leave will create a vacancy for others, younger people who want to move in. I think that is the value of paid educational leave. It creates employment for people who do move into the industry. In addition, it expands our education system and it makes our education system responsive to the needs of industry and to the needs of our workforce.

I would like to thank you, Mr. Speaker, for allowing me to participate in this debate. I thank the member for Etobicoke North for presenting this motion. I certainly hope that the government will take my positive suggestions to heart and that we can improve the employment in this country by listening to those suggestions.

Mr. John Manley (Ottawa South): I will be dividing my time with the member for Ottawa West. In the few minutes that I have, Mr. Speaker, I would like you to think back with me to a couple of days ago. I was sitting at home—one of the rare occasions I had—and I happened to catch one of the American League play-off games when Boston edged out the Blue Jays. There was quite a pitchers' duel going on. We got into the eighth inning and before we knew it Boston had been blown away. Their bull pen was not up to the task of facing the hitters from Oakland.

I could not help but think as I sat there watching how that game went that what we are seeing in Canada today is that pitching-catching duo that the government has put up of the Minister of Finance as pitcher and John Crow, the Governor of the Bank of Canada, as catcher. They are just letting the economy drive them out of the game.

The Minister of Finance has a few pitches that he likes to throw. He has a fast-ball. That is his deficit reduction pitch. He has a curve ball. That is his tax reform pitch. He has a spit-ball. That is the GST pitch. Now some of them have got past a few of the batters, but lately he has been getting hit. His fast-ball, his deficit reduction pitch,

they have been driving that one right out to the big green monster. They have been hitting that one so badly that he had to come forward a couple of weeks ago and say: "Sorry, folks, my deficit estimate for this year's budget was off by $1.5 billion."

His curve ball, tax reform, we know what happened to that one. He managed to get it past the batter the first time up. He said this is phase one, and he squeaked it past and lowered taxes for a few groups of people; but the next time he threw it he thought he was throwing a curve ball—it was actually a spit-ball and called the GST—and he cannot get it past the batter. In fact the last we saw it was a wild pitch and it had rolled back to the back stop behind the catcher. I think it is clear that it is time that the pitcher comes out.

Now the catcher they have got is a solid guy. He maintains pretty consistently what pitch it is he wants thrown to him. He gives the same signal every time to the pitcher. He wants high interest rates. That is the pitch he calls for. So far most of the pitches have been pretty high in the strike zone. Lately they have been starting to come down, but it has not been working anyway.

What we have here, if I can put my analogy aside for a second, is a situation in which in the words of this motion some of the key things we ought to be looking for from our policy makers in government have been abandoned. We should be looking for full employment. We should be looking for international competitiveness. We should be looking for sustainable development. Instead what we have been getting is a steady diet of deficit reduction and high interest rates, an attempt to bring inflation down to zero. Now those pitches have been getting hit. It is not working.

Let me just talk for a second about full employment. Clearly this is not one of the objectives that this government is pursuing. Employment policies have really been one of saying we will sacrifice employment on the altar of low inflation. We are going to try to bring inflation down by literally creating unemployment, so we have this month's employment figures. We are now at an unemployment rate of 8.4 per cent. The rate has been going up steadily since April of this year. It was 7.2 per cent. There has been an increase in unemployed individuals. The rate was 987,000 unemployed in Canada in April of this year. Now it is at 1,150,000.

• (1730)

The government likes to talk about efficiency. It likes to talk about how it wants the economy to operate more efficiently. Mr. Speaker, I challenge you to think of anything that is more inefficient than creating that many new unemployed individuals in Canada because every one of those unemployed individuals represents somebody else who is disheartened, losing out, maybe collecting unemployment insurance, welfare or social assistance, is not earning money to pay taxes, is not producing goods and services, is not helping the Canadian economy operate efficiently. Surely to goodness in this day and age, we should recognize that a policy of forced unemployment is one of the most disheartening, inhumane policies that a government can pursue.

We used to think we knew what full employment meant. We thought it meant that if you wanted a job, you could get a job. Now they are talking about about full employment meaning something they refer to as NEIRU, the non-accelerating inflation rate of unemployment. In other words, what level of unemployment are we going to live with in Canada just to keep the rate of inflation down.

I suggest, Mr. Speaker, that the time has come for a new pitcher to get into the game and start throwing a good, clean, fastball for full employment and stop throwing this high interest rate ball that is getting nowhere but put out.

What about international competitiveness? This is something that has been of great concern to a lot of us for some time, but when we look at the figures we see that if you consider competitiveness in the context of the necessary investment in science and technology, the government has not been attempting in a serious way to achieve an increase in our scientific research and development in such a way that it will create our competitiveness. We still rank, according to so many indicators, well behind other countries in the world.

If you compare us, for example, to the U.S., Germany, France, U.K., The Netherlands and Japan, our gross expenditure on R and D as a percentage of GDP, Gross Domestic Product, is the lowest. Our industry-funded R and D as a percentage of Gross Domestic Product is the

lowest. Government-funded R and D is the second lowest. Higher education R and D is the second lowest. Advance degrees awarded by population are in the middle. Domestic patents granted per 100,000 individuals are the second lowest. International patents are the lowest. Our total R and D personnel in the labour force is the lowest. We cannot be competitive and maintain facts like those. Our rating in the world has got to improve.

My colleague for LaSalle-Émard spoke quite eloquently earlier today on the issue of Canada's role in sustainable development. It was not that many months ago in this House when the government brought in its bill to create the Department of Industry, Science and Technology, a major department bringing about industrial development in Canada. When it had the option of including in the mandate of that department sustainable development quite in keeping with the recommendations of the Brundtland commission, it refused to do so. It defeated that amendment. It refused the recommendations of the Brundtland commission on the floor of the House of Commons. So much for sustainable development.

Then we have the whole question of what the government's policy is with respect to the economy, the GST, the budget. We have a Minister of Finance who has repeatedly said that his mandate for the goods and services tax, for example, comes from the 1988 election. If you go back and look at what he was saying in that election about the goods and services tax, Mr. Speaker, you will see that he was talking about a national sales tax, integrated with the provinces, visible, fair and revenue neutral.

What has he delivered in the goods and services tax? He has delivered a tax which is at the federal level only. Canada will be the only country in the world with two levels of retail tax, federal and provincial. He has delivered a tax which will not be visible, which is not going to be integrated with most of the provinces, and which is anything but revenue neutral. By his own admission he claims that the GST is central to the strategy of lowering the deficit. If that is revenue neutral, I would like to see how he works his numbers out.

Mr. Speaker, my time is up and I defer to my colleague from Ottawa West.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, given the nature of the motion, some of the statements in the House on the government side today have been truly remarkable, because they have dealt with unemployment rather than with employment as this opposition motion does.

I want to touch very briefly on some of the social implications of a high unemployment rate, a failure of the government to address the need of its people to work to provide for those basic needs. Such a policy falls disproportionately on the most disadvantaged in society. It falls disproportionately on women leading to the poverty of women. It falls disproportionately on children, many of whom grow up without adequate nourishment, adequate clothing and adequate security to do well in school, to be able to contribute in the long run to the betterment of society and to provide for their own needs as adults. It falls disproportionately on those who always have a problem in employment, those who are of visible minorities, persons with disabilities, problems which we have not yet been able to solve in our society or even in our public service of giving every one of our citizens, everyone who is working in Canada the opportunity to develop fully their talents and abilities to make the best contribution they are able to make to the well-being of society, to the well-being of the country and to the well-being of the world.

It is only when we accept that full employment is possible, that a job for everyone who wants a job is possible and stop saying that having well over one million people consistently unemployed in this country is essential to fight inflation. Only when we believe that there is another way will we develop policies and programs that make that happen.

Common sense tells anyone that it is better to have someone working, paying taxes, contributing to the health of the economy through the purchase of goods and services and creating jobs for other Canadians than to have them idle, their talents under-utilized in society and to have them in fact drawing on public funds. That is a less desirable option clearly than a full employment or near full employment policy.

I want to address the environmental implications in this motion and our international competitiveness. I have written to the Minister for International Trade drawing to his attention the fact that whatever extreme

measures we might take to fight global warming or to fight the depletion of the ozone layer, those measures will be without result if we do not come to grips with the fact that most of the continuing environmental degradation is attributable to poverty in the developing world. We must come to grips with the fact that we in the developed world have to play a major and responsible role in allowing the poorer parts of our world to achieve the material comfort we have achieved without doing the environmental damage we have done. Yet we continue to have a policy on international trade and on international aid that says that they will not be subject to the same kind of environmental criteria we are applying at home.

• (1740)

We have a minister now going into negotiations on free trade on a tripartite basis with Canada, the United States and Mexico. I wonder if he is prepared to start Canada's leadership role in ensuring that international environmental standards will be part of any trade agreement, any trade negotiations and any trading relationship? As long as we continue to export polluting technology to China, Southeast Asia, India, and South America, any steps we take at home to reduce environmental degradation, will be rapidly overrun many times by what we are helping to happen in less developed parts of the world.

I want to take a final couple of minutes to comment on the implications of sounder environmental policies for employment, and for economic opportunities and international competitiveness. The minute we talk about doing things in a more environmentally sustainable way, by reducing our demand on the finite resources of the planet, by reducing the damage we do to the ecology of the world with our use of those resources, some member around a committee table or in the media will say: "We cannot afford it, it costs more".

Experience is telling us quite clearly that doing things in a more environmentally sound and sustainable way is less costly, leads to greater productivity and increased competitiveness, not the reverse. It is self-evident that if you use less energy to produce products, you are more productive, not less productive and your operating costs are cheaper. It is self-evident that if you find ways of reducing waste production, operating costs are cheaper and you are more productive. It is self-evident that if you use less of the various components, products, resources, and so on, that go into your product, you are more competitive, not less competitive. We have to explode this myth, that being competitive means it is necessary to damage the environment, not only at home, but abroad. We have to start promoting the truth that saving the environment saves dollars, saves productivity and saves jobs.

There are unique and valuable opportunities for Canada in developing the technologies that will save the world, that will allow the poorer countries of our planet to start enjoying some measure of material comfort without doing the tremendously destructive damage that we in the industrialized world have done to this planet. Research, education and science are all part of Canada's seizing that unique opportunity which is there before us, not only to be competitive and do well in the international markets, but also to make a major contribution to reverse the damage done to the world and therefore leave a better world to future generations.

This is a brilliant motion in that it combines a call for a policy that is socially and economically beneficial not only in Canada but beneficial to the environment around the world. I commend it to the House for approval.

The Acting Speaker (Mr. Paproski): It being 5.45 o'clock p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply pursuant to Standing Order 81 (14).

The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

[*Translation*]

And more than five members having risen:

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

The House divided on the motion (Mr. MacLaren), which was negatived on the following division:

(*Division No. 303*)

YEAS

Members

Allmand
Anawak
Arseneault
Assad
Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)
Bélair
Bellemare
Berger
Blackburn (Brant)
Blaikie
Boudria
Butland
Caccia
Callbeck
Catterall
Copps
Crawford
de Jong
Dingwall
Duhamel
Edmonston
Ferguson
Fisher
Flis
Fontana
Foster
Fulton
Gaffney
Gagliano
Gauthier
Gray (Windsor West)
Guarnieri
Harb
Harvard
Harvey (Edmonton East)
Hopkins
Hovdebo
Hunter
Karpoff
Keyes
Kilger (Stormont—Dundas)
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacAulay
MacDonald (Dartmouth)
MacLaren
MacLellan
MacWilliam
Maheu
Manley
Marchi
Marleau
Martin (Lasalle—Émard)
McCurdy
McGuire
Mifflin
Milliken
Mills
Nault
Nystrom
Pagtakhan
Parent
Parker
Phinney
Pickard
Proud
Prud'homme
Rideout
Riis
Samson
Simmons
Skelly (Comox—Alberni)
Speller
Stewart
Stupich
Taylor
Tobin
Vanclief
Volpe
Waddell
Walker
Wood
Young (Acadie—Bathurst)
Young (Beaches—Woodbine)—86

NAYS

Members

Andre
Atkinson
Attewell
Belsher
Bernier
Bertrand
Bird
Bjornson
Blackburn (Jonquière)
Blais
Bosley
Bouchard (Roberval)
Bourgault
Boyer
Brightwell
Browes
Cadieux
Campbell (Vancouver Centre)
Cardiff
Casey
Chadwick
Champagne (Champlain)
Charest
Clark (Yellowhead)
Clark (Brandon—Souris)
Cole
Cooper
Corbett
Côté
Crosbie (St. John's West)
Danis
Darling
DeBlois
de Cotret
Della Noce
Desjardins
Dick
Dobbie
Domm
Dorin
Duplessis
Edwards
Epp
Feltham
Ferland
Fontaine
Fretz
Friesen
Gibeau
Greene
Guilbault
Gustafson
Halliday
Harvey (Chicoutimi)
Hawkes
Hicks
Hockin
Holtmann
Horner
Horning
Hudon
Hughes
Jacques
James
Jelinek
Johnson
Joncas
Jourdenais
Kempling
Koury
Landry
Langlois
Larrivée
Layton
Lewis
Loiselle
Lopez
MacDonald (Rosedale)
MacDougall (Timiskaming)
MacKay
Malone
Marin
Martin (Lincoln)
Masse
Mayer
McLean
Merrithew
Monteith
Moore
Nicholson
Oberle
O'Kurley
Plamondon
Plourde
Porter
Pronovost
Redway
Reid
Reimer
Ricard
Richardson
Robitaille
Roy-Arcelin
Saint-Julien
Schneider
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Shields
Siddon
Sobeski
Soetens
Sparrow
Stevenson
Tardif
Tétreault
Thacker
Thompson
Thorkelson
Tremblay (Québec-Est)
Tremblay (Lotbinière)
Turner (Halton—Peel)
Valcourt
Van de Walle
Vankoughnet
Venne
Vézina
Vien
Vincent
Weiner
Wenman
White
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Winegard
Worthy—136

• (1810)

[*English*]

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

It being 6.15 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—BILLS

[*English*]

CANADA LABOUR CODE

MEASURE TO AMEND

The House resumed from Thursday, May 31, consideration of the motion of Mr. Plamondon that Bill C-201, an act to amend the Canada Labour Code (scabs and essential services), be read the second time and referred to a legislative committee.

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, it is an honour for me to participate in debate on the Private Member's proposed legislation, Bill C-201, this evening.

I would like to congratulate the member who introduced this bill for discussion. Labour legislation, I suspect, is of interest and concern to all members of Parliament, not just those who claim to represent labour. Our New Democratic friends so often claim that they, alone, represent labour, and possibly some of my Liberal colleagues believe that they are the ones who represent labour and the unions of the country. The fact is that that cannot be the case. If that were so, they would be in government today.

An hon. member: Cheap shot.

Mr. Holtmann: The hon. member calls it a cheap shot, but if all labour supported the New Democratic Party, it would be in government today. In fact, we do have a lot of labour who support the Conservative government. I still commend the member who brought forth this bill for discussion concerning the use of scab labour and the term "scab labour" during labour disputes or strikes which occur in the Public Service and in Crown corporations.

When these disruptions occur, members of Parliament from all sides probably have an interest in their effects on the country. These disruptions are caused by an inability to come to a new consensus in respect of working agreements. Herein lies the debate.

It is Quebec which has adopted such legislation and it is the only province which has adopted such legislation. In fact, to this date, Quebec has no conclusive evidence that this has worked as it should have.

Let us analyse this particular legislation. If it goes through, as is, one would have to wonder what ramification or effect it would really have in terms of how we determine what is essential work in the workforce. Members on all sides of the House know what it has done to Canada when we have had disruptions because of strikes by civil servants and in our Crown corporations.

There are times when I believe all workers should have the right to ask for more benefits, more funding for their hourly wages, and better conditions. I speak as a westerner, a prairie farmer, and one who has experienced so many disruptions by our national railways and the private rail companies. In the case of the national railways, I can tell you that the plight of the farmer was never considered, in my view, by those who implemented such a strike by a Crown corporation.

• (1820)

Looking at our record as a nation in terms of strikes—whether against the Post Office or other Crown corporations such as the national railroad, or even against non-governmental corporations—which have put a tremendous hardship on the economy of the country, there may have been times when some of us in the House would accept that the insecurity of an extended period without a contract is not acceptable to anybody in the workforce.

All too often I have seen a strike hit at a time when the very services of commerce was too disruptive, and we have seen this happen. We have seen the shipping on the St. Lawrence brought to its heels.

An hon. member: That is the purpose.

Mr. Holtmann: A member of the New Democratic Party says the purpose of the strike is to disrupt national commerce. This may be so to some individuals, but I thought the purpose was to gain a better contract for the worker. To disrupt so many people in the commerce across the nation without the consideration of the pride and the national unity of this country could jeopardize the very thing that holds us together. The very thought of that scares me.

There is no argument that there are times that a strike may be warranted. But when it disrupts so many other innocent people in the chain of the economy, I have a lot of difficulty in saying such a strike should be sustained.

I know the word "scabs" is used. I never had the opportunity where I was on the payroll, so to speak, of such a corporation. I am sure many in this hall have never been on the payroll of a Crown corporation or a federal department—maybe some. My point is, however, that those who have been paid over the years by a corporation have sustained a fairly balanced, and probably a better, package than those in the private sector.

Generally speaking, federal Crown corporations look after their workers pretty well. It is based on tradition. It is not like the private sector. Federal administrators are not as conscious of profit-making. They are not geared the same way. The net result is that the packages to the workers are generally fairly lucrative compared to others.

To suggest that when a disruption takes place, no alternative worker be allowed to take over affects the services of so many other Canadians to their financial detriment. In effect, they are saying: "We will force the Crown corporation of the government to come to their knees." I do not think that is a responsible Canadian agreement.

There are those occasions when one would tend automatically to say: "Well, that's it. We're shutting this thing down. Nobody else can come in until we get exactly what we want." In looking at what the demands are, they are not an inflationary increase in wages. They are not just an extra few days. But every time I have heard what the union demanded, I could not believe it. It would be something such as a 30 per cent pay increase. They tell me that they have to ask for that because management will offer substantially less. Somehow they try to meet half way.

Those are the scary things that happen in our society. We play these shell games between management and labour, which leaves us all totally frustrated. I accept that this should be discussed in a common place like our House of Commons on a regular basis, and I accept there are other points of view.

On top of that, I sincerely believe that collectively we should find ways out of these disruptions before asking for the most ridiculous amounts of money to settle strikes or the most ridiculous kinds of things we hear, maybe from management as well sitting so tightly.

My position is that I cannot support this private intervention on this basis.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, first I would like to thank the member who brought this bill forward. It gives us an opportunity to talk to particular areas of the legislation which I think are very meaningful.

Under Bill C-201, if it is read very carefully, there are two portions to the bill. One is the anti-scab legislation and the other is the central service legislation which in effect has a two-tier mechanism as it relates to this particular piece of legislation we are talking to.

First of all I would like to indicate the good news. I think the anti-scab legislation has some merit. The reason is that in this party we understand that there are certain corporations, be they private or Crown corporations, that are within their beliefs that using scabs during a strike is of importance in order to maintain the company or to carry on with its service. That is why I say to the members opposite that the anti-scab legislation portion has some merit.

The difficulty I have with this bill is simply the essential service part. Mr. Speaker, when you take a look at the bill and break it down, it relates particularly just to Crown corporations. If members opposite would look back into the history of Crown corporations, one of the reasons we put it at arm's length to the government was to allow it to do business in a private sector world in the same manner that a private company would.

Having said that, putting in legislation that would tie the arms of one particular corporation because it is a Crown corporation versus a corporation in the private sector would create some phenomenal problems. For that reason, I think this particular piece of legislation would not carry much weight in the labour movement, in business for that matter, or in the Crown corporations themselves.

One thing I found very interesting in the intervention of the sponsoring member of this bill was his discussion about Canada Post and the fact that Canada Post is probably one of the biggest problems in the Crown corporation world that this government has as it relates to scabs.

When I read this piece of legislation, it almost seems like it is tailor-made for Canada Post. The fact remains that when there are disruptions between management

and labour there is a particular reason for it. There are many reasons, but the major reason is that they are looking for a good collective agreement and a good contract.

The other one is that even though they may be getting a good contract there are other reasons, for example, contracting out. The fact remains that in this particular corporation scenario one may look at Canada Post as an example. Its biggest problem seems to be that it does not honour the contract it has.

When one looks at the number of grievances at Canada Post now, I would suggest that that is the reason there are strikes there. That is the reason why it uses scabs. Canada Post is entering into a phase of changing the way it does business versus what its original intent was, that is to be a service for Canadians. Now they are entering into what they call a business mode, particularly to make profit. When you change the mandate and the reason why you came into being, then you create difficulties for the union that is there. That union is there basically to not only supply a good wage and a good livelihood for their members but also to present good service under the mandate of that Crown corporation.

• (1830)

There are some other aspects of Bill C-201 that I want to mention in the short time that I have. Under this bill there is no definition of what an essential service is. It talks about safety to the public. It talks about safety to the individual, but what does that mean? Does it mean we are talking in economic terms? The fact that a third party could be affected as it relates to dollars and cents? Are we talking about the fact that there are some physical safety problems when scabs are being used? There is no definition in this private members' bill. That is a difficulty because when you are talking about changing the labour code you also have to talk in very specific terms about what you mean.

If we want to look back at the abilities of the government to stop what it considers to be essential services from striking, as we all know we have back-to-work legislation which the Parliament of Canada can use whenever it sees fit. That is what really disturbs me about this particular bill. I would like to mention clause 90.9(1), the suspension of the right to strike, which is really in essence an executive power which is given to the Governor in Council on the recommendation of the minister.

It is a very dangerous precedent when you start to allow ministers of the Crown under their recommendation to have executive powers of a magnitude where they can, in essence, because all Crown corporations are now under this umbrella, at the stroke of a pen, without debate in this House I might add, put a stop to a particular company, union, or labour force that has a legitimate grievance.

I think it is a very dangerous precedent to look to change because the legislation we have on the books right now took many years to put in place, many hours of debate, and many years of refining. Now all of a sudden to just take that away and give it to the executive of a particular government I find to be a very dangerous precedent.

Also, I go back to clause 90.3(1) where it allows the Governor in Council again to give the opinion that a strike in a Crown corporation might endanger the public health or public safety. I am very nervous about what public health or public safety means. It has to be defined and hopefully if this piece of legislation goes a little further the opportunity for it to be debated will give the definition they need.

Having said that, I would like to say on behalf of myself and my party I think it is a good undertaking, a good endeavour to look at in a serious way as it relates to scab legislation. If it was brought back just with the anti-scab legislation portion I think we could seriously consider supporting it. I think that is what the difficulty is when you have these kinds of strikes in quasi-essential services like Canada Post or CN Rail where there are third parties affected a great deal.

When they turn around and use scabs it creates violence on the picket lines and other places, man against man, woman against woman. If this bill remedies that, I agree. But I do not think that making all Crown corporations into an essential services would do us any good because of the fact that under their original mandate they were put there essentially to be able to do business in the private sector world and to tie their hands behind their backs—and I mean by that the private sector itself because now you are giving an unfair advantage to the Crown corporations. I do not think that

was what was intended and I would not agree to that point.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Before allowing the Hon. Member for Chambly to rise, I will recognize the Hon. Member for Saint-Hubert.

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, I should like to give my views and make some comments on the bill introduced by the Hon. Member for Richelieu.

I wish first of all to emphasize the importance of this issue which has serious consequences on Canadians as far as maintaining essential services in some industrial areas under the Canada Labour Code.

I wish also to emphasize the fact that my hon. colleagues have for once an opportunity to discuss labour relations in an atmosphere more constructive and less tumultuous than is the case during a debate on a back to work legislation.

The Hon. Member for Richelieu has brought to our attention a very thorough bill with many features indicative of the care which the hon. member brought to its drafting.

This bill is directly related to the provisions of the Canada Labour Code dealing with the operation of Crown corporations. According to Section 90.1 of Bill C-201, "Crown corporation" means a corporation referred to in section 5 of the Canada Labour Code, Part I. Well, the said Section 5 states, and I quote:

> "This Part applies in respect of any corporation established to perform any function or duty on behalf of the Government of Canada—, except any such corporation—that the Governor in Council excludes from the operation of this Part"

Mr. Speaker, this bill my hon. colleagues are dealing with applies to a number of Crown corporations, but not all of them. For instance, among the Crown corporations which would be affected by this bill, let us mention Atomic Energy of Canada Limited, all the administrations of the Canada Ports Corporation, from Halifax to Vancouver, the Canada Post Corporation, the Canadian National Railways, the Canadian Broadcasting Corporation, the Atlantic and Pacific Pilotage Authorities, the St. Lawrence Seaway Authority as well as the Royal Canadian Mint. Those are the various industries which would be affected by this bill, if adopted.

Next, Mr. Speaker, I should like to deal with another aspect of this bill, namely the essential quality of the industries which come under the Canada Labour Code. I will be satisfied with saying that this essential character, within a labour relation context, is not a static principle. The notion is linked to the duration and the circumstances. So, what is applicable in some instances may not be in others.

Among the Crown corporations I mentioned, there are obviously some which provide goods and services vital to the economic well-being of the country or to another essential aspect, while others will not fit the definition of "essentiality" that we could agree on. Therefore, we must ask ourselves if the bill accomodates the uniqueness of these corporations. I mean is it appropriate to make all Crown corporations comply with the stringent restrictions provided for in the bill? Does the essentiality of public goods and services warrant such constraints? It must also be pointed out, Mr. Speaker, that collective bargaining is not standard procedure and only a few unionized workers are protected by collective agreements in certains fields. In others, many competing corporations would be likely to look for alternate goods and services suppliers in the event of a work stoppage. In both cases, the essentiality of the corporation itself is irrelevant, since essential goods and services will normally be maintained.

One aspect of essential services we may find worthwhile to reflect upon for a moment is the point or stage of a work stoppage when an intervention would be warranted. In certain essential industries, the work stoppage will generally not have negative economic or social side effects in the firt stage of the strike or lockout, say during the first week. I suggest that it is unrealistic to think that an immediate response is necessary. The reason being that a premature response could adversely affect collective bargaining by reducing the pressure to settle placed on both sides and therefore allowing workers and employers to evade their responsibility toward collective bargaining and the public.

• (1840)

Mr. Speaker, when I look at the bill and keeping in mind the various aspects of essential services I can only experience a feeling of doubt with respect to what I would call a measure of equity when we are dealing with the many Crown corporations that are subject to the Labour Code. For one thing, Mr. Speaker, the prohibitions provided in the bill concerning the use of outside

workers during a strike would seem to apply to all Crown corporations.

Leaving aside the more contentious question of whether it is appropriate to restrict the ability of the employer to make an effort to maintain operations during a strike, as proposed under the bill, we can see that the interdictions in the bill would apply to all Crown corporations regardless of the extent to which the goods and services provided are essential. There would be no point in applying such measures to Crown corporations which are governed by the Canadian Labour Code and which do not provide essential public services. If the interdictions of the bill were to be applicable in such cases, that would thwart the normal process of collective bargaining. In fact that would thoroughly upset industrial relations and the collectivwe bargaining process.

According to the provisions of the bill, Mr. Speaker, exercising the right to stike implies the agreement of the employer who must accept designated limits covering services to be provided and employees expected to be on duty during a work stoppage. For starters, when employees and employers in an essential industry are completely at odds in collective bargaining, I think it is highly unlikely they will manage to reach an agreement about services to be provided and employees to be designated as performing essential duties. The fact is that in a labour dispute the negotiations would more likely relate to their respective economic strength.

I would venture to say that no employer, public or private, would endorse an arrangement enabling a union to shut down an industry by a strike. In all likelihood the collective bargaining process would be seriously impaired if both parties had to make designations, and their chances of concluding an agreement would be next to nil because they would almost certainly wait until the government or Parliament intervened.

Mr. Speaker, I wish I could be more optimistic in connection with the likely impact of the bill on the prospect for peaceful industrial relations in Crown corporations offering essential goods and services. I cannot, and so I conclude that under this bill collective bargaining would be either upended or less effective than it is now.

The Acting Speaker (Mr. DeBlois): The hon. member for Chambly.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I am very pleased and honoured to support my colleague, the hon. member for Richelieu, whose riding borders my own riding of Chambly. It is a rare occasion when a private member's is introduced by a member who knows something about that bill by experience. Bill C–201 is about scabs and its main purpose is to prohibit the hiring of scabs by Crown corporations.

The hon. member who introduced that bill has himself experienced the problem of scabs. He was on the picket line in 1987. He is a lawyer who understood union members' problems very well. He was aware of union problems that existed in Quebec before Bill 45, a provincial anti–scab legislation. He was able to appreciate the impact of Bill 45, which created a much better environment for union members in Quebec.

I have often said here in the House how proud I am of Quebec's labour legislation. I have often mentioned Quebec's consumer legislation, the Petty Claims Court Act, Bill 101 on the French language, and I am also very proud of Bill 45, which is more or less reflected in the Private Members' Bill of the hon. member for Richelieu.

This bill is extremely important. It can improve the circumstances of union members, because when a strike is called and union members are out of work and on the picket line, they will not be inclined to use violence of any kind against those we commonly call scabs or strike breakers, who are hired by an employer to lessen the impact of the strike.

The hon. member for Portage—Interlake said he was against strikes, because they tend to disrupt business across Canada. Mr. Speaker, the whole purpose of a strike is to disrupt business! Its purpose is to disturb the employer, to disturb people, to attract their attention to union members because they have a serious problem which must be dealt with right away.

The situation is different now in Quebec, thanks to legislation similar to the bill proposed by the hon. member for Richelieu. Before Bill 45, strikes in Quebec were very violent. There were some very long strikes.

Among companies that were not affected by Bill 45, we saw some very long strikes, like the one at Voyageur which lasted two years. The strike occurred after Bill 45 was passed but in Quebec, Bill 45 did not apply to Voyageur. I met union members winter and summer, since my office was nearby and the strike lasted two years. They were on the picket line. Today, I know one of the Liberal members of this House was president of Voyageur and wouldn't even give them the time of day—

The strike went on because they hired strike breakers, scabs and because of that, workers involved in the Voyageur dispute were unemployed for two years in Quebec.

I don't want that to happen to anyone. It's very hard on a family. And that is why I am delighted to support the bill presented by the hon. member for Richelieu.

Now, to give you an example of the impact of Bill 45 on which the Private Member's Bill of the hon. member for Richelieu is based, if we consider the hours or time lost as a result of labour disputes in Quebec—this bill was passed ten years ago in Quebec—the average number of days for a labour dispute dropped from 171 to 111 today. That is what I call progress.

If we accept the fact that some strikes are inevitable, because some employers are smart and others are not so smart, and if we give employees the right to strike and at the same time give an employer the right to hire strike breakers, what are we really doing? Well, Quebec's statistics tell the story. We are telling union workers: Go ahead and go on strike. You don't have to eat. You don't need money. You don't need peace of mind. Other people will take your place. I am the employer, and the government gives me the right to hire whoever I need to replace you. Go ahead and strike! I don't mind, as long as it doesn't hurt me. By giving unionized workers the right to strike, we have made matters worse, because their strike has no impact and it does not in any way disrupt the company. This means that workers are out of work, are not getting a salary and have to beg for their minimum needs. Meanwhile, the employer can play "Joe Cool": Sure, there is a strike, has been for two years, but who cares? And that is what the situation is like, Mr. Speaker.

• (1850)

The bill presented by the hon. member for Richelieu could vastly improve relations between labour and management. That has already been poved in Quebec.

I heard critical comments from the Liberals and the Conservatives. I thought it was rather funny to hear the criticism coming from Conservatives, especially since the hon. member who presented the bill is a former Conservative member who saw the light, who realized what it meant to be a conservative and changed his affiliation. Now he is right next door to us, on this side of the House. When I hear his former colleagues speak out against him, saying that this bill is bad for the country, I think that is pretty farfetched. They say this bill is going to disrupt business when the exact opposite happened in Quebec! Instead of disrupting business, it settled a number of disputes in almost record time, Mr. Speaker.

I heard both Conservative and Liberal critics say the bill only affects Crown corporations. And so what! We have to start somewhere. You start with Crown corporations, and you will see how effective this kind of legislation can be. I don't think this criticism is valid.

Finally, Mr. Speaker, I must say essential services are not defined, and that this does not allow a department any discretionary authority. Furthermore, Mr. Speaker, the Quebec legislation, provides for a commission that determines what services are essential and hands down rulings in this regard. For the past ten years, this has worked well in Quebec. I hope that by supporting this bill, we may then be able to amend it, if necessary and at least refer it to committee for consideration.

[*English*]

Mr. Geoff Scott (Hamilton—Wentworth): Mr. Speaker, once again hon. members of the House are asked to give further consideration to Private Member's Bill C-201, introduced by the hon. member for Richelieu, and first debated in the House on May 31, 1990.

From the time of our first consideration of the bill, we have had an opportunity to reflect and consider the arguments that were put forward in support of the bill when it was first debated. We have since had an opportunity to weigh the strengths and shortcomings of these

arguments and to review the basis of our own views on the bill.

I would like to take a close look at some of the arguments that were put forward by the hon. member for Richelieu in support of the bill, especially those that deal with the duration of strikes. In this regard, I have to ask whether or not it is realistic to expect the proposed legislation to have the beneficial effects on strikes that the hon. member claims it is likely to have.

Before doing so, I will make a few observations on the level of strike activity in recent years. This is important because it gives us an indication of the environment that prevails today, compared to the 1970s and the 1980s.

One observation that I think should be made off the top is that the level of strike activity in Canada has been generally less than what it was in the early 1980s and the late 1970s. For example, the average number of strikes in existence per year over the five-year period, covering 1985 to 1989, was 683. This is a considerable reduction from an average of 823 for the previous five-year period, covering 1980 to 1984, and from an average of 1,024 strikes in the last five-year period of the 1970s.

There has also been a downward trend in the number of person-days not worked during work stoppages. Very briefly, the notion of person-days takes into account the number of workers involved in strikes, as well as the period of days that each individual worker is not at work because of a strike or lock-out.

The number of person-days not worked per year in the later half of the 1980s has been reduced considerably from earlier years. In comparison with the later half of the 1970s, the number of person-days not worked during work stoppages has fallen by almost half. There is clearly a downward trend in the level of strike and lock-out activity over the period.

We can place this amount of working time lost during work stoppages in the perspective of a measure of over-all production time for the labour force and arrive at an estimate of the percentage of working time forgone during work stoppages. In the later half of the 1980s, the percentage of estimated working time lost during work stoppages amounted to 0.17 per cent, compared to approximately 0.25 per cent in the first half of the 1980s, and 0.38 per cent for the last half of the 1970s. Significantly, the figures for the last half of the 1980s reflect a reduction in the amount of production time lost during work stoppages of approximately one-half. The figures reflect an absolute reduction, as well as a reduction relative to the amount of production time available in the workforce.

With this brief overview of the trend in work stoppages in Canada, I would like to turn now to some of the remarks made by the hon. member for Richelieu regarding the trends in work stoppages that he associates with the anti-scab legislation in the province of Quebec.

The hon. member for Richelieu indicated in his remarks on May 31 in the House that he obtained data in support of his support for Bill C-201 from a study by the Quebec organization *Le Centre de recherche et de statistiques sur le marché du travail*. The title of the study is *Les briseurs de grève et le code du travail*, and it was published in 1982. It is interesting to look closely at this study since it is one of the few studies on the effects of the anti-scab legislation adopted in the province of Quebec in 1977, and because it is the empirical foundation of the hon. member's remarks.

The data in the study covers two periods, the six-year period prior to the introduction of the anti-scab legislation, 1972 to 1977, and the three-year period following its adoption, 1978 to 1980. There are a very few brief observations that I would like to make concerning the comparisons made in the study on the effects of the legislation.

• (1900)

The study indicates that prior to the introduction of the legislation, 27 work stoppages representing 4 per cent of the total number of work stoppages in the period, were work stoppages in which employers made use of replacement workers. In the period following the introduction of the legislation, the incidence of such work stoppages increased to 56, representing 5 per cent of the total number of all work stoppages.

It is interesting to note that in the two time periods in this comparison, there was a reduction in the average number of workers involved in all work stoppages while the number of workers involved in work stoppages in which replacement workers were used almost tripled from 166 to 479 workers. I caution any hon. members against rushing to conclusions on this information, except to note that perhaps replacement workers tend to

be used more by larger companies, as is suggested by this information.

In a comparison of the two periods, we might have expected as one of the favourable aspects of the legislation, an actual reduction in the number of person days of work time lost. In fact, there was a slight increase in the number of person days lost during work stoppages. The number increased from 9.1 million person days to 9.8 million person days of work lost during work stoppages. For work stoppages involving the use of replacement workers, there was very little change. The average number of person days lost in work stoppages involving the use of replacement workers was 1.1 million person days in both periods.

On each of these points and on each of these measures of work stoppages, including the numbers of workers involved in work stoppages where replacement workers are used, on the average numbers of workers involved, and in the person days not worked due to work stoppages, the statistics point to a worsened situation in the period after the introduction of anti-scab legislation.

While the hon. member has cited a reduction in the average of duration of work stoppages, as evidence of the effectiveness of the legislation in the province of Quebec, it should be pointed out that the study he has made reference to also indicates a reduction in the average duration of all strikes in the period, not just those involving the use of replacement workers.

There is one final observation from the study by *Le Centre de recherches et de statistiques sur le marché du travail*. I earlier described the trend in some of the work stoppage statistics for all of Canada. I noted that there is a declining trend in the number of strikes and lockouts. There is a declining trend in the number of workers involved in strikes, as well as in the absolute decline in the number of working time lost and as a percentage of total working time.

There are any number of factors that might be considered in trying to determine an explanation of trends in work stoppage statistics. The state of the economy, for example, is one important factor. The high and rising rate of inflation in the 1970s is referred to by students of industrial relations as one factor in particular that caused a difficult period of adjustment for labour and management. Relative wages, industrial structure and job security are several other factors that have a bearing on trends and developments in work stoppages.

What I find difficult to come to grips with is how a single piece of legislation such as the legislation on anti-scab practices in the province of Quebec can be singled out as a source of improvement in the incidence of work stoppages when the evidence that I have just cited from the same study by *Le Centre de recherches et de statistiques sur le marché du travail* makes such a claim questionable.

Finally, there is one further observation that I would like to make regarding the average duration of work stoppages since this is the indicator used by the hon. member for Richelieu as evidence of the effectiveness of anti-scab legislation.

• (1905)

From 1972, the first year of the study by *Le Centre de recherche*, to 1977, the year of the introduction of the anti-scab legislation in Quebec, the average duration of strikes and lockouts in the province of Quebec was higher than in all of Canada. In the years since the introduction of the legislation, there has been no change in this relationship and work stoppages in the province of Quebec continue to be longer than those in all of Canada.

I hope these few remarks have been helpful in providing the House with a perspective on the information in the study cited by the hon. member for Richelieu. I believe the evidence on the effectiveness of anti-scab legislation, such as is proposed in Bill C-201, is less than satisfactory and I frankly doubt the soundness of the measures proposed.

[*Translation*]

Mr. Jean-Luc Joncas (Matapédia—Matane): Mr. Speaker, I should like to say a few words about the bill before the House concerning the maintenance of essential services in Crown corporations and the prohibition respecting the hiring of workers to replace their own employees in the event of a strike or lock-out. Let us examine the main elements of this bill.

First, after the filing of a negotiation notice Crown corporations would not be allowed to hire new employees to perform the work done by those who have gone on strike or who are locked out.

Second, the bill would also prevent the corporation from re-assigning striking or locked-out employees to other corporate departments, or from hiring in the striken unit people who normally work in a company other than the Crown corporation.

The bill also provides that, at least seven days before the strike, both parties must reach an agreement concerning the maintenance of essential services. Should they fail to agree, the union gives the corporation and the minister a list of essential services. In both instances and under the proposed legislation the minister shall assess whether or not the essential services provided for in the list or in the agreement are sufficient. Those are the two main components of the bill.

Let us get back to the hiring of so-called replacement workers. We know that replacing workers out on a legal strike is a touchy and controversial issue. In Canada, only the Quebec Labour Code has provisions which, for all practical purposes, prevent an employer from calling in outside workers when the strike is legal. When examining the relevance of this kind of legislation with respect to the federal jurisdiction we must take into account a number of characteristics of industries regulated by the federal and provincial governments.

The Canada Labour Code applies to a sector of labour relations which, by and large, includes companies which play a leading role in the major economic sectors. For example, national and regional transport companies account for a large number of companies under federal jurisdiction. Once the requirements of the Canada Labour Code concerning the settlement of disputes have been met, there is no restriction on the right of employees to strike. In the Province of Quebec, note that some sectors such as health and municipal public transit services are protected in the sense that some workers are designated and cannot go out on strike. There is no comparable provision applicable to federally regulated private sector companies subjet to the Canada Labour Code.

• (1910)

Each level of government has evaluated its legislative needs taking into account the uniqueness of the industries concerned. One of the basic characteristics of the federal collective bargaining system is the recognition of the fact that competing interests between unions and employers often put their economic strenght to the test.

For the union, the ultimate expression of strenght is the planned withdrawal of the workers from the employer's premises. We know that in reality more that 95 percent of all collective agreements in the federal jurisdiction are bargained without work stoppage.

The employer, for his part, has an equivalent power. He can impose a lockout or strive to keep operating in spite of the strike.

The Canadian Labour Code, with its procedures and steps to get bargaining agents certified and to eliminate obstacles to efficient and constructive collective bargaining, including mediation, is aimed at allowing the parties to settle their disputes with minimal government intervention. In that context, Mr. Speaker, the Code states that the parties can voluntarily accept to be bound by the recommendations from a conciliation commissioner or a conciliation board.

Let us take a look at the effects the bill could have on operations, given the type of industries the Canadian Labour Code applies to. The national industries concerned, such as railroad companies and airlines, are characterised by their numerous bargaining units.

Instead, they are grouped on the basis of trades or ranks, as is the case with pilots, mechanics, stewards and train conductors, all of them having their own unions. For instance, CNR employees are represented by 14 unions and are subjected to dozens of different collective agreements. In the case of industries under provincial jurisdiction most are structured on the basis of individual industry and very often each plant has its own bargaining unit.

To determine the usefulness of the proposed bill, it would be necessary to examine the consequences of giving a fairly small bargaining unit the power to paralyze the whole national transportation system. If it were impossible for a railway company to hire other workers to carry out the duties of its striking employees, that company would be unable to remain in operation.

In such a situation, we realize that the proposed legislation would make it possible for a small bargaining unit to paralyze a major corporation.

Another problem could arise from the consequences such legislation would have on the current structure of multi-union bargaining. In the railway industry, for instance, several unions represent dozens of joint bargaining units.

In some cases, management and unions in the railway industry have deemed appropriate to get together to organize a major multi-union multi-employer bargaining structure. Such arrangements have the advantage of limiting the number of possible strikes for employers and unions during the bargaining round.

We must ask ourselves two questions: Would these multi-union multi-employer bargaining structures which both parties appreciate, continue under a scheme forbidding the hiring of replacement workers? Also, would not the increased power of bargaining units run the risk of dividing the system and, therefore, increase the number of conflicts within the system.

The Acting Speaker (Mr. DeBlois): I am sorry but I must interrupt the Hon. Member.

[*English*]

The time provided for the consideration of Private Members' business has now expired.

[*Translation*]

Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

It being 7.15 p.m., this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

The House adjourned at 7.15 p.m.

HOUSE OF COMMONS

Wednesday, October 10, 1990

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

COMMUNICATIONS

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, the American radio station WBLK today holds a virtual monopoly on the southern Ontario market for black urban contemporary music.

Toronto has become so lucrative for WBLK that it now has an advertising office in metro. Regrettably, Canadian black artists have no commercial outlet for their music while Canadian advertisers pay WBLK for access to Toronto's large black population.

This summer the CRTC rejected a strong bid from the black community and awarded the final Toronto radio licence to a country and western application. The CRTC has turned a deaf ear to the needs of black musicians and has ignored the fact that other radio stations in Toronto are abandoning country and western due to low audience demand.

If this government is serious about its commitment to multiculturalism, it will reject this decision and send it back to the CRTC for reconsideration.

* * *

AGRICULTURE

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I have just returned from an intensive five-day tour of one corner of my constituency during which I talked to more than 400 people, most of whom were farmers concerned about their present and their future.

Piles of grain are on the ground, and they are unbelievable. The elevators and bins are full. The grain is not moving anywhere, but the need for movement and sales is evident everywhere.

The message from my constituency is loud and clear. The grain must be moved. The price of grain must be higher. The interest-free cash advance must be reinstated and the government must intervene in the energy crisis holding down gas prices so the oil companies do not make profits at the expense of the cash-starved producers of the prairies.

I call on this government to listen to the needs of the farm and rural people of my constituency and across western Canada, and address these concerns immediately.

* * *

[*Translation*]

AIR CANADA

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Yesterday, Mr. Speaker, Air Canada announced drastic staff cuts, close to 3,000 lay-offs including mechanics, flight attendants and pilots. These cut-backs will affect all employees and are due to fuel price increases.

Financial circles have long since been asking for this kind of rationalization, even before oil prices began to go up.

When we had the last two increases I praised the oil companies for not raising their prices immediately. Rather I was afraid that companies, wholesalers, air carriers, taxis, and public transit companies would take advantage of the situation to boost prices or cut staff.

Where were these companies when we had a decrease of 12 cents a litre in 1987? What reduction did they pass on to consumers when oil prices went down as low as $10 a barrel?

Mr. Speaker, I have a very simple question. Will these 3,000 employees be rehired if oil prices decrease to the levels of two months ago? To that I answer I do not think so.

[*English*]

HAMILTON HARBOUR COMMISSION

Mr. Stan Keyes (Hamilton West): Mr. Speaker, the Minister of Transport, aided by the Minister of Justice, failed to provide the necessary instrument to answer all the outstanding questions pursuant to the resignation of Peter Lush as chairman of the Hamilton Harbour Commission.

A Tory government will look into the conduct of a Tory appointee, himself a Tory supporter, to the private law firm, Tory, Tory, DesLaurier and Binnington, which will report back to the Tory Minister of Transport.

The private law firm does not have the powers to compel witnesses, to take evidence on oath or to subpoena documents. Only a public inquiry would have the tools necessary to gather evidence on this issue. The legal question put to the law firm by the minister is far too narrow. It does not address section 27 of the Hamilton Harbour Commissioners Act, nor sections 120 to 126 of the Criminal Code of Canada, or the General Law of Agency which may entitle taxpaying Canadians to get back the $400,000 commission cheque paid to Peter Lush.

What has this Minister of Transport got to hide?

* * *

THE ECONOMY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, Canada is an indebted nation. It took a generation of free-spending governments to get us to the point where almost 40 cents of every tax dollar is spent on interest to service that debt.

This is something a lot of Canadians are embarrassed about, but not too many people actively try to help those like Michael Wilson who are trying to solve the problem.

So I am delighted today to say that $1,200 of our national debt can be retired, thanks to the efforts of several Chamber of Commerce groups in my riding.

The Halton Hills Chamber and the Burlington Chamber sponsored a Deficit-Reduction BBQ earlier this year in a direct attempt to help our country through grassroots fund raising. Over 600 people came, listened to the finance minister speak, and did something positive for Canada.

Critics abound, Mr. Speaker, but so do the average, concerned and involved Canadians like the constituents of my riding who today give money in order to help Canada's future.

* * *

GOODS AND SERVICES TAX

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I rise today to draw the attention of the House to one of the most incredible feats of swallowing oneself whole ever witnessed in Canadian political history.

I refer, of course, to the phoney comments made by the House leader for the New Democratic Party dealing with the GST. On the one hand he issued an open letter urging the public to support the Liberal senators' fight to kill the Tory GST. Then only two days ago in front of the cameras he decried the very existence of an unelected Senate and wanted it abolished. Now we see his forthright buddies at Queen's Park, led by Premier Bob, about to endorse and embrace the GST and they have already dropped their opposition to the Tory stacking of the Senate.

Will the hon. NDP House leader now fish or cut bait? Are they in support of the Liberal Senate's actions, or will they continue with the cynical double-speak that is now the trademark of the federal New Democratic Party?

* * *

[*Translation*]

BUILDING OF AN AIR TERMINAL AT LG-2

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the James Bay Development Corporation is building a new $7 million air terminal at LG-2 in Abitibi with the co-operation of Hydro-Québec, the James Bay power corporation and the government of Canada.

The new flight information station will be located on the second floor of the air terminal and manned by five flight information experts and three electronic technicians serving a region of 145,000 square kilometers around James Bay.

Mr. Speaker, I am proud to have worked with the employees of the James Bay Corporation and of the municipality of James Bay to get these facilities which will be useful to James Bay and Quebec workers.

* * *

[*English*]

THE ECONOMY

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, 16,000 steel workers remain out of work, 10 weeks and counting.

The trade minister said yesterday with regard to two negative free trade panel rulings that "you can't win them all". Mr. Speaker, we have not and will not win any of these rulings.

While the dispute lingers, American producers begin to assume a greater and greater share of our Canadian producers' market. Despite the animosities created by the labour dispute, Stelco president, Fred Telmer, and USWA director, Leo Gerard, agree that high interest rates and the resultant high Canadian dollar are decimating the steel industry.

It is not just the steel industry, Mr. Speaker, but all of the manufacturing sector is in a freefall: employment is down 6.4 per cent over the third quarter of 1989.

Even if the playing field were level, we would be playing on two separate fields. Canadian steelworkers, producers—all Canadians—are asking this government for assistance.

Lower the interest rates.

* * *

AGRICULTURE

Mr. Lee Clark (Brandon—Souris): Mr. Speaker, I am rising to speak on behalf of the grain producers of Brandon—Souris in particular and of the west in general who are suffering from a severe cash flow crisis.

Although the crops in much of the west were better than average, the combination of reduced grain prices and low delivery quotas means that the farmers in my constituency have had little or no cash flow to date. Meanwhile their obligations to their creditors must be met.

• (1410)

Although the export price for grain is essentially beyond our control due to the continuing insane policies of the EEC and the U.S.A. to subsidize export sales, and as delivery quotas may not improve until Russia and China begin to buy, the federal government can and should assist grain farmers by agreeing to restore interest-free cash advances for the current crop year.

Although the cost to the federal treasury may be as high as $50 million or more, we as a government should act now to assist grain producers financially, just as we have done in the past.

The need is great and the time to respond is now.

* * *

GOODS AND SERVICES TAX

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, at this moment in the other place my colleagues in the Liberal Party of Canada are valiantly defending the rights of Canadian men and women and resisting with all their might the imposition of the goods and services tax.

Their cause is the cause of the people of Canada because the people of Canada do not want the GST. Nonetheless, they face a barrage of opposition from the government opposite and yes, from the New Democratic Party, the waffling, wishy-washy New Democrats who are determined to shamelessly scale new heights of hypocrisy and perform new feats of political opportunism. They demand one day that the Senate be abolished, the next day the NDP suggests rather sheepishly no doubt that the Senate stop the GST. Where does the New Democratic Party stand? Who knows? They cannot make up their minds.

What is important is that all Canadians know where Jean Chrétien and the Liberal Party of Canada stand. We stand beside Canadians, ordinary Canadians, Canadians who are fighting back, Canadians who work for a living and are struggling to put food on the table, Canadians who want to axe the tax and kill the GST.

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

[*Translation*]

MATERNITY BENEFITS

Mrs. Carole Jacques (Mercier): Today, Mr. Speaker, pregnant women can receive up to 15 weeks of unemployment insurance benefits. If Bill C-21 had been passed, they or their spouses could get 10 additional weeks, which means a total of 25 weeks of benefits.

Mr. Speaker, if the Liberal senators took their jobs more seriously, were more conscientious and stopped playing games in the Senate and ringing bells and tapping their feet, thousands of Canadian men and women would be able to receive the additional maternity benefits they deserve.

Mr. Speaker, could it be that at their age, the senators have forgotten what motherhood is all about?

* * *

[*English*]

ISRAEL–PALESTINE SITUATION

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I rise to strongly condemn the recent violence and brutality of the Israeli army against unarmed Palestinian protesters, some on the site of the Al Aqsa mosque, Islam's third holiest shrine. While the stoning of Jewish worshippers at the Wailing Wall is of course wrong, the response of the army, using bullets against rocks, is an outrage and tragically, an all too familiar one. Over 150 children have died at the hands of the IDF since the start of the *intifada*. Israel has displayed contempt for international law and human rights by its policies of collective punishment, forced deportations and settlements.

Canada must strongly condemn these tragic killings, support the sending of a UN Security Council investigative team to the area and actively promote the early convening of an international peace conference on justice and self-determination for the Palestinians.

[*Translation*]

We cannot have a double standard in the Middle East. People who condemn the invasion and annexation of Kuwait by Iraq should also condemn this annexation.

THE SENATE

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, during the last few days we have been treated to a less than edifying spectacle in the Senate.

While Canadians are flabbergasted at the Liberal senators' grotesque and degrading antics, the fact remains that the neediest in this country, the unemployed and the regions, are being hit as a result of systematic obstruction by Liberal senators.

Tens of thousands of unemployed workers in Canada are deprived of training courses because the unemployment insurance reform bill is being blocked by the Liberal Senate.

All community development committees in this country have seen their development projects blocked becaue of a lack of funds, all because of the Liberal Senate.

Ville de Laterrière, for instance, in the riding of Jonquière, will have to delay its recreation and touris development project because of obstruction by Liberal senators.

Mr. Speaker, abuse of power has superseded, common sense, and it is high time democracy was allowed to take its hightful place in this country.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, my question is for the Prime Minister. Today the Conference Board of Canada in its quarterly report said: "the Canadian economy is in a recession", and it went on to say that a recovery is not expected until the spring of next year.

The Conference Board puts the blame for this recession squarely on the shoulders of this government. The Conference Board also says: "This will be a made-in-Canada recession".

Will the Prime Minister admit today that it has been the policies of his government which have caused this recession, bringing about the loss of tens of thousands of jobs and misery and despair for thousands of Canadian families? Will the Prime Minister begin changing those

policies today to policies that create jobs, create economic growth, and will not drive this economy even deeper into recession?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the policies that we have been following as a government are designed precisely to avoid the type of recession that we had in 1981–82, with which my hon. friend is very familiar.

What we have indicated last year and this year was that we must avoid the increase in inflationary pressures that were clearly building in the economy and that were clearly going to lead us into a position where we would have major loss of competitive position, precisely what is happening in Great Britain today. In Great Britain today there is a 10.6 per cent inflation rate. Its inflation is much less under control. We are trying to avoid that problem so that we can get back on to a track of non-inflationary growth, at a very early time.

The Conference Board report clearly points out that in the second quarter of next year we will have growth at the annual rate of 3 per cent. That is what we are trying to achieve.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the minister, in his blind and arrogant way, is refusing to listen to organizations like the Conference Board and his own Economic Council. He keeps talking about inflation, and yet the Conference Board in its report says that not only will the GST, a key policy of this government, "have a significant impact on inflation", but that "the implementation of the GST at the beginning of next year will erode purchasing power at a time when the economy will be in recession and interest rates will still be high".

I ask the Prime Minister and the Minister of Finance: Will this government have the common sense and the decency to withdraw the GST right now, before it drives this economy even deeper into recession and does even more damage to Canadians and their families?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member accuses me of not listening. I would suggest that he listen also and not quote as selectively as he has the Economic Council report.

What the Economic Council report does is say: support the policy that we have been following to get inflation under control. I suggest the hon. member read the report where he will see that.

What the Economic Council is saying is that it would like to see more action taken on getting the deficit down. If my hon. friend would be honest with Canadians himself, he would say that he has never proposed anything to get the deficit under control. That is a key element of what the Economic Council is proposing to Canadians, and we are listening to that.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I ask the Minister of Finance if he, the Prime Minister, and his government will be honest with Canadians and say the reason they are desperate to force through the GST is that they want to close down this House as soon as possible so they do not have to stay here and listen to the music about the recession they are causing.

• (1420)

They do not want to stay here and face the music from Canadians about the GST induced recession that they are bringing about.

[*Translation*]

Mr. Speaker, why doesn't the Prime Minister withdraw his disastrous GST today? Why does the Prime Minister want to do even more harm to Canadian families who have already been hard hit by a recession created by this government's policies?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I will tell you one type of noise that I am getting kind of fed up hearing—

Some hon. members: Oh, oh.

Some hon. members: Resign.

Mr. Speaker: The hon. minister.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, the music that I was referring to are the kazoos and the noisemakers in the Senate.

Some hon. members: Hear, hear.

Mr. Speaker: Perhaps the minister could complete his answer.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, the hon. member suggests the reason why we are trying to push

through the GST. If he would look back to what the Senate has said itself, it believes that it is important that we move to the GST because the existing sales tax is not working. Senator Buckwold, Senator MacEachen—

Mr. Lewis: Mr. Speaker, there is a stranger in the House behind that curtain.

An hon. member: Who is that?

Some hon. members: Chrétien.

Some hon. members: Oh, oh.

Some hon. members: He snuck out. There he is.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, a Senate committee that included Messrs Buckwold, Kirby and MacEachen said: "We recommend that as soon as is practicable, the government introduce legislation to implement a broad based multi-stage sales tax"; in other words a GST to replace the existing federal sales tax system.

This demonstrates very clearly the cynical and cheap politics that the Liberals are following by blocking this GST when they know they have no alternative to it and they know it is a thing that this country needs.

* * *

AIRLINE INDUSTRY

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

Following the Tory policy of privatization and deregulation we have seen two major airlines gobbling up 14 regional ones. Air fares have risen faster than the cost of inflation. Jet service has been reduced in the regions. Hundreds of thousands of Canadians who invested in Air Canada shares have lost money, and now we have close to 3,000 people out of work in Air Canada.

How can the government continue with policies that have only served to destabilize our airline industry in Canada? What measures does the minister propose to stop its further decline.

Hon. Doug Lewis (Minister of Transport): On the contrary, Mr. Speaker, there has been no decline in air service in Canada.

Some hon. members: Oh, oh.

An hon. member: It is an improvement.

Mr. Lewis: In fact, deregulation and the hub and spoke concept have greatly increased opportunities for Canadians to travel.

I note that Air Canada welcomes the government's policies of open skies. It says that the prospects of an open regime which will allow carriers from each country to operate services between any point in one country and any point in the other, as well as between points within the country, is very encouraging.

Mr. Sergio Marchi (York West): Mr. Speaker, it is time this minister wakes up and recognizes the turbulence that our airline industry is in today and how he can begin to sacrifice an already fragile industry into head-to-head negotiations with the United States.

[*Translation*]

My supplementary is directed to the same minister. Considering the devastating impact of the government's policies on our airlines, with the thousands of lay-offs that took place recently, how can the government possibly sacrifice an already weakened industry by starting bilateral negotiations with the United States, which might well deal a fatal blow to Canada's airline industry? Why?

[*English*]

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I refer to the same gentleman, Mr. Claude Taylor, the President of Air Canada. When commenting on the open skies concept that we are entering into with the United States, he said: "Air Canada fully supports a gradual phasing in process including transitional mechanisms to ensure an orderly integration of airline services to the public".

Mr. Marchi: What about the safeguards?

* * *

THE ECONOMY

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Prime Minister. Yesterday we had the Air Canada announcement of the largest airline lay-offs in history, with some 2,900 working families being affected. These job losses are added to the 150,000 jobs lost in the manufacturing sector.

Today we heard from people in the fishing industry, 3,000 of whom will not be eligible for benefits because of this government's policy. The Conference Board of Canada is saying today that unemployment will increase mid-next year up to 9 per cent. In November 1988 the

Prime Minister said that they would "ensure innovative and generous adjustment and retraining programs will be introduced whenever and wherever required, with the chief priority being the well-being" of individual Canadian worker and their families.

I ask the Prime Minister: Where are those adjustment programs? What are you prepared to do for the working people in Canada today who are being laid off at an unprecedented rate?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, provision for many of those adjustment programs has been paralyzed by the Liberals in the Senate. My hon. friend should be encouraging the Liberals to get the bill out of the Senate and back into the hands of the working people of Canada.

Some hon. members: Oh, oh.

Mr. Mulroney: Mr. Speaker, the economy from 1983 to 1989 grew at an average annual rate of 4.25 per cent. There have been 1,600,000 new jobs created since September 1984.

Mr. Allmand: Nobody believes you, Brian.

Mr. Mulroney: Over 80 per cent of them are full time. As the Minister of Finance predicted in his budget, in an attempt to squeeze inflation out of the economy there has been a slowing down in the economy, obviously. While we regret that, the most insidious ill of all in an economy is inflation, because inflation robs those on fixed incomes and it hurts the poor, the sick, and the elderly most of all.

We have chosen the hard way of dealing with inflation now to have a sounder economy later.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is for the Prime Minister.

The people who are experiencing the hard way are the poor people of this country. The one in six children who live in poverty, the 40 per cent of food bank users, are the ones who are experiencing the hard way in Canada.

The Prime Minister knows that he could introduce an amendment to the variable entrance requirement for unemployment insurance. He could do that now to ensure that those workers could receive benefits.

• (1430)

[*Translation*]

Mr. Speaker, this government does not seem to understand that the GST will aggravate the recession. People across the country know this. A consulting firm, Informetrica, estimates that as far as the airline industry is concerned, the GST will cause 4,000 jobs to be lost between now and 1991 and 7,000 by 1993. Will the Prime Minister finally make a decision and withdraw the GST now?

[*English*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the leader of the NDP began her question by referring to children in poverty.

It is one of the blights on any industrialized society. One child in poverty is one child too many. However, in excess of 250,000 children have been removed from the poverty line since this government came to office.

We plan to maintain those policies so as to reduce even further the number of children in poverty in Canada.

[*Translation*]

My hon. friend's question was about the GST. She suggested that the GST will have an impact on inflation. That is quite true. The Minister of Finance said so when the GST was first discussed. There will a definite impact, but it will not last, as confirmed by the Conference Board in its report. This impact will last for one fiscal year, and it will a negative impact on the inflation rate. I agree.

However, for the past 50 years, a number of task forces and various royal commissions of inquiry have been asking the Parliament of Canada to get rid of the existing tax on manufactured products and introduce a GST, in order to streamline Canada's economy so that this country can create more jobs and be more competitive on international markets. Despite the problems, the GST will modernize our economy, and that is exactly what we intend to do.

[*English*]

Ms. Audrey McLaughlin (Yukon): On a supplementary, Mr. Speaker, I would like to quote Gordon Sinclair, the President of Air Transportation Association of Canada who said in October 1989: "The proposed tax treat-

ment for U.S. travel renders Canadian air carriers less competitive *vis-à-vis* their American counterparts". Mr. Sinclair was talking about the GST.

There are other experts who have said that Canadian airlines will find it very difficult to compete with American airlines because of the GST and because of the lower fuel prices in the United States.

In fact, why does the government continue to pursue its programs of free trade with the United States, the GST and deregulation of airlines?

The experts in the industry indicate that these are causing greater unemployment. We are into a recession. Why does the Prime Minister not withdraw the GST, back down with the deregulation of airlines with the United States and save Canadian jobs?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, every socialist country in the world from Poland to Czechoslovakia to eastern Germany has recommended liberalized trade, the shucking of the regulations that existed in the economy. The only people who believe in protectionism are the NDP in Canada.

My hon. friend has quoted a number of people with regard to the GST. She may choose to be very helpful to the process by speaking to her seatmate who moonlights in the Senate—

Some hon. members: Hear, hear.

Mr. Speaker: Perhaps the right hon. Prime Minister could complete his question.

Mr. Mulroney: I was talking to my old aunt Mabel in Kamloops, and she cannot believe that she voted for Nelson for the House, and now he wound up in the Senate.

Some hon. members: Oh, oh.

Mr. Speaker: I hope there are no more aunts—

Some hon. members: Oh, oh.

Mr. Mulroney: Mr. Speaker, my aunt twice removed.

I just wanted to say to my hon. friend, the leader of the NDP, that when she is talking to the embryonic senator, there is a quote with regard to the GST by one of Canada's distinguished columnists that says this and perhaps it should be brought to the attention of her seatmate. "The Liberal members of the Senate of Canada are collectively a disgrace to this nation. To witness those underworked and overpaid foul-talking, desk-banging senatorial anarchists acting like animals within the Parliament Buildings"—

Some hon. members: Oh, oh.

* * *

GOODS AND SERVICES TAX

Mr. John Manley (Ottawa South): Mr. Speaker, we know that aunt Mabel won't vote for him again in the next election.

The Conference Board of Canada said today that we are in our first made-in-Canada recession. What the government has offered us is this made-in-the-Tory caucus propaganda sheet that sanctimoniously promotes the government's economic policies.

I would like to know from the Minister of Finance why he has not admitted in this propaganda sheet that it is his high interest rate policy that is driving tens of thousands of Canadians out of their jobs and putting Canada into this recession that the Conference Board has described.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, we have policies. We have set them out very clearly.

To quote what the hon. member has said himself, "The Liberal Party would not have a shred of credibility if they didn't propose alternatives." Where are the alternatives of the Liberal Party of Canada?

Mr. John Manley (Ottawa South): Mr. Speaker, the minister knows about not having a shred of credibility.

Yesterday, he justified this propaganda sheet by saying that he sent it out to Canadians because it responds to their questions in an open, frank and direct way.

I would like to know whether the minister thinks it is open, frank and direct that in this sheet, he has not admitted that the GST is going to deepen the recession that we are already in. He has not admitted that the GST is not visible or revenue neutral as he had promised. He has not admitted that the GST tax credits are not indexed. Why did he pass up a $1.3 million opportunity to tell the truth?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, maybe what my hon. friend is looking for are statements from the Organization of Economic Co-operation and Development which says we should have a goods and services tax, which supports the monetary

policy of the Government of Canada, which supports the fiscal policy of the Government of Canada, which supports the free trade agreement, which supports deregulation, which supports privatization, which supports trade. That is what the OECD says. That is also what the Economic Council has said.

Mr. Gauthier: No, no.

Mr. Wilson (Etobicoke Centre): The hon. member is saying no. If he would read what the Economic Council has said—I have read it—he will see that they do support the policies. They are saying they would like to see the deficit down and what has the Liberal Party of Canada ever done to say—

Some hon. members: Hear, hear.

* * *

• (1440)

THE ECONOMY

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, this is an example of where pig-headed vanity replaces economic reality in this country.

The Conference Board of Canada report makes clear today that this government's economic policy, specifically the policy of the Minister of Finance, is needlessly driving tens of thousands of Canadians to the unemployment lines in the face of the winter of 1990. The Conference Board says we are experiencing our first ever made-in-Canada recession, created, authored, made by this government, this Prime Minister and this Minister of Finance.

Some hon. members: Shame.

Mr. Tobin: Mr. Speaker, my question is for the Prime Minister. Why is the Government of Canada insisting on completely eliminating government support for the unemployment insurance fund? It is the complete elimination of $2.7 billion of government support, at a time when the Conference Board of Canada tells us that tens of thousands more Canadians will join the 1.5 million already unemployed in Canada and in need of support this winter from the UI fund? Why the cuts?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I cannot understand the hon. member talking out of both sides of his mouth. I remember a made-in-Canada recession that began in 1981 and it was the worst one that this country has ever experienced.

Let me say as well, Mr. Speaker, that for him to talk about unemployment insurance benefits when what is happening in the other place is a disgrace to his party and to the Parliament of Canada is absolutely talking out of both sides of his mouth.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have a supplementary question for the same minister, who would be aware that fishermen and plant workers on both the Atlantic and Pacific coasts are being savaged because of her continuing and stubborn refusal—this is not a matter for the Senate—to bring in a simple amendment to the Unemployment Insurance Act—

Mr. Crosbie: Speak to the Senate.

Mr. Simmons: You would like to think so.

The Canadian Labour Congress and fisheries union on both the Atlantic coast and the Pacific coast have said today that unless the minister brings in this amendment, tens of thousands of people will wind up on welfare.

In the name of basic compassion, will the minister instead of blaming it on somebody else in the other place, will she relent and bring in the amendment like her government has done for the past five years, like governments have done for the past 14 years in this House?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, all the grandstanding that is going on on the other side of the House is not going to help the people who are in the fishing industry in this country. Let me point out, first of all, that under Bill C-21, which is the bill that has been stuck in the Senate since last November, we have fisher people who are not affected and they will be better off when Bill C-21 is passed.

Mr. Simmons: VER, Barbara.

Some hon. members: VER.

Mrs. McDougall: The VER will not help the repeaters, the seasonal workers, the people over 65 and the people looking for maternity benefits.

Some hon. members: VER.

Mrs. McDougall: It will not help one of those people, and that is why this is hypocritical.

Some hon. members: VER.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, we have all enjoyed the jokes from the Prime Minister, the rants from the Minister of Finance, but none of these can take away from the fact that the Conference Board of Canada said quite clearly today and I quote: "Canadians will see no gains in their real disposable income in 1991."

This Minister of Finance has been voted the worst minister of finance—

Some hon. members: Oh, oh.

Mr. Speaker: Let's try to put the question.

Mr. Langdon: Is the minister prepared finally to admit that the country is in a recession? Will he admit that it is a made-in-Canada recession for which he is responsible, and will he tell the country what he intends to do about it?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I can take my hon. friend back to the budget of 1989 and 1990, where I said very clearly that we had inflationary pressures that we had to get under control. Those inflationary pressures were caused by the very strong growth that we had during the 1984-1988 period, during which time we saw an increase in personal disposable income after taxes and after inflation of 14 per cent.

It is a natural progression in an economy when there is that fast a growth, that there has to be a slowdown. I clearly predicted that in my budget of 1990 when I said: "This will be a testing year for the Canadian economy. The economic news will not be encouraging in the months ahead." We have been very open and honest with Canadians.

We are getting the inflationary problems under control. As we have been getting them under control, we have been bringing interest rates down. As this continues to happen, we are setting the stage for strong non-inflationary growth which, as the Conference Board of Canada projects, will start in the second quarter of next year.

Mr. Steven W. Langdon (Essex—Windsor): I have a supplementary question, Mr. Speaker. There is a big difference between slow growth and no growth: decline. That is what the government has given the country, economic decline.

Will the Minister finally start to care about Canadians—

Some hon. members: Oh, oh.

Mr. Langdon: —and will he demonstrate this by leading our House to adopt immediately the variable entrance requirements for unemployment insurance for fishing communities right across the country?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have made it very clear that what we are going through right now gives me no pleasure whatsoever—

Mr. Tobin: Well, quit doing it.

Mr. Wilson (Etobicoke Centre): —but I do know, if we do not have a period of time when we get these inflationary pressures under control, then we will go through the same sort of mess that we went through in 1981-82. I am sure my hon. friend does not want to go through that.

Some hon. members: Hear, hear.

Mr. Wilson (Etobicoke Centre): What my hon. friend is ignoring when he talks about one aspect of the unemployment insurance reform bill, the variable entrance requirement, is the fact that we are improving maternity benefits. We are adding some $500 million to $700 million worth of moneys for training of people who are out of a job. We are putting moneys to allow people over the age 65 who want to continue in the workforce to continue to have the support and benefit of an unemployment insurance.

These are the things that are hung up in that bill on the other side. His party is supporting the Liberal senators to continue to hold up that bill. That, Mr. Speaker, we say is dead wrong.

* * *

[*Translation*]

EMPLOYMENT

Mrs. Sheila Copps (Hamilton East): Mr. Speaker, my question is directed to the minister who is responsible for corporate losses in Canada and who is well aware that yesterday Air Canada cut 3,000 jobs. Hardly half an hour ago, the Canadian National Railways announced an additional loss of 1,500 jobs throughout Canada, including 750 in the City of Montreal. For the past 5 months,

the minister has been hiding a report which foresees the end of Quebec shipyards.

While his colleague the Minister of Energy, Mines and Resources claimed last week that there would be major spinoffs throughout Canada from the Hibernia project, the Minister of Industry, Science and Technology remained silent. Why did he not say anything?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I am certainly pleased to answer the Hon. Member for Hamilton East. The way she keeps asking her questions, Mr. Speaker, we had quite a rest for three months without having to answer them.

That being said, the hon. member is absolutely not informed of the situation. She should have listened to our briefings on the Quebec shipbuilding industry. Since 1987, Mr. Speaker, this Conservative Government has provided Marine Industries in Quebec with $150 million to help them increase their competitiveness and continue their operation. We are currently working together with the Quebec Government on a possible solution to the frigate and destroyer problem.

Mr. Speaker, everybody is aware of the fact that the shipbuilding industry throughout the world is experiencing difficulties and we have done for the shipbuilding industry in Quebec what her government had never done in 20 years.

As to the spinoffs from the Hibernia project, I am pleased to advise the hon. member that beyond the persons-years guaranteed to Canada, a contract worth $360 million has been awarded to a Quebec firm, and that a second contract has been awarded to a firm whose assets are 60 per cent Quebec-owned. Mr. Speaker, if those are not spinoffs for Quebec, I am sure I do not have the same definition as the hon. member of that province's interest!

• (1450)

Ms. Sheila Copps (Hamilton-East): Mr. Speaker, the Minister of Industry, Science and Technology remained silent in this House, although he knew five months ago that the Quebec shipbuilding industry was going to disappear. He remained silent again when Air Canada announced that 2,900 workers have lost their jobs, and when hardly half and hour ago, the Canadian National Railways announced that 1,500 workers had also lost their jobs.

What is he doing as Minister of Industry, when all we see here in Canada are industries being lost?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Further to what the Minister of Finance said, Mr. Speaker, it is clear that we live in more difficult economic times. But contrary to what my colleague's party did during the 1981-82 recession, we are taking steps to help the industry.

When she referred to the lost jobs, she overlooked the fact that in the area of industrial development, especially in Ontario and Quebec, there were major spinoffs and that last week, the Economic Council of Canada insisted on the fact that through the Western Canada and Atlantic Canada diversification agencies, the government had taken steps to meet its obligations through privatization and tax incentives.

What makes a recession under a Conservative Government different from a recession under a Liberal Government, Mr. Speaker, is the fact that we have answers which you never had which led to this country being left in an unbelievable financial mess!

Some hon. members: Hear, hear.

* * *

[*English*]

SOLICITOR GENERAL

Mr. John Nunziata (York South—Weston): Mr. Speaker, my question is directed to the Solicitor General. In December, 1988 the Canadian Security Intelligence Service initiated a national inquiry into what it called native extremism. In June, 1989 that report was presented to the Conservative government warning the government of the possibility of "sporadic outbreaks of violence" by native people.

Will the Solicitor General first confirm that, yes, indeed his government was in receipt of this report in the spring of 1989, and can he explain to the people of Canada why his government did absolutely nothing to prevent the unfortunate and tragic events at Oka and Akwesasne when it was prewarned?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, with respect to that particular report on native extremism, which is referred to in the annual

report of SIRC for 1989–1990, the report was received by the Solicitor General and was made public.

Mr. John Nunziata (York South—Weston): Mr. Speaker, the report, in fact, was not made public and he will know that in this year's report his government was criticized for not making public a report that SIRC put together based on the report of the Canadian Security Intelligence Service. He knows that that is in the report.

I ask the Solicitor General whether that specific information about the potential for sporadic violence was passed on to the Government of Quebec and, in particular, to the provincial police in Quebec, the *Sûreté du Québec?* Will he immediately table the complete report here in the House of Commons?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, I am not sure that I follow my hon. colleague, but if I may quote from the 1989–90 annual report, on page 28, it states: "On February 5, 1990, the Solicitor General released a version of the report"—

Some hon. members: A version.

Mr. Cadieux: That is correct, "—with significant portions blacked out for reasons of national security and privacy, accompanied by a news release".

* * *

COMMUNICATIONS

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is directed to the Prime Minister. Yesterday, the Minister of Communications told me that he had rejected a cabinet appeal of the CRTC decision denying the last FM station in Toronto to the Afro-Canadian applicant because, and I quote: "English Canada insisted upon an arm's length relationship". Yet, the government has intervened with the CRTC more than any other government.

If the government could act on behalf of Callnet three times and Tory interests in connection with the News Network, why can it not intervene in support of the three commissioners who considered the CRTC decision was an affront to the visible minority community and the multicultural nature of the country?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, cabinet reviewed the CRTC decision and was satisfied that due process had been followed.

My colleague, and in fact all members of cabinet, are very aware of the concerns of members of the Toronto community for another format. The fact of the matter is, that this decision has not precluded the possibility of a dance music station in Toronto. The CRTC has already asked for public comment on the use of the former CKO-FM frequency and the Minister of Communications has invited the public to make views known to the CRTC before October 31. I wholly support and endorse this call.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, the Minister of Communications also said that ownership was not the issue, but there are no Afro-Canadian owned stations in the country. He said that dance music was available, and so showed his insensitivity to black culture. He emphasized the French-English dichotomy which shuts many Canadians out.

Does the government not recognize in this an example of systemic discrimination at the highest level? What action does the government intend to take to rectify this insult to 300,000 visible minority members in the city of Toronto?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, we have no lesson to learn from the opposition on our commitment to multiculturalism.

Some hon. members: Hear, hear.

Mr. Weiner: We are the government that introduced the Canadian Multiculturalism Act. We are bringing forward legislation to establish the Canadian Race Relations Foundation. We are creating the new Department of Multiculturalism and Citizenship.

We will pursue a very active program of race relations and cross-cultural understanding right across this nation to help Canadians understand each other better and become more comfortable with each other.

ENERGY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, my question is directed to the Minister of Energy and it concerns the status of methanol as a transportation fuel in Canada.

As the minister knows, oil passed the $40-a-barrel mark yesterday and may be poised for more oil shocks as the Persian Gulf crisis continues. Given that, alternative fuels like methanol assume a greater importance for our energy security.

• (1500)

As the minister knows, vehicles powered by 85 per cent methanol are clean burning and practical. In fact, Canada is exporting 2,000 methanol burning cars to California.

Therefore, my question is this: Why can Canadians not buy methanol in Canada? What is the government intending to do to look at alternative fuels so that we can have more energy security for this country?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, let me thank the hon. member for the question. It is a sensible question.

I want to tell the hon. member and the House that the 85 per cent methanol is still in the experimental stage. As he mentioned in his question, Canada will be participating in the California test.

Canadian technology will be available, and we believe that it can be an export market for us as well as helping us in terms of alternate energy.

Also, I remind him of the MILE program where we are using methanol in heavy duty engines, two cycle engines. I want to inform him that in the near future, we will be announcing with a Winnipeg company called New Flyer Bus Lines a new program on methanol.

Some hon. members: Hear, hear.

* * *

[*Translation*]

LONGUE-POINTE MILITARY BASE

Mrs. Carole Jacques (Mercier): Mr. Speaker, my question is directed to the Minister of National Defence. A study done by the firm Productivity Group at the request of DND last January recommends shutting down Longue-Pointe's military base. This would affect 1,200 workers and thousands of indirect jobs because the military base awards almost $2 million worth of contracts annually to Montreal companies. Mr. Speaker, does the minister intend to follow up on or even consider this recommendation?

[*English*]

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, the study that was done was a preliminary study.

As the hon. member is aware, the Department of National Defence has had a reduction in its budget. Before any further action would be taken on the preliminary study, there would have to be a detailed study.

Hon. members must be aware that the responsibility that the Department of National Defence has is that of providing security to Canada. We do it in the most efficient manner possible.

* * *

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the members attention, the presence in the gallery of His Excellency Mauno Koivisto, President of the Republic of Finland.

Some hon. members: Hear, hear.

Mr. Speaker: Also, I wish to draw to the attention of members the presence in the gallery of Speaker Sean Treacy and Deputy Speaker James Tunney of the Irish House.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

REPLY DURING QUESTION PERIOD

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I rise on a point of order. Yesterday in the House, the Minister of Public Works told the House in reply to a question concerning Technitread Tire Manufacturing that the company had purchased the land upon which the plant was constructed for $250,000.

However, on May 17, 1990, the minister and his officials testified before the Standing Committee on

Industry, Science and Technology, Issue No. 46, pages 25 and 30, that the property was purchased for $125,000.

What we have been trying to get from the minister are the full facts about the government's relationship with this company. Yesterday for some reason, the minister—either because he was ignorant of the facts or because he no doubt inadvertently misled the House—

Mr. Speaker: Surely, this is a debate over facts that are on the floor of the House. Points of order are not supposed to be used to redebate a matter or redebate an exchange.

The hon. member can pursue it in another way, but I do not think it is a proper point of order.

If the hon. member has something further to add, I will hear him.

[*Translation*]

BLOC QUÉBÉCOIS—ORAL QUESTION PERIOD

Hon. Jean Lapierre (Shefford): On a point of order, Mr. Speaker.

I should like to remind the Chair that there is a group called the Bloc Québécois which, now and again, would like to have an opportunity to ask questions in the House and to hold the government responsible for its actions.

Mr. Speaker, I would ask you to go over your list of the past few weeks to see to what extent the Bloc Québécois did not get its share of questions on the basis of its representation in this House. Worse still, Mr. Speaker, on each occasion we had time for only one question, which gave the government a chance to make a statement to which we could not respond.

Mr. Speaker, why should we be limited to half questions when other members of the opposition are entitled to a full question, plus a supplementary? We are not half members, we do not have half privileges, and we are not here for half measures, Mr. Speaker!

I should like to remind you that we represent as many constituents as any other member in this House, and we are beginning to be fed up with being treated as if we were charity cases!

[*English*]

Mr. Speaker: I am going to respond to that. I do not need to hear further members. If members will consider carefully, and the public that is watching, this was a very vigorous Question Period and we did not reach the usual number of members. I only have 45 minutes. I am sure that the hon. member can accept the fact that I have heard his representation and will try to do the very best I can tomorrow and on other days.

Some hon. members: Oh, oh.

Mr. Speaker: I would ask hon. members to contain themselves and behave in this House. Many years ago hon. members stopped behaving that way because the public was sick and tired of it.

Some hon. members: Hear, hear.

* * *

[*Translation*]

MOTION TO ADJOURN PURSUANT TO S. O. 52

INTEREST RATES

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, pursuant to Standing Order 52, I ask for the adjournment of the House for the purpose of debating the utterly disastrous impact of high interest rates.

In a city like Montreal, Mr. Speaker, with a population the size of Manitoba's, we now have in the early stages of the recession an unemployment rate in excess of 14 per cent. We cannot accept—

SPEAKER'S RULING

Mr. Speaker: I hesitate to interrupt the hon. member but I read with some concern his request for an emergency debate. But after all this is an issue which could have been debated yesterday. It is a problem, it is a very important matter, but it would not be appropriate to hold such a debate today.

Mr. Louis Plamondon (Richelieu): On a point of order, Mr. Speaker. With respect to your remark concerning the attitude of certain members of the Bloc Québécois who have been rather noisy, you said you had never seen anything like it in the House of Commons. I for one can tell you that I have never seen a group so deprived of its rights as is the Bloc Québécois when it comes to the question period, to its right to speak, and to all privileges which are normally extended to any group that represents the public. This is hardly acceptable.

Mr. Speaker, we are asking for a private meeting with you to solve this problem.

Mr. Gérin: On the same point of order, Mr. Speaker.

Mr. Speaker: Very well. I thank the hon. member for his intervention. Each member is entitled to disagree with the Chair. I did not say I had never seen such disorder. I said that the banging-the-desk approach has been abandoned by members of this House a number of years ago.

Besides, as I was saying—

• (1510)

[*English*]

Let us see what happens tomorrow. I shall do the very best I can.

[*Translation*]

Mr. Gérin: A point of order, Mr. Speaker.

[*English*]

Mr. Speaker: If the hon. member is on the same point of order, it is not appropriate to be rising. If it is something different, I will hear it.

[*Translation*]

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, a Bloc Quebecois member claims that his privileges have been breached, and that is the worst thing that can happen in this House. In addition, another member is requesting a meeting with you to talk about the partiality or impartiality which the Chair must show in the House. We did not get an answer to that question. We would like to know whether we can meet with you within the next few minutes to discuss the impartiality of the Chair concerning all members of the House, including the members from Quebec?

Mr. Speaker: I took exactly the same attitude with respect to the hon. member as I did with respect to other members on the government or the opposition side.

Some hon. members: No, no.

Mr. Speaker: Of course if a member wishes to talk to the Speaker the door is always open.

[*English*]

The hon. member for Athabasca on a point of order.

Routine Proceedings

DESIGNATION OF MEMBERS

Mr. Jack Shields (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, perhaps you could clarify something for this member before you. Often an independent member is referred to in the press—and the case in point is the member for Beaver River—as the member of Parliament for the Reform Party of Canada. Is that member recognized as a member coming from a party or is she recognized in this House as an independent?

If I could, I would put the same question to you to clarify the situation of the members who are elected, the media says, by the Bloc Québécois. Are they recognized as Bloc Québécois in this House, or are they recognized as independent members of the House of Commons?

Mr. Speaker: I would advise the hon. member for Athabasca that that very question is under advisement at the present time.

ROUTINE PROCEEDINGS

[*English*]

CO-OPERATIVE ENERGY CORPORATION AND LOWER CHURCHILL DEVELOPMENT CORPORATION

TABLING OF ANNUAL REPORTS

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, pursuant to Standing Order 32(2), I am pleased to table in both official languages the annual reports of the Co-operative Energy Corporation and the Lower Churchill Development Corporation for the year ending December 31, 1989.

Mr. Speaker: The hon. member for Kamloops on a point of order.

Mr. Riis: Mr. Speaker, we are all aware that the Campeau-Bélanger Commission has begun its work and the Prime Minister indicated that we could count on him so that we would not simply be looking at one shopping list.

I wonder if the government could indicate when the Prime Minister would be tabling the government's proposals for this discussion across the country.

Mr. Cooper: I will have to take that as notice of an intervention by the member and we will see what we can do to find the information he requests.

* * *

[*Translation*]

STRIKING COMMITTEE

FIFTIETH REPORT OF STANDING COMMITTEE

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I have the honour to present the fiftieth report of the Striking Committee.

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

* * *

[*English*]

WAYS AND MEANS

TABLING OF NOTICE OF MOTION

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, pursuant to the provisions of Standing Order 83(1), I wish to table copies of a notice of a Ways and Means motion to amend the Income Tax Act. I ask, pursuant to the provisions of Standing Order 83(2), that an Order of the Day be designated for the consideration of the said Ways and Means motion.

* * *

PETITIONS

TURKEY

Hon. David MacDonald (Rosedale): Mr. Speaker, I am presenting to the House two petitions today. The first one is on behalf of Amnesty International, requesting that the House of Commons bring to the attention of the Turkish government its opposition to capital punishment and the hope that any death penalties imposed by the Turkish government will be commuted.

EXTERNAL AFFAIRS

Hon. David MacDonald (Rosedale): Mr. Speaker, the second petition is from residents of Rosedale riding in Toronto, urging the Canadian government to take immediate and effective measures to secure the release of a Canadian citizen, Mr. Yi-Sheh Leo, who is imprisoned at the moment in Taiwan.

GENERAL AGREEMENT ON TARIFFS AND TRADE

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I rise today under Standing Order 36 to present petitions signed by scores of dairy and poultry farmers across Ontario who ask this House to provide a remedy.

They are calling on Parliament to instruct the government to hold out our Canadian marketing system as an example to the rest of the world and to protect it in its entirety at all costs in the current round of GATT negotiations.

It is not acceptable that systems which are legislated by this House are being traded away in negotiations behind closed doors circumventing this Parliament.

[*Translation*]

VIOLENCE ON TELEVISION

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, today I wish to table a petition with more than 2,000 signatures of residents of the Saguenay—Lac-Saint-Jean area, and more specifically the riding of Jonquière, who call upon Parliament to do what is necessary to encourage television broadcasting networks and cable companies to ban children's programs that show violence as a normal means of conflict resolution.

They also call upon this government to introduce regulations to ban children's programs that show violence and war, as well as the sale of toy rifles, machine guns, and so forth, and to set up a special fund to support the production of television series for children in which heroes and heroines are concerned about human rights, peace, international co-operation and so forth.

[*English*]

CANADA POST

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, it is an honour for me to present to this House petitions containing hundreds of names from the federal riding of Cardigan, Prince Edward Island.

The petitioners are opposed to the post office's harmful proposal to eliminate Saturday rural mail in Prince Edward Island. The people want this decision by Canada Post reversed and at the very least a six-month extension so that the decision can be examined to see if we can restore the service.

VARIABLE ENTRANCE REQUIREMENT

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I rise in accordance with Standing Order 36 to present a petition on behalf of 56 of my constituents. They are from the Bay Roberts, Harbour Grace, Carbonear, Bristol's Hope, Perry's Cove area, and Salmon Cove.

They are concerned that they need 14 weeks instead of 10 weeks in order to qualify for unemployment insurance in Newfoundland.

They note also that the unemployment rate in Newfoundland is, if not the highest, among the highest in the country. They the undersigned humbly pray and call upon Parliament simply to introduce the variable entrance requirement without delay.

GOODS AND SERVICES TAX

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to rise to present a petition to this House signed by by numerous residents of Mississauga, Ontario, who object to the government's proposed goods and services tax in particular as it taxes books and the printed word.

• (1520)

They indicate to the House that the printed word is a cornerstone of democracy. Freedom of the press, of course, is one of the freedoms we enjoy under our Charter of Rights and Freedoms in this country.

Yet this government, in its contemptuous move, has elected to seek to impose a tax on the printed word that these petitioners object to. They call upon Parliament to reject such an iniquitous measure.

Hon. Bob Kaplan (York Centre): Mr. Speaker, like my colleague from Kingston and the Islands I have a petition containing numerous signatures from one end of Mississauga to the other.

These petitioners are highly indignant about the policy of the government to impose the goods and services tax on the printed word. They point out that through the history of our country taxes have never been imposed on books, that this is unprecedented, and that it is in violation of the fundamental understanding of Canadians of the importance of the printed word.

They call on the government to withdraw the tax in so far as it applies to books.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, it is my honour and privilege, pursuant to Standing Order 36, to present a petition on behalf of many Canadians from various parts of Toronto and surroundings, including Mississauga South and Mississauga West which are currently held by members who are unwilling to present such petitions. They are also from Thornhill, Newmarket, North York, Downsview, Toronto, Scarborough, and so on.

They humbly petition this Parliament to implore the government to withdraw from its decision to impose a GST on books and printed matter, on matters of democracy, culture and education, and all matters pertaining to the development of a literate and productive society. These matters will be affected negatively by the GST because of the government's decision to move away from a zero rate of tax on magazines, books, newspapers, et cetera.

HERITAGE LANGUAGE FOUNDATION

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, while I am on my feet, I would like to make reference to another petition that did not conform to Standing Order 36.

Similar citizens refer to the decision on the part of the government to withdraw funds from the Heritage Languages Foundation. This decision also impacts negatively on their ability to promote democracy, culture, and education in a literate society among a very specific group of individuals in Toronto and in Canada.

GOODS AND SERVICES TAX

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I rise under Standing Order 36 to present three petitions signed by many concerned Canadians who are opposed to the GST being charged on magazines, books, and newspapers.

They call upon Parliament to reverse this decision. These Canadians are saying: "Don't tax reading".

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I have the honour and duty, pursuant to Standing Order 36, to present to this House a petition, which has been certified correct by the clerk of petitions.

It contains the signatures of not only individuals in my riding of Hamilton West but many of them in the riding of Burlington. There are others from Guelph, Fallingbrook, and Appleford.

These petitioners are all opposed to the goods and services tax and call on this government and the other place to reject this unfair and regressive bill.

[*Translation*]

OPPOSITION TO GST

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, pursuant to Standing Order 36, I have the honour and the privilege of presenting a petition signed by a number of constituents in the riding of Glengarry—Prescott—Russell which I have the honour to represent.

These residents live in communities like Sarsfield, Clarence Creek and several other villages in the riding.

Mr. Speaker, the hundreds of Canadians who signed these petitions and who are from communities all over my riding, call upon this government and Parliament to ensure that the GST bill is abandoned immediately.

I hope that once and for all, the Conservative Government will listen to the constructive advice given by constituents in Glengarry—Prescott—Russell.

[*English*]

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I rise to present two petitions today. First I have a petition from a number of residents in the city of Moose Jaw who are opposed to the goods and services tax. They say that the goods and services tax is an unfair form of taxation because of its lack of regard for taxpayers' ability to pay.

They further state that the government has not addressed the unfair taxation system currently in place which permits wealthy individuals and corporations to pay little or no federal tax, while forcing lower and middle income taxpayers to bear more of the national tax burden.

They call upon this government to reject the GST tax and put in a fair form of taxation.

CANADIAN WHEAT BOARD

Mr. Rod Laporte (Moose Jaw—Lake Centre): I also have a petition, Mr. Speaker, once again from a number of farmers in Saskatchewan who are opposed to the withdrawal of oats from the Canadian Wheat Board. These farmers are concerned that the Wheat Board is now being weakened.

They call upon this government to re-place oats under the jurisdiction of the Canadian Wheat Board. They also call upon this government to give oats and barley the same protection as wheat now has under the Canadian Wheat Board Act, namely that it cannot be changed or removed without the consent of Parliament.

GOODS AND SERVICES TAX

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I have the honour to present a petition with names of hundreds of residents of Burnaby—Kingsway and elsewhere in British Columbia, collected by the B.C. Amateur Hockey Association and the Burnaby Minor Hockey Association, pointing out that individual amateur hockey consumers in British Columbia are not eligible for the goods and services tax credit and therefore will undoubtedly absorb this tax after every other producer receives a tax credit.

They note as well that the amateur hockey community in British Columbia, the hundreds of local community associations, the thousands of amateur hockey teams, tens of thousands of young players, the hundreds of thousands of taxpaying parents, and the millions of amateur hockey volunteers and supporters across Canada will ultimately bear the burden of this iniquitous goods and services tax.

For that reason they note as well that the impact of the GST on the amateur hockey community, the players, the parents, the fans, the coaches, the team officials, the referees, the linesmen, the volunteer executives, and the sponsors will be very serious.

For that reason, they urge the Government of Canada to withdraw the application of the GST on provincial non-profit sports organizations such as the British Columbia Amateur Hockey Association.

CANADIAN NATIONAL

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I have the honour of presenting another petition which notes that an all-party parliamentary subcommittee was created by order on April 17, 1985 to examine, inquire to and to report on all matters of CN pensions.

This subcommittee made comprehensive recommendations which have been ignored to date. Therefore these petitioners call upon Parliament to introduce legislation directing the CN railway company to comply

with all recommendations of this subcommittee as detailed by the subcommittee report forthwith.

VIA RAIL

Mr. Svend J. Robinson (Burnaby—Kingsway): Finally, Mr. Speaker, I have another petition, again signed by hundreds of residents of British Columbia, noting that the railway passenger service as carried on by VIA Rail is essential for many Canadians and has been a part of Canada for more than 100 years.

They object to the cuts to the VIA Rail budget and service. They call upon Parliament to maintain the existing VIA network, upgrade VIA equipment, and guarantee VIA sufficient support to carry out its mandate to provide passenger rail service in Canada.

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is an honour for me to present a petition, pursuant to Standing Order 36, on behalf of the residents of Logan Lake, Lac le Jeune, Rose Hill, Knutford, Monty Creek, Monty Lake, Westwold, Pillar Lake, Chase, Pritchard, Dallas, Valleyview, Barnettville, Red Lake, Deadman's Creek, Louis Creek, and Pinantan Lake.

All of the petitioners point out that the government's proposed goods and services tax is very unfair and that 69,000 profitable corporations pay no income tax.

They do not see any reason why they should be punished now with this cruel and brutal goods and services tax, so they are asking the government to back off.

I have another petition, Mr. Speaker. These petitioners from Kamloops, Calgary, and Ottawa point out again that the government has decided to tax magazines, books, newspapers, and children's story books. They feel that taxing children's story books is at an all-time low in terms of a government that is gouging people for taxes.

They are asking the government to come to its senses and stop taxing literature because we will be the only country in the world that does so if the government continues along this course.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I rise again in this House, pursuant to Standing Order 36, to present a petition signed by several people from all over the place. They are petitioning Parliament to reject the proposal for a goods and services tax, to reform the taxation system so that there is an effective minimum tax on wealthy individuals and corporations and to cause the government to cease with the proposal which will shift the tax burden on to ordinary Canadians through a regressive consumption tax instead of through real tax reform. Wise words, Mr. Speaker, wise words.

* * *

• (1530)

QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mr. Paproski): Shall all questions be allowed to stand?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I ask that all Notices of Motions for the Production of Papers be allowed to stand.

The Acting Speaker (Mr. Paproski): Shall all Notices of Motions for the Production of Papers be allowed to stand?

Some hon. members: Agreed.

* * *

BILL C-78

POWERS OF SPECIAL COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, there has been some concern among the members of the House for some time now regarding the special committee established by the House to pre-study Bill C-78. As a result of those discussions, I know you will find unanimous consent for the following motion:

> That, notwithstanding any special order of the House, the Special Committee of this House established on Wednesday, June 27, 1990 to pre-study Bill C-78, an Act to establish a federal and environmental assessment process, have all the powers Standing Order 113(5) confers on legislative committees.

The Acting Speaker (Mr. Paproski): Is there unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Members have heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

GOVERNMENT ORDERS

[*English*]

PETRO-CANADA PUBLIC PARTICIPATION ACT

MEASURE TO ENACT

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)) moved that Bill C-84, an act respecting the privatization of the national petroleum company of Canada, be read the second time and referred to a legislative committee.

He said: Mr. Speaker, it is a great privilege for me to introduce legislation which will authorize the government to sell shares of Petro-Canada to the Canadian public.

Before I speak to the legislation itself, I would like to remind hon. members of the origins of this government's privatization program. In his 1985 budget, the Minister of Finance announced that the government would take a critical look at its Crown holdings. Those companies that no longer required government ownership to fulfil a public policy role would be considered for privatization.

Since that time, privatization has become a major component of this government's economic agenda.

Canada is not alone in realizing the value of privatization and helping to redefine the role of the state. Indeed, governments throughout the world are questioning the methods of the past.

This is no more obvious than in eastern Europe where the long awaited benefits of state ownership are proving to be too costly and too elusive. Interventionist ideology is being abandoned in favour of the simple common sense of the market system. In these countries, privatization is viewed as a necessary step in achieving this important objective.

A number of these companies are looking to Canada for advice in this field. We have responded to requests for guidance from Australia, New Zealand, Venezuela, Senegal, Tunisia and Romania. Officials of my department have recently been in Poland and Hungary actively supporting the privatization efforts of those governments.

Canada is honoured to be of assistance to these countries in their privatization efforts. At the same time, we are mindful of the important work that we need to undertake right here at home.

[*Translation*]

Mr. Speaker, Petro-Canada is the most important integrated oil company in Canada that belongs to Canadians, and Bill C-84 intends to make sure it stays that way.

The corporation is present in all cities and towns in this country. To many Canadians, however, Petro-Canada is not just a place where they sell gas. It has demonstrated its commitment through a host of activities, ranging from fitness and amateur sport to improving the environment. The corporation has been deeply committed to promoting national pride. Remember the great Canadian rally, "Share the flame", that took place in 1988 at the same time as the Calgary Winter Games.

Petro-Canada is involved in this type of activity, and I am sure its involvement will continue, not because of any government directive but because it is appropriate for a company to express its commitment to serving Canadians.

[*English*]

Petro-Canada is part of a competitive and dynamic industry. If it is to remain competitive, we must ensure that the company has a reliable source of new equity. Instead of forcing the company to continue to rely on the taxpayers of Canada for that equity, privatization will give Petro-Canada direct access to an alternative source of capital, the individual investor.

Petro-Canada will benefit from this development. The company will gain a measure of financial flexibility that has always been enjoyed by its private sector counterparts and competitors.

But there are some who say that we would be giving up too much in the process.

I would like to respond to these concerns by briefly reviewing the original mandate of the company. In simple terms, Petro-Canada was to pursue the following objectives: to increase petroleum supplies and Canadian presence in the industry; to act as the agent in any state-to-state training; and finally, to serve as the government's "window on the energy industry".

This government's decision to proceed with the privatization of Petro-Canada should be viewed in light of these original objectives.

Clearly Petro-Canada has established itself as a major integrated energy producer in Canada. Between 1975 and 1984 the company expanded its presence in both upstream and downstream activities. Today it represents 6 per cent of the exploration and development side of the industry and 19 per cent of the refining and marketing business in Canada.

But Petro-Canada is not the only thing that has changed in the energy industry in the last 15 years. The world energy markets have changed and Canada's energy policy has moved from an interventionist approach to one that relies on market forces, one that applies to all of the industry participants and not simply to one player.

The focus of that policy is to establish the conditions in which economic development of our energy reserves can occur. In Petro-Canada's case, getting on with this important work will be greatly assisted by the capital infusion made possible by privatization. That is what this bill is about; letting Petro-Canada get on with the business of doing what it does best.

The September 14 signing of the Hibernia agreement should help bring this point into sharp focus for the members of this House. As a partner in the Hibernia project, Petro-Canada will be expected to carry its fair share of the development costs. Considerable financial resources will be required by the company to take advantage of the opportunities for developing its interests in projects like Hibernia, Terra Nova and the oil sands.

This bill will give Petro-Canada a way to raise equity without placing the burden on the Canadian taxpayer.

• (1540)

Let me turn briefly to the company's state to state trading function. It is worth noting that Petro-Canada only entered into one such agreement in the past 14 years. As it turned out, this particular transaction proved to be an awkward arrangement for Petro-Canada to manage. Eventually, it was allowed to lapse.

Finally, we come to Petro-Canada's best known but perhaps least understood objective, to be a window on the energy industry.

I believe that it is important that Canadians realize that today we have a direct line of sight into what is going on in the oil business in Canada. We now have at our disposal the accumulated expertise and knowledge of government agencies such as the Petroleum Monitoring Agency, Canada Oil and Gas Lands Administration and the National Energy Board.

Whatever vacuum may have existed in the early 1970s has been more than filled by these agencies.

Through these and other means, the government is able to maintain a broad perspective on the workings of the Canadian oil and gas industry. Petro-Canada is one of over 2,500 companies involved in the business here in Canada. What possible benefit can be gained by tying up billions of dollars of taxpayers' resources in the ownership of Petro-Canada to get the narrow view offered by this one oil company?

We are not here to debate the validity of Petro-Canada's original mandate. This bill is not about the past. This bill is about the future, Petro-Canada's future.

Before dealing with this, however, I would like to turn our attention briefly to a matter that is very much in the present.

Many Canadians—I am sure they have expressed this to you, Mr. Speaker—are concerned about the current tensions in the Middle East. The uncertainty caused by this situation is reflected in the international energy markets. The Minister of Energy recently addressed this House on the issue and made it quite clear that existing energy policies on security of supply and emergency preparedness provide the framework for Canada's response to these developments.

There are those opposite who will argue that the government must maintain its ownership of Petro-Canada, one of several oil companies involved in the exploration and development of Canada's energy reserves, in

order to insulate Canada from these uncertainties. Those who make that argument, I contend, ignore the reality that Canada's economy is part of the world market. They also ignore the fact that what Petro-Canada really needs is a reliable source of new equity.

Let me be clear on this point. Government ownership of Petro-Canada does not add one drop of oil to Canadian production.

Neither will government ownership of Petro-Canada lower the price Canadians paid at the pump.

The government has carefully considered Petro-Canada's original mandate in coming to this decision. While some members opposite may want to ignore reality and put their ideology ahead of common sense, this government has an obligation to do what is right for Petro-Canada and for the people of Canada.

It is not just the government that wants to see individual Canadians given the opportunity to participate directly in the ownership of this important national enterprise.

The company and its employees are also looking forward to the prospects of privatization, because it will give Petro-Canada access to capital that their current shareholder, the Government of Canada, cannot provide.

They recognize that direct ownership of Petro-Canada by individual Canadians will strengthen the company and improve its prospects for growth.

Let me now turn to the legislation. The essential purpose of the legislation is first, to give Petro-Canada, through direct public participation by individual Canadians, the financial flexibility it needs to continue the exploration and development of Canadian energy reserves. Second, it is to allow individual Canadians the opportunity to share directly in the future growth of this great Canadian enterprise.

Throughout Canada's history the federal and provincial governments have used various methods to meet the public policy objectives of the day. These measures have been tempered with a recognition of the prevailing economic realities facing our nation.

At times governments have created Crown corporations where state ownership was deemed the most appropriate means to achieve a public policy purpose. In other circumstances governments have chosen not to intervene in the market through the direct ownership of capital assets, but rather by regulating the activities of the private sector. At other times, tax incentives have been used or grants provided to encourage desired behaviour on the part of the private sector. In still other circumstances, we have wisely decided to stay out of the way and relied on competitive market forces to produce the best result for producers and consumers.

In short, Canadians have been quite practical about the way in which governments influence the activities of the private sector. We have called for government intervention when necessary; but Canadians have usually focused on the ends more than the means.

In the case of Petro-Canada, the end product is a contribution to the health of Canada's energy industry. But as the chairman and chief executive officer of Petro-Canada has stated publicly, unless the company gains additional funds to reinforce its capital base, the company simply cannot get on with the job of developing Canada's energy reserves and marketing petroleum products to Canadians without raising its debt to unsustainable levels.

Without new equity, Petro-Canada will not be able to contribute fully to this important task. Our decision to privatize Petro-Canada is a pragmatic, common sense response that will benefit Petro-Canada and the Canadian taxpayer.

By offering Petro-Canada shares to the public, we are giving individual Canadians the opportunity to take a direct stake in this great Canadian oil company and to share in its future. Perhaps more importantly, we are giving Petro-Canada a source of new equity that simply cannot be obtained by a wholly-owned Crown corporation. I believe that a privatized Petro-Canada, with individual Canadians participating in its ownership, is destined to become an even greater source of national pride.

Our conclusion that state ownership of Petro-Canada is no longer necessary to achieve a public policy purpose is shared by many beyond the government. It is the view of Petro-Canada's own employees and management. And it is the view of the Economic Council of Canada—which the opposition has been prone to quote over the last few days—which studied the issue of public owner-

ship in a report entitled: "Minding our own Business". It is a report which I recommend to all members.

This legislation will allow for the sale of all Petro-Canada shares. Petro-Canada's privatization will take place in stages, with the first offering of a size sufficient to give the company the equity required to improve its financial position.

This initial public offering will create a broad market for the company's shares, while ensuring an orderly transition from ownership by the Canadian government to ownership by the Canadian people. The net proceeds of future sales of the government shares will be paid into the Consolidated Revenue Fund.

While the government will continue to hold a majority ownership position in the company for the time being, our intention is to manage these shares as an investment and to reduce our holdings over time. The government will negotiate a shareholders' agreement with the company which will confirm our intentions concerning the management of our remaining shares.

In keeping with the successful approach to employee share ownership undertaken in a number of previous privatizations, the board of directors of Petro-Canada will develop an employee share ownership plan as part of the initial offering.

• (1550)

No individual, regardless of residence, will be allowed to own more than 10 per cent of the publicly available shares. In addition, the legislation limits total non-resident ownership to no more than 25 per cent of publicly available shares. By limiting the amount of cumulative foreign ownership, Petro-Canada can gain access to significant sources of new capital while ensuring that the company remains Canadian owned and Canadian controlled.

Through section 9 of the legislation, the articles of Petro-Canada will require that the headquarters remain in Calgary. The articles will also require that Petro-Canada continue to provide services in both official languages.

Following the successful process employed in the sale of Air Canada's shares to the public, Petro-Canada will be responsible for managing the initial public offering of shares. Only when final receipt for a prospectus is received from regulating authorities will the price of shares be determined. At that time the price will be negotiated between the underwriters and the board of directors based on prevailing market conditions.

I might say that we have made an offer to both our opposition critics, whom I am sure we will hear from later today, for a complete briefing. Neither of them have contacted us to set up a date for that briefing, but I want to assure them that the offer is still there and we would be pleased to provide that in-depth briefing at their convenience.

[*Translation*]

Mr. Speaker, the privatization of Petro-Canada will help strengthen the corporation's financial base by providing the funds that will help it to continue to exploit our energy resources. That is the kind of common sense approach from this government that Canadians appreciate. Economically speaking, Petro-Canada will thrive as well. Thanks to this bill, Canadians will own the corporation and have a controlling interest. It will give all Canadians a chance to participate directly in this great national enterprise.

[*English*]

I think that I have made it very clear that, in order to pursue its commitment to Canadians, Petro-Canada needs to have a new source of equity. Those funds can come from individual investors through privatization, or they can come from the Canadian taxpayer. The government has chosen privatization.

While Petro-Canada may have been created as a product of ideology and political expediency, its privatization is a matter of simple common sense. I therefore commend this legislation to the House and recommend its early passage into law.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I am pleased to rise today to address the second reading of Bill C-84, an act to privatize our national petroleum corporation, Petro-Canada. Before jumping into my remarks dealing specifically with the privatization, I would like to make a couple of preliminary remarks.

The first has to do with what appears to me and several of my colleagues on this side of the House to be the unseemly haste with which the government has moved within the last several days with respect to the Petro-Canada privatization. It was introduced into the House last week and one would think there was a national

emergency or something. Lo and behold, a few days later, it is here for second reading.

I know that Canadians spent all last summer pleading with the government to recall the House of Commons so that we could debate and discuss issues of significant national importance—I am thinking here of the Persian Gulf crisis and the events at Oka—and we could not get the government to move. And now, within one week, we have the introduction of a bill and second reading. We have not even completed the debate on the motions on Oka and the Gulf. There is something out of balance here and I do not really understand it.

Someone said to me, earlier in the week, that the government was going to run this up the flag-pole just to see how Canadians reacted, just to see if they really wanted to sell Petro-Canada, and that is possible. I do not want to be too cynical, but that may be exactly what is happening. The government simply wants Canadians to register their response and we will see in a few months, depending on how the polls turn out. That is government by poll.

In any event, we have to get on to this debate, but I do want to say that one does not just rush through a disposition of a $6.8 billion government asset. One may want to, but I do not think one does it. I do not think we want to do it and I do not think the government wants to do it, unless it is trying to hide something or it does not want to tell the whole story.

The second item to which I wanted to make reference is related and very important. That is the movement of the price of oil in world markets. Yesterday, the price moved above $40 a barrel. It has more than doubled in a two-month period. That is a big hike, a spike as they have started to call it, and it could go a lot higher.

We, on this side of the House, want to know what the government's policy and response is to this radical change in environment in the world energy market. I am not sure that we have a response, but the timing is awfully poor. The same week that this happens, we seem to be rushing through the privatization of our state oil company.

Other governments around the world, over the last few days, have made adjustments. They have got their state oil companies into gear and they have proceeded to analyse the markets. About a week ago, the United States released about five million barrels of its strategic petroleum reserve. Why? To attempt to stabilize the market.

What is our government doing? There has been no discussion of what our government will do. There appears to be a policy vacuum, based on a premise that we leave energy policy to the marketplace, to the same people who valued our oil at $20 a barrel two months ago and $40 a barrel now. That is the foundation of our oil policy. Canadians are concerned about that and if the government does its polling it will see that. It will see how concerned Canadians in eastern Canada are about the price of home heating oil. The government will see how concerned constituents in my own riding of Scarborough—Rouge River are about simply the price of gasoline at the pumps.

Where is the government's policy on pricing for gasoline and home heating oil? Where are the government's policy objectives on security of supply, on competition in the upstream and downstream sectors in the oil business, and on enhancement of exploration and of recovery? We have not heard a lot about this in the last while. The government has been spending too much time planning to sell Petro-Canada.

These are questions that Canadians and my colleagues on this side of the House are asking, and we are not getting an answer.

Let us look at Petro-Canada. The hon. minister indicated that it would not be necessary in this debate to look at the objects of Petro-Canada. The minister wants to sell Petro-Canada. He wants to dispose of it. The government really wants to get rid of it. By saying that, the minister is indicating that he does not care what purpose Petro-Canada had because he and his government do not want anything to do with it.

• (1600)

I am going to refer to those objects. I am going to look over some of the goals that Petro-Canada had when it was founded and incorporated in 1975.

One of the objects was to engage in exploration for the development of hydrocarbons and other types of fuel or energy. Petro-Canada has done that, and it has done it well. It was to engage in research and development projects relating to fuel and energy resources. I do not think Petro-Canada has really executed on that. I would like to point out that Petro-Canada tried around 1980 or 1982, but when the Conservative government came to power, it simply shut down the R and D subsidiary called

Canertech, and PetroCan was not able to continue with that object. Fair enough.

There are other objects: to import, produce, transport, distribute, refine and market hydrocarbons of all descriptions. Petro-Canada does that, and does it in spades. Another object is to produce, distribute, transport and market other fuels and energy. Last, to engage or invest in ventures or enterprises related to exploration production, importation, distribution, refining and marketing of fuel energy and related resources. That is a fine mandate. Those are the objects as set out in the original Petro-Canada Act. Petro-Canada has delivered on those.

It has, in accordance with those objects and the mandate it was initially given, fulfilled its role as a state oil company. Dozens of other countries around the world, almost every country that has a play, a stake in the oil energy business, has a state oil company. For some reason, we in Canada did not prior to 1975. Our neighbour to the south did not. We all know why it did not. It was because it had what came to be known as the seven sisters. It had a good handful, a multibillion dollar handful of multinational oil companies engaged in all sectors of the oil energy business right around the world. It did not need a state oil company. It already had its corporations active in the field. Countries such as Norway, India, Venezuela, Brazil, and the list goes on, have state oil companies that are active today in the oil market, whether the price of oil is $50 a barrel or $20 a barrel. Each of those companies is fulfilling a mandate on behalf of the citizens of the country those companies represent.

In 1975, Canada decided to create its own state oil company. It built its own corporation. It became the second largest integrated oil company in Canada, and Canada did it on its own. It was big enough to compete and work with the majors, domestically and internationally.

Why did Canada need a state oil company? Why do other countries need them? Why have they come to be? I submit that there were three principle reasons. First, to Canadianize our oil and gas sector. Second, to engage in exploration for oil and gas. Third, to provide what has become known as a window on the oil industry. Let us look at those three areas in a bit more detail.

Do you remember the sixties? I am not doing this for nostalgic purposes. I am doing it so we can remember a little bit how things were in the 1960s. We were being eaten alive by non-Canadian oil companies that wished to purchase, expand and be present in the Canadian market. They were gobbling up our oil and gas concerns. Do you remember Supertest? Do you remember BA or White Rose? I can see the Speaker remembers White Rose.

These former old oil companies were all absorbed by the multinational majors and disappeared. Each of them had an element of Canadian control. We got a little nervous in the 1960s and 1970s when we suddenly realized that our whole energy sector was being not so much manipulated, but worked over nicely by the multinationals. We were quickly losing our presence as Canadians.

Who are the majors who participate in Canada now, and where are their head offices? It is just not a geography lesson here. The head offices are where the dividends go, where the major board decisions are made on just what corporate enterprises are carried out and how they do it.

One of them, the biggest, is Exxon. I think their home is Fairfield, Connecticut. Shell, The Hague, The Netherlands; Mobil Oil-Chevron-Amoco have offices in Chicago, California and New York. It is fair to say that each of those corporations does not give a darn about the goals of Canadians in the energy sector. Why should they? I am not even saying they should. I do not believe they do, and I do not believe they should because their goal is to generate profits for their shareholders. That is their mandate. They do not care about security of supply in Canada. They do not care about Canadian conservation efforts or off oil efforts. Off oil efforts may in fact shrink their business. They have no reason at all to push that element of a government energy policy, if there was a government energy policy.

To recap simply, their goal is profitable—and that is not a bad word, it is a good word—operations for their shareholders, most of whom reside outside Canada. An example of that not caring, not being interested, occurred within the last couple of years. You will recall that Texaco, one of the seven sisters, a big major, had a bit of a problem with a lawsuit in Texas, I believe. I will not mention the other oil company in case I have the name

wrong, but the oil company claimed Texaco had reneged on a handshake. Ultimately the courts in Texas and the appeal courts in the United States found that Texaco did in fact have a deal on a handshake—lawyers beware—and as a result of that Texaco became indebted to this plaintiff in the amount of several billion dollars.

Texaco simply did not have that money sitting in the bank. Its solution, among other parts of the solution, was simply to get rid of Texaco Canada. Sell it, take the cash, pay off part of the judgment. That was fine but that sell-off, that change in ownership took into account none of the policy considerations which I maintain our government must be placing in the forefront. It had the right to do that. It had to be given the freedom to do that. It is a free player in our energy industry here.

The result of that was that some aspects of that disposition and sale did not fit within our competition framework. Ultimately that disposition went to our competition tribunal. The competition tribunal decided that piece of Texaco in eastern Canada could not be sold to Imperial Oil, which is a part of Exxon, and it had to be spun off into another corporate entity, another purchaser. That ultimately done, there were over 600 commercial units in this sell-off, and it was placed in the hands of another corporation in Canada.

• (1610)

Exploration. Why must we pay attention to our frontier oil exploration? Projections are now that within about a decade or a little more, Canada will become a net importer of light crude oil. Light crude is the basis of our gasoline industry, the cheapest basis of our gasoline industry. It should make some people around here very uncomfortable. We have a 10, 11 or 12-year clock running.

As an example, the Japan National Oil Company has and continues to invest billions of dollars all over the world for the exclusive purpose of securing a supply of oil for Japan that is Japan controlled. What does this government plan to do for Canada? What is its security of supply plan for Canada over the next 10 years? How are we going to replace the reserves which will be consumed over the next decade? Many of those reserves will become tied up in mandatory energy transfers and sales to consumers and customers in the United States under the free trade agreement. I think the figure now used, if you do the calculations under the free trade agreement, whereby we would continue to be obligated to provide about 30 per cent of our production to the—

Mr. Harvey: Forty.

Mr. Lee: Someone says forty. We will do a calculation a little later but it is a big chunk, 30 per cent to United States customers. That figure runs completely contrary to any concept of security of supply for Canadians. That policy goal is gone, at least it is 30 per cent gone. If we do not get busy with an energy policy for Canada, it is going to be gone even more. I just want to make sure that everyone here recognizes how vital oil is to our economy, our economy as one of the industrialized countries.

Third, having looked at Canadianization and exploration, this concept of the window on the industry. Why did we want it? There were a lot of reasons. We were not just nosy, we were not just curious, we were not just coming of age in wanting to know how people traded in oil and things like that. What we needed was to accumulate and ensure the presence of know-how in the trading of oil and oil commodity on the world market because we could see that it was a world market. We needed that know-how right here in Canada, not in government necessarily. We wanted to place it in our national oil company. A lot of other companies rely on their state oil company in doing that, and we wanted it here in Canada. That expertise is here, but it is not Canadian controlled, it is controlled in the head offices I referred to earlier, and they do not care about our Canadian objectives.

The second reason for the window was that we needed a view on price competition. I know the government will come to recognize in the next few weeks how short the fuse of Canadians is on the issue of gasoline prices. That will turn up in the polls as sure as I am standing here. The government will then, I am sure, want to react and at least let Canadians know it is alive and it has a policy.

The third reason was that we wanted to monitor progress and development in the exploration field, particularly in the frontier, exploration for those oil

reserves that we needed so badly to ensure that Canada stayed as an energy self-sufficient country.

I want to make sure that no one has any doubt about the importance of the price of oil here. It may be just my own personal view, but it is my view that the price of oil is the reason that the Canadian dollar has remained as high as it has on world money markets over the last few weeks. It is my view that the world views Canada as being energy sufficient at this time, and that as a result our Canadian dollar is able to more than hold its own in the world market.

How did Canada get into this oil sufficient status? One of the reasons is the accomplishments of the Canadian oil industry. We cannot underestimate its importance as a driving force in ensuring that we have a supply of reasonably priced oil for Canada.

There were other reasons for that condition. One of them was the off oil programs of the late seventies and early eighties. We moved consumers in Canada from oil to natural gas and from oil to electricity. We all paid for that. Sometimes it was simply good consumer choices, but we moved consumers away from oil. Therefore, we now consume less oil than we would have otherwise done.

We offered exploration incentives, and we expanded the market for western oil and gas farther east into Montreal. I have to point out that Petro-Canada played an integral role in every one of those reasons. We would not be here now if it were not for that. Maybe there could have been another vehicle, but it was not another vehicle. It was Petro-Canada. It did not do it by itself, but it was a player. It played a role.

We would not be in Hibernia now if it were not for Petro-Canada. Read me the story. Tell me how it developed. Tell me how Hibernia developed. Petro-Canada was there right from the beginning.

I want to make a comment about a statement made in an energy discussion paper that was published recently on the part of the government. It states that market forces should be allowed to allocate resources and determine prices for energy. That sounds like an economic class discussion, but it assumes that the marketplace is in equilibrium. That is the question that I really want to raise.

Do we ever have a market that is in equilibrium? Do we ever have a market in oil and in energy that does not have some form of intervention? I am going to suggest that it is pretty rare that we do not. We have intervened physically in the Middle East, and we have reasons which we state diplomatically for doing so.

One of the big reasons we are there is to protect the security and stability of the world oil supply which is based, to a large measure, in the Saudi Arabian peninsula. We have state oil companies intervening in the marketplace all over the world right now or the OPEC cartel. That is what it is. It is a cartel. It fixes prices. It makes the market. It does not throw a coin up in the air and wait for it to fall. It fixes a price. That is not marketplace. That is a cartel at work.

Clearly in our own country we were prepared to intervene in a Texaco matter in relation to price competition. It was an oligopoly when Texaco sold to Imperial, which sold off those eastern Canadian assets.

I submit that any policy that simply turns over the energy well-being of this country to the marketplace is blind and is unaware of what Canadians want and what they need. The market to be sure is the driving force. We cannot operate against it, counter to it, but someone has to be in charge for Canadians. Some has to monitor and fine tune the system, and Petro-Canada was our vehicle to accomplish this.

• (1620)

A word about Canadianization. The figures that have historically been generated in this regard show that after Canada decided that it wanted to have 50 per cent control in the Canadian oil and gas sector, we moved from a figure of 26.1 per cent ownership in 1980, and not control, to a figure of 48.2 per cent in 1985. These were five or six good years of Canadianization.

Then,the Conservative government was elected in 1984, and after 1985 the figure falls markedly to where in 1989 we are back—not all the way back—to 44.9 per cent. There was a little blip there because when Imperial took over Texaco, Imperial was partly Canadian owned and therefore the numbers went up just a bit.

However we are falling back on that objective. The government has obviously abandoned that objective. Canadianization is no part of the government's goal here, but I think it is part of the goal of Canadians.

What would the government's position be now, I wonder and I ask, if we were back now in 1980 and the figure was 26 per cent? What would the governments position be? What would Canadians think?

Mr. McDermid: That's the trouble with the Liberals. They are living back in the eighties. We are in the nineties.

Mr. Lee: Tell me where we would be if we only owned 20 per cent to 25 per cent of our oil and gas sector. What would Canadians be thinking? What would they want their government to be doing?

I say shame for abandoning that goal. It does not matter to this government. It does not care. I submit that we want to be and we want to be seen as masters in our own energy house.

A bill in relation to the Hibernia development has just passed through this House. It is a big deal, an offshore development. It is the biggest oil development we have ever undertaken. Newfoundlanders think it is big. Quebecers think is it big. I think it is big; I know it is. A lot of people are very happy about the prospects for Hibernia which we are developing, but who is "we"?

It breaks down as follows, very simply: Mobil Oil and Chevron are participating to the extent of 50 per cent, and Petro–Canada and Gulf Resources are each participating to the extent of 50 per cent, 25 per cent each. Gulf Resources is Canadian controlled and Petro–Canada is Canadian controlled, but where would we be now with Hibernia if Petro–Canada were not there?

Would we be so generous as to offer grants and incentives for a project which was foreign controlled and where every barrel of oil product produced was targeted to go to the U.S.A.? Would we? I submit that we would not.

Mr. McDermid: We can regulate that.

Mr. Lee: We would be giving away the store.

Mr. McDermid: Don't be silly. We can regulate that.

Mr. Lee: I do not think we would be, but Petro–Canada is there now because Canadians put it there 15 years ago. That is why Petro–Canada is there now, and thank goodness it is. Until this government generates a national energy policy, I submit that is exactly where Petro–Canada should stay.

I will say a few words about Canadian unity and nation building. Remember those, my friends opposite. We are still building a country here. Sometimes we do take a lot for granted. We have a lot of freedoms. We have a lot of wealth, some of which is being redistributed and some of which is not. We have a lot of food. We have a lot of government. Most of it works well, but not all of it.

An hon. member: Too much government.

Mr. Lee: I think we do have too much government. I accept that comment, but what we have is a lot more than a lot of others in this world.

Petro–Canada may not be in the category or class of a venerable old institution. I am quite sure it is not but, like many other Canadian creations, we had to get out there and build it. We had to get out there and create it. We paid for it and we developed it.

Mr. McDermid: You bought it. You didn't develop it.

Mr. Lee: It is a manifestation of this country's presence in that commercial sector. It is a manifestation of our nationhood on Pelee Island and up in the Arctic. Maybe it is not perfect, but it is ours and we want to keep it. We are proud of it too. Maybe the government should be thinking more carefully about selling off our heritage like this. Maybe the government is starting to look a bit too much like a bunch of neo–Conservative carpetbaggers: just sell it because we do not care about it any more, just get rid of it.

Turning to financing, there is some complaint and argument that Petro–Canada is unable to finance itself and is using debt. There are three sources at least of financing commercial ventures. One is the cash flow, and that is why, as I understand it, Petro–Canada acquired its downstream assets 10 years ago and 5 years ago. It acquired a lot. The downstream assets, the marketing and the cash flow, are used in part to finance the other exploration and development aspects of a vertically integrated oil company. That is why it is there. The cash flow is there, and Petro–Canada has been using that cash flow for that purpose. There is no argument there, but it isn't quite enough according to Petro–Canada.

The other two means are equity and debt. At the moment there is a kind of equity in there put in by the government, preferred shares, but Petro–Canada has really done most of its financing with debt. There is a big debt. It is $1.9 billion. Down on Bay Street that is not a very good mix. There is not a very good mix there at all. I

can understand why by the textbook that would cause some people some problems.

I do not accept the premise that a government Crown corporation is incapable of financing its ventures through debt. Why don't I accept debt? It is because I can see others that do.

Let us take a look at Hydro Quebec. Hydro Quebec has total assets of $33.952 billion or $34 billion. Its debt is $28 billion. No equity, just debt. The entire venture of Hydro Quebec, a huge undertaking, a vertically integrated monopoly, is financed by $28 billion in debt.

Ontario Hydro has total assets of $36.27 billion and a debt of $26.8 billion. That is a lot of debt, but it works. That is how we have financed in Ontario the infrastructure, the marketing of hydroelectricity, nuclear, and all other sources.

I do not accept the premise that debt financing does not work, because obviously it does for these two provincial Crown corporations.

Now I want to talk about Petro–Canada, a national Crown corporation which is having problems, it is said, with $1.9 billion in financing. I just do not accept that it cannot get on with its business if the government wanted it to do so. I do not see a difficulty and I am sure there is not one.

To begin to wrap up, I want to indicate that Petro–Canada, our national oil company, had a mandate when it was founded. In 1984 the government removed and tossed into the garbage that mandate and said: "You will have no public policy function". Now the government comes to the people in the House and says: "Petro–Canada has no public policy mandate, therefore we should sell it". The reason Petro–Canada does not have a mandate is because the government took it away. If the government had not taken it away, it would not be able to say that Petro–Canada is not fulfilling any public policy mandate. It is like a self–fulfilling prophecy.

• (1630)

We cannot afford to abandon our energy policy to the marketplace exclusively. We cannot do that. We knew it in 1970. We knew it in 1980. We know it now. Our energy policy must be clearly articulated by this government, and it is not. Until it is, we cannot dump the only vehicle we have to execute certain types of national energy policies, and that is Petro–Canada. We cannot because once the privatization is complete, it is for all practical purposes irreversible. I say we should have a policy and Petro–Canada should be a part of it.

Petro–Canada must be made a part of our country's national energy policies. That is why Petro–Canada must remain Canadian, must remain a wholly–controlled Crown corporation.

Mr. Speaker, I would like to move a motion as follows:

That the motion be amended by deleting all of the words after the word "That" and by substituting the following:

This House oppose in principle Bill C–84, an act respecting the privatization of the national petroleum company of Canada, because it considers it irresponsible to abandon public sector involvement in the Canadian petroleum industry in the absence of a coherent Canadian federal government energy policy at a time of increasing international uncertainty with regard to petroleum supply.

The Acting Speaker (Mr. Paproski): I will have a look at the amendment. Carry on with debate.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, before getting into the main text of my remarks here this afternoon, I would like to say that I too look forward to seeing a copy of the amendment of the hon. member. It is my guess that should the amendment be ruled in order, it will be our intention to beef it up just a bit. Unfortunately, I will be unable to do that myself at the conclusion of my remarks because, of course, the amendment has just been moved. However, you can rest assured, Mr. Speaker, that if the amendment is deemed to be in order, it shall be improved upon.

Second, I should like to note that in his remarks this afternoon, the minister said that invitations for briefings had been extended by his office to the offices of the pertinent critics. I took the opportunity of checking back with the staff in my office who can't recall and do not note having received any such invitation. I checked—

Mr. McDermid: Mr. Nystrom was the critic at the time.

Mr. Harvey (Edmonton East): I was wondering about that. I checked with Mr. Nystrom's office as well and was told that Mr. Nystrom's assistant attended a briefing on

privatization a couple of weeks ago during which Petro-Canada was not even addressed.

Mr. McDermid: She was invited and I can give you her name.

Mr. Harvey (Edmonton East): Her name? His name was Norm.

In any event, I wish to turn now to the pertinent question before us, which is the second reading of the bill for Petro-Canada's privatization.

For the first time in more than a decade Canadians are experiencing an oil price shock. I should note that about six years ago Albertans started experiencing an oil price shock, but it was a different kind of shock. It was a collapse in the price which, in fact, cost somewhere between 25,000 and 40,000 Albertans their jobs. As that was the other kind of price shock, the price shock of a declining price, the rest of the country did not notice much.

Now we are experiencing the generally accepted definition kind of oil price shock, that is, prices are rising rapidly and now exceed 60 cents a litre virtually everywhere. Furthermore, most observers expect they will keep on rising. Many Canadians fear, not without cause, that unscrupulous multinational energy companies will take advantage of the current situation to reap windfall profits at the expense of Canadian consumers.

As well, it is now public knowledge that this House's own Standing Committee on Environment is about to present a report recommending a 20 per cent cutback in CO_2 emissions from their 1988 level by the year 2005.

I know of no one who believes such a target can be met solely through the gentle workings of the market. Virtually every sane person is of the opinion that to achieve such an essential goal, government intervention is required.

And what is the government's response in the face of these two major new elements in Canadian society?

This Conservative government is going to privatize Petro-Canada. What is more, it is going to sell it off at a huge loss to the Canadian taxpayer and it is going to increase foreign ownership of the Canadian energy industry in the bargain.

Mr. McDermid: Wrong.

Mr. Harvey (Edmonton East): Far from retaining a public enterprise that can ensure Canadians are treated fairly in the energy marketplace, the government is going to toss our one remaining Canadian major to the same rich and powerful few who control the rest of the industry.

Furthermore, it is going to throw away what is potentially one of our best vehicles for positive environmental action for moving Canada away from being one of the world's most irresponsible wasters of energy toward a more environmentally responsible energy future.

Welcome to the 1990s, Mr. Speaker.

Why should Canadians fight the privatization of Petro-Canada? What does it mean to Canadians?

Let me put the matter this way. During the 1973 oil crisis, New Democrats argued long and hard that the country needed a national oil company to serve the interests of Canadians. In effect, we argued that since there was no bus service, in other words there was no public utility supplying gasoline to Canadians, and taxis were too expensive, in other words relying on other mostly foreign concerns to meet our needs was getting very costly, we needed to buy a car of our own, our own oil company.

Faced with widespread concern for energy security during the Middle East oil crisis of the early 1970s, the Liberals were forced to agree. The country got its car, Petro-Canada. Unfortunately the Liberals, manipulated nationalist sentiment and added shiny chrome and paint and a lot of expensive gadgets.

But the real tragedy of the Liberal government was that it could seldom muster the courage to take this new car out on to the road and when it did, it was quite clear that it did not really know where to drive it.

Then came the Mulroney Conservatives. They are blinded by their marketplace religion, the public interest be damned. They pathetically place virtually all of their faith in the magical goodwill of huge powerful American oil companies, most of which have a documented history of gouging Canadians.

The Conservatives have always hated Petro-Canada and their policy now is the equivalent of yanking open the hood on that car, slashing the hoses, snapping off the spark plugs, and banging on the engine with a sledge hammer.

With the introduction of this bill, the Conservatives are in essence telling Canadians that the car we all spent so much to buy does not run very well, that it is worthless, that we really never needed it anyway, and will never need it again.

We, the New Democrats reject this utterly, totally. We believe, and we think that Canadians believe, that it is about time we stopped destroying the car we spent so much money to buy. It is about time we fixed it up, chartered a course to a sensible energy future, and hit the road. Obviously the government disagrees. It would prefer Petro–Canada to hit the skids.

But before examining the government's intentions as embodied in Bill C–84, it would be useful to remember how we got to our current situation.

It was less than 20 years ago that Canada experienced the situation to which the government now proposes to return us. There was no national public oil company. It was 1973. In the wake of the Yom Kippur war the Organization of Petroleum Exporting Countries, OPEC, arose out of the Arab countries' bitter determination no longer to be the pawns of the western oil oligopoly, no longer to be the favoured but powerless handmaids of the seven sisters of oil.

Overnight the world price of oil reached heights previously unimagined. Line–ups appeared at gas stations. Gas guzzlers were put up on blocks in the family backyard, and the multinational oil corporations, which in those days controlled most of the fields in the western sedimentary basin, could not believe their good fortune.

Indeed, the Alberta provincial government actually increased royalties on oil and gas, something that has not happened since for more than a decade. Amazing profits were made, and gas consumers felt cheated, isolated, and preyed upon.

Everyone knew the oil companies were making a killing but nobody outside the business knew how, or how much. Nobody knew how long the remaining oil would last because overnight the industry's official tales of endless surplus had become grim warnings of impending shortage. Even the federal government was caught, necessarily relying on the industry for the information with which it tried to devise policy to meet the new realities. Something had to give.

• (1640)

In debates in this House in 1973 even the Conservatives were demanding public intervention to protect the public interest. So with a national oil company as part of the price for continued New Democrat support of the minority Liberal government, the legislation was drawn up.

That legislation was introduced in 1974 shortly before that year's general election. It was part of the program promised to Canadians by the Liberals in that election and they got their majority back.

Petro–Canada was born. Still the Liberals' three immediate aims were anything but radical. First, they wanted to speed exploration for new energy sources in Canada's frontiers, the so–called Canada Lands. This was seen as crucial to ensure the availability of adequate domestic supplies.

Second, the Liberals wanted to improve security of oil imports to eastern Canada by cutting out, or at least providing an alternative to, the multinationals that acted as intermediaries, dealing instead with oil exporting countries one–on–one, state–to–state.

Third, they wanted to hold on to power and to do that they had to be seen as doing something, anything, about the oil crisis.

They were not actually going to upset the existing nature of the industry, especially not after they won back their majority in 1974.

Just in case there was any residual fear in this regard among the major oil companies, Maurice Strong, Petro–Canada's first chairman and president, smoothed their ruffled feathers. He pointed out this new creature would even be a blessing in disguise, "The time will come", he said, "when it will be recognized that the private petroleum industry's survival in a large measure has been ensured by Petro–Canada's existence—For one thing our presence relieves the pressures for the nationalization of the whole industry".

This was gilding the lily perhaps, but the message was clear enough; Petro–Canada would not be treading too heavily on the toes of big oil. Instead it would concentrate its efforts, initially at least, on the upstream sector and leave the lucrative refining and marketing downstream sector to the multinationals.

In 1976, Petro–Canada embarked on an aggressive exploration campaign in the Arctic and off the east coast. Prices would keep rising, it was thought, and focusing on these Canada Lands would mean that the benefits of major new discoveries would flow directly to Petro–Canada and thus to the federal treasury.

Trudeau's Liberals were less than contrite when Albertans pointed out that this focus on the frontier siphoned activity and jobs away from the western sedimentary basin, a situation radically worsened by the early 1980s National Energy Program.

However, frontier exploration was risky and frightfully expensive. The fledgling company's resulting dependence on the public purse generated few defenders and a great deal of sniping, particularly from opposition Conservatives. This was not Trudeau's idea of fun and it was not Petro–Canada management's idea of security. The solution to both problems was to allow the company to finance some of its own expenses and the way to do that was to get into the profitable refining and marketing downstream sector.

In 1978, Petro–Canada moved to take over Pacific Petroleum. Not to put too fine a point on matters, the Conservatives went wild. Liquidate it, demanded Joe Clark. Sell it. Give it away. Anything. Just get rid of it.

And less than a year later, the Conservatives got their chance, their first chance. But although they won the 1979 federal election, Petro–Canada proved more popular, or at least more long–lived, than did Joe Clark's prime ministership. Petro–Canada survived, the mathematically–impaired Clark government did not.

The Liberals returned to power with the National Energy Program and a whack of new cash for Petro–Canada, much of it funnelled through special grants paid for by new energy taxes.

That the Liberals had won the election in large part because of their loud and protracted campaign against such taxes, as proposed by the Tories in their ill–fated "short–term pain for long–term gain" budget was deemed no impediment, merely an inconvenient quirk of history best quickly forgotten.

Seeing what appeared to be a blank cheque, as well as the Liberals' political need for Petro–Canada gas stations in eastern Canada, the company gobbled up PetroFina in the name of Canadianization.

How much did it cost? Only Petro–Canada and a few Cabinet insiders know. The Canadian public and the Auditor General never found out.

Sharp criticism of the PetroFina deal and tough times in the oil patch followed. Petro–Canada responded by hunkering down, cutting costs and staff, and concentrating on its bottom line.

By the time the Mulroney Conservatives came to power in 1984, despite its effective use of nationalistic advertising slogans like "It's Ours", "Canada First", and "Pump Your Money Back Into Canada", Petro–Canada itself had essentially blunted its public policy role. Henceforth, under the resurgent Tory regime, the company would operate under a new commercial mandate. As the company's 1984 annual report put it: "Petro–Canada is not to be perceived in the future as an instrument in the pursuit of the government's policy objectives." In short, the company would now operate like any other big integrated oil company, and public policy be damned.

In a similar vein, the Mulroney government moved quickly to deregulate the energy industry generally. Price and export controls were removed. The National Energy Board was neutered. The 1988 free trade agreement created an integrated continental energy market utterly free of significant government intervention.

Then, long after memories of energy crisis rip–offs had faded to a hazy sepia, at least until the new Middle East crisis and attendant oil price hikes starting this past August, and with their second mandate safely tucked into the ballot box, the Conservatives struck. Canada's national oil company was off to market—not as the buyer, but as a nice fat sale item.

The axe fell as part of the finance minister's budget speech on February 20 of this year. Petro–Canada was to be privatized.

Interestingly, February 20 is known by some as Hoodie Hoo Day. It is a day when all the residents of the Northern Hemisphere are to go outdoors at high noon and yell: "Hoodie hoo," at the top of their lungs. The idea is that by so doing the Hoodie hoo–ers will chase away winter and all the cold and nasty things associated with winter. Obviously, there were far too few participants in Canada this last year.

Speaking the next day, February 21, in the House of Commons, Minister of State for Privatization, the hon. John McDermid, gave the government's rough idea of

why and how it was to be done. He said: "It—", that is to say Petro–Canada, "—must improve its debt position to more manageable levels and it must have the financial flexibility to compete alongside its private sector counterparts." He continued: "Petro–Canada needs equity capital and financial freedom."

As well, like Robert Frost's sledder beside the snowy woods, the government had promises to keep. The minister said: "In last April's Speech from the Throne, the government announced that it intended, and I quote, 'to further privatize those Crown corporations which no longer serve a public policy role'".

This is all highly reminiscent of the remarks delivered today in opening the debate on second reading. I have underscored some, and just going through them briefly we find the following, for example. On the second page of the minister's speech notes we find: "If they are to remain competitive, we must ensure that the company has a reliable source of new equity." Further down on the same page it states: "Getting on with this important work will be greatly assisted by the capital infusion made possible by privatization." On page 3, we find: "The bill will give Petro–Canada a way to raise equity without placing a burden on the Canadian taxpayer."

On page 4, we find: "What Petro–Canada really needs is a reliable source of new equity," and "It will give Petro–Canada access to capital that their current shareholder, the Government of Canada, cannot provide," et cetera.

It carries on in light vein through eight pages of rhetoric, the burden being at every step of the way as the minister said on February 21: "In fact, only blind devotion to state enterprise would be a reason for denying the company, and its employees, the chance it wants and has earned to be Canada's independent, world–class integrated oil corporation and a source of national pride."

This prideful striding onto the stage of world classiness was to be accomplished within certain guidelines. As the minister said: "Legislation will allow for the sale of all Petro–Canada shares," but not all at once. Again, I quote the minister: "Once legislation is passed, and appropriate financial and regulatory steps are taken, and with market conditions permitting, the board of directors of Petro–Canada will be asked initially to offer a treasury issue of about 15 per cent of the company."

I note with some interest that fairly clear statement: "The board of directors of Petro–Canada will be asked initially to offer a treasury issue of about 15 per cent of the company." This itself has faded to a rather hazy sepia to be replaced today with the note that: "The first offering will be of a size sufficient to give the company the equity required to improve its financial position." Mush, Mr. Speaker, gooey mush.

In the absence facts noting otherwise, I will stick with the February estimate of a treasury issue of about 15 per cent of the company. How things will proceed after that initial offering was then, and remains, even with the benefit of the legislation before us, still murky, every bit as murky as the murky quote just referred to in the minister's speech today.

• (1650)

Equally murky were the government's intentions for the estimated $500 million to $700 million expected from the sale of that 15 per cent share. However, in what some in this House apparently deem to be a brilliant marketing move and cited in *The Ottawa Citizen* on February 21, 1990, unnamed finance department denizens speculated that it would all be ploughed back into the company.

Indeed, this now seems certain to be the case, this being the background, the backdrop, the point behind the oft–repeated citations of a need for equity capital being the reason for the privatization. The argument is that privatization and the ploughing back into the company of the results of that initial 15 per cent offering is the only way the newly privatized Petro–Canada can get the capital it needs.

Imagine, Mr. Speaker. Such a deal! Mr. Capitalist could buy shares knowing that the Tories would give him back the money he paid for the shares in the form of equity in the company of which he had just become a shareholder. Equity and assets built up in a Crown corporation on behalf of all Canadians would be torn out of public hands and given away. And these are the guys known for their shrewd management of the public purse?

But I digress Bill C–84 does set out some promised conditions, although some ambiguous wording leaves the final effect somewhat in doubt. There will be more on this in committee study.

No one will be permitted to hold more than 10 per cent of the privately–held shares and there will be a 25 per cent cap on the aggregate foreign ownership of shares.

There will be "an employee share ownership program as part of the initial offering," as the minister put it. He also said: "The company will continue to adhere to the Employment Equity Act and employees of the company can be assured that Petro–Canada's policies governing salaries, pensions, benefits, relationships with the unionized workforce, and official languages will be continued." I was again quoting from the minister's remarks of February 21.

Just in case anybody missed the historic nature of the event, the minister concluded his remarks on that day with a rhetorical flourish. "Petro–Canada's time has come," he said, eyes no doubt misting, "and it has earned the right to be an independent, Canadian–owned, Canadian–controlled national corporation without the state in the middle."

Yes, well, perhaps. Yet, it is obvious that there is more here than meets the visored accountant's eye.

The main rationale for privatization seems clear. "The company needs capital," thunder the Tory proponents, company honchos, and stock market touts. By the way—

The Acting Speaker (Mr. Paproski): Order. I am sorry that I will have to interrupt the hon. member. I would like to say that the Chair will accept the motion by Mr. Lee, seconded by Mr. Pagtakhan:

> That the motion be amended by deleting all the words after the word "That" and by substituting the following:
>
> "this House oppose in principle Bill C–84, an act respecting the privatization of the National Petroleum Company of Canada, because it considers it irresponsible to abandon public sector involvement in the Canadian petroleum industry in the absence of a coherent Canadian federal government energy policy at a time of increasing international uncertainty with regard to petroleum supply."

I thank the member for Edmonton East. He may carry on with debate.

Mr. Harvey (Edmonton East): Mr. Speaker, if I recall correctly, I had just mentioned stock market touts. Returning to that thought, I should note that those stock market touts stand to make a tidy little packet off this privatization move.

Remember that RBC Dominion Securities and Wood Gundy Inc., the two firms that conducted the August, 1987 study for the government on whether or not Air Canada should be sold, themselves underwrote that privatization one year later, walking away with over $30 million for their troubles. The total of brokerage fees, bonuses, and miscellaneous payments on the Petro–Canada sell–off could amount to more than $175 million. On behalf of the financial services and brokerage industries which, as we all know, are not subject to the GST, let me offer a heartfelt "Thanks, Canadian taxpayers."

The claim is that the government needs capital and privatization is the only way to get it. As the Minister of State for Privatization put it: "The industry, including Petro–Canada, has worked together in exploration efforts that have resulted in the discovery of more than one billion barrels of estimated reserves. And today, with excess international oil supplies and more stabilized prices—" and please recall, Mr. Speaker, that he was making these remarks last spring "—the industry must look at ways of financing the development of Canada's massive reserves."

As you might suspect, this is not quite the whole story. It is true that massive reserves of oil sands, heavy oil, and lighter grades stashed away in the difficult–to–reach–and–mine frontiers and offshore, have been discovered. But the cheap, easily accessed light and medium crude, characteristic of the western sedimentary basin, is all but gone. Indeed, Canada has been a net importer of light crude for several years. Developing these non–traditional sources will take massive amounts of capital, resulting in oil much more expensive than the stuff we have been selling to the Americans.

Anyhow, it is true money is needed. The problem is that, according to the government, the taxpayers' fiscal welcome mat is no longer out for Petro–Canada, and its large $2.8 billion debt—less than half of which is long–term debt—precludes further borrowing of a scale necessary to finance anticipated operations.

Starting with its equity financing of Petro-Canada's first major acquisition, the purchase of the assets of Atlantic-Richfield Canada for $342.4 million in 1976, the Canadian government built up a total equity of about $4 billion in the company. Last year this equity figure was slashed to $2.8 billion by a convenient change in bookkeeping methodology. Along the way the company has also incurred long-term debt of about $1.2 billion, less than half of which matures before 2000, and other debt of about another $1 billion.

The company declared $8.6 billion in total assets in 1988, but, in the same bookkeeping adjustment which resulted in that 30 per cent decrease in government equity I just noted, the adjusted figure for total assets—adjusted in preparation for privatization—was reduced in 1989 to $6.8 billion.

So, the question which confronts us is this: Is Petro-Canada really lumbered with debt to the point where it cannot borrow any more? The answer is no. In fact, Petro-Canada's long-term debt of $1.2 billion compares favourably with that of other such industry notables as Imperial Oil with a long-term debt of $3.8 billion; TransCanada PipeLines Limited with a long-term debt of $2.2 billion; and Nova Corporation of Alberta with a long-term debt of $3.6 billion.

More to the point, Petro-Canada's long-term debt to equity ratio at 1:2.2 is well within industry standards. Many industry players have ratios similar to or worse than Petro-Canada's. Among them are: Canadian Occidental Petroleum Limited at 1:3.3; Alberta Energy Company Limited at 1:1.5; Norcen Energy Resources at 1:1.2; Total Petroleum (North American) Limited at 1:2.9; and Pan-Canadian Petroleum Limited at 1:4.1. They remain active participants in the industry and all enjoy long-term debt to equity ratios comparable to or worse than Petro-Canada's. Indeed, the two oldest, best-established multinationals in Canada, Shell Canada and Imperial Oil, have long-term debt to equity ratios of 1:3.4, which is only marginally better than Petro-Canada, and 1:1.9, which is considerably worse, respectively.

In an attempt to forestall needless quibbling from across the way, let me note that the entire array of bookkeeping methods are present in these examples. The choice of individual methods seems more a matter of convenience and advantage, than determined illumination in the best of instances, regardless, Mr. Speaker.

Given these figures proving Petro-Canada's relative fiscal health, it was no real surprise when last December the well known New York rating agency, Moody's Investor Service Incorporated, gave Petro-Canada a triple *A* rating on about $400 million of newly-filed debt securities. As *The Toronto Star* observed in its report, "Such a rating, a shade lower than the highest designation for debts of the federal government, suggests strong borrowing status." Quite.

It would seem by all standards that Petro-Canada could comfortably assume a great deal more debt than it has now and still remain a healthy and vigorous player in the Canadian petroleum industry. In fact, as the Moody's rating shows, while in the public sector the company can support greater debt, because of lower service costs occasioned by its status as a federal treasury-backed Crown corporation, than it could as a private sector player.

Okay. But what about the other side of the capitalization coin? What about all that money to be made for Petro-Canada from a huge stock issue? Sorry, unless the federal government is willing simply to give away money to the company by continuing to plough the proceeds of share sales back into Petro-Canada as the shares are sold, Petro-Canada will not get that money at all. The taxpayers of Canada, depending on whose estimate you want to accept, have ploughed between $6 billion and $10 billion into Petro-Canada during its life. The balance sheet says we have only $2.8 billion worth of equity in the company from all that investing. But God help the government that tries to return from the market with significantly less than at least the company's net worth of between $4 billion and $4.5 billion.

• (1700)

As we know, the government is apparently planning to give back to the company the proceeds of the first offering, again that 15 per cent of the total, between $500 million and $700 million. Presumably, Mr. Speaker, it would have serious political difficulty pursuing such wonderful generosity further, especially at a time when it is cutting back on health care, education, and social services, because of the fiscal holy crusade against the deficit. So that leaves the energy equity markets having to absorb a subsequent issue of $3 billion to $3.5 billion, all of which has to go back to the federal treasury before Petro-Canada can haul in so much as one more loonie.

Let us put that into perspective. During the period 1983 to 1988, new Canadian energy issues averaged an annual total of about $2 billion. That is all energy issues combined, Mr. Speaker, which is probably what Mr. James Doak, an oil analyst with First Marathon Securities Limited, was thinking of when he responded to the Petro-Canada news last winter by observing "the privatization will compete with every other company trying to tap the equity market". The immediate implication? "They probably won't be able to get a good price for the shares," said Doak.

Of course, the government knows all this. That is why the Minister of Finance said in the House of Commons on February 23, 1990, as reported at page 8747 of *Hansard*, and I quote:

> —the sale of the shares of Petro-Canada will take place over a period of time, depending on market circumstances, depending on the attractiveness of the market to the company and to ourselves and of selling into that market.

The government is still saying more less the same thing: we are going to sell it, but God alone knows when.

Again, I must stand and wonder. These people are generally credited, by those ostensibly in the know, with having, if nothing else, the virtue of good hard-nosed business sense. It is amazing, and no small cause for deep-seated worry over the fate of our major business and financial institutions, because most of them are piloted by people who apparently believe this.

In sum then, dumping Petro-Canada onto the energy equity market, especially at a time when Imperial Oil will be struggling mightily with the capital task of swallowing Texaco Canada, seems to be just about the worst way one could go about raising the further money the company needs.

It will be cumbersome, necessarily long-term, and unavoidably entail a raid of some scale on the public purse.

There is plenty of corporate elbow room for further debt financing anyway.

But, having noted all this, we must eventually come face to face with the real question posed to this House and to all Canada by Bill C-84: Is there a reason to keep Petro-Canada in public hands? Does the company have any public role to play?

It is patently obvious that Petro-Canada is not now playing an active public policy role. It is equally obvious that the government can conceive of no such role for it.

The hon. minister set out reasons why not in his February 21 statement. He summarized Petro-Canada's original mandate as: "to engage in state-to-state trading, to give the government a window on the industry and to contribute to the energy security of Canada". He then dismissed each goal in turn. Quoting the minister again, as reported at page 8619 of *Hansard* of February 21, 1990:

> —in the past 14 years, Petro-Canada entered into only one state-to-state deal and it is very evident that these arrangements are no longer an important component in today's world oil market.
>
> As for the window on the industry issue, the government understands and has available to it all the information it requires in order to provide safe and secure energy to Canadians today and into the future.
>
> And finally, if one is concerned about Canada's energy security, they would naturally support a decision which would allow Petro-Canada to participate and develop the reserves that have been discovered in cooperation with other private sector partners.

I know it will delight those across the way to listen to me say that it is at least arguable that his first two points have some merit. There is at present no pressing need for a state-to-state trading vehicle and industry information collection mechanisms available to the government, through the Department of Energy, Mines and Resources, the National Energy Board, the petroleum monitoring agency and others, can be made adequate for review and policy formulation purposes in normal times of modest price fluctuations such as those obtaining when the minister made those remarks.

I would note, parenthetically, that the contention that a Tory government would actually make use of such information, actively to provide safe and secure energy for Canadians is an arguable, some would say laughable, contention, but the potential is there at least in normal times.

The third point, that privatization will allow Petro-Canada better to participate with its private-sector partners is simply rhetorical market-worship voodoo. There is no evidence to indicate Petro-Canada is having any difficulty participating right now. Quite the contrary. One of its biggest problems is its propensity as a Crown corporation to participate entirely too much.

More to the point, as we contemplate Bill C-84, are those mandates Petro-Canada could and, in our view, should be assuming? We believe that there are several legitimate, even crucial, public policy roles that any sane government in a sparsely populated northern country would want a national energy company to play. First, the maintenance and—what the heck—increase of Canadian

ownership and control in the oil and gas industry remains a vital policy goal.

With the buy-up of Texaco Canada by Imperial Esso, there are now just three major integrated oil companies operating across Canada: Imperial, Petro-Canada and Shell. Only Petro-Canada is not foreign controlled.

Under the terms of Bill C-84, Petro-Canada privatization cannot help but result in a further increase in foreign ownership which, after declining in the first half of the 1980s, enjoyed a Tory sanctioned renaissance in the second half. One-quarter of the company will be offered up to foreign ownership.

There is another more chilling factor in this vein. The free trade agreement makes it clear in article 1602 that Canadians could never claw back that 25 per cent share of Petro-Canada once it was allowed to fall into foreign hands. That 25 per cent ceiling on foreign ownership can never, ever be lowered. It can, however, be raised. So, in effect, the ceiling would become a floor and Petro-Canada could never again be made a 100 per cent,—or even 90 per cent or 80 per cent—Canadian-owned energy company.

The second major public policy role which Petro-Canada ought to play is to ensure that energy industry profits are reinvested in Canada. This is no small consideration when you recall that the 1980s saw away over $7 billion shipped out of Canada by the petroleum industry in dividend payments alone. This is Canadian money, the equivalent of more than half of Alberta's heritage savings trust fund, that will never be used to contribute to energy security in Canada.

Remember, Petro-Canada consistently earns a profit. 1988 was a comparatively bad year and the company still pulled in earnings, revenues less expenses, of $30 million. In 1987 it earned over $314 million. In 1989 it earned $169 million. That money stays in Canada.

Third, and most important, Petro-Canada should be used to actively promote Canada's transition to a more environmentally sustainable future.

There is a revolution of sorts under way in the energy industry. Energy development is beginning to be judged by the impact it has on the environment. People all across Canada and around the world are coming to the realization that, as the by now much abused but still to the point Brundtland commission report put it "choosing an energy strategy inevitably means choosing, an environmental strategy".

During its short history, Petro-Canada has pursued energy security by discovering and developing new oil and gas supplies in Canada's frontiers. The focus of the future will doubtless shift from these geographical frontiers to the frontiers of creative responses to the earth's environmental imperative.

Petro-Canada is a superb, ready-made vehicle available now for the purpose of leading the energy industry toward greener pastures, a place the industry seems in no hurry to get to on its own. This will be absolutely essential if, as we in the New Democratic Party hope, the government accepts the proposal of the Standing Committee on Environment for significant environmental action.

For starters, operating under public mandate, Petro-Canada can lead the way in recycling ozone-depleting chlorofluorocarbons from automobile air conditioning units by setting up reclamation facilities at many of its service stations.

Similarly, Petro-Canada can take the lead in recycling used engine oil. After contaminants are removed and new additives included, this re-refined oil is indistinguishable from the new lubricants it replaces. Recycling this non-renewable resource provides jobs and keeps millions of litres of it from fouling our biosphere. A green marketing strategy, together with a commitment that all Petro-Canada oil products include re-refined oil would, result in the creation of a major new environmentally salubrious market.

Petro-Canada can also move into the forefront of promoting alternative energy sources. Following Mohawk Oil's commendable lead, Petro-Canada should move decisively into the provision of fuel ethanol blends at the gas pump. Ethanol, distilled from grain and other agricultural crops, is blended in a 10 per cent solution with gasoline. It has been used for many years in the United States and western Canada as an octane enhancing replacement for hazardous lead. Since ethanol is produced from plants that absorb CO_2 from the atmosphere, thereby recycling existing carbon and thus replacing fossil fuel carbon dredged up from the

lithosphere, its use significantly reduces emissions of new carbon dioxide from automobiles.

• (1710)

On September 8, 1990, Environment Canada announced that it considers ethanol blended gasoline an "environmental choice" product. A healthy grain based ethanol fuel industry would also provide our hard-pressed farmers an alternative to domestic markets for grain and thus, a much needed stimulus to Canada's rural communities.

Unfortunately, the big oil companies, including Petro-Canada have actively discouraged increased use of ethanol. The company recently backed away from establishing an ethanol plant in Dawson Creek, B.C. and seems intent on continuing to use other, more environmentally hazardous, gasoline additives. Recent reports indicated that it still uses MMT, a manganese-based octane enhancer, which has been banned in the United States. The company is also constructing a plant in Edmonton to produce another non-renewable additive, MTBE, effectively killing any possibility for an ethanol fuel industry in northern Alberta.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member, but there is a lot of noise and I want to listen very carefully to the speech by the hon. member for Edmonton East. The hon. member has the floor, and he has two minutes left.

Mr. Harvey (Edmonton East): I have two minutes left. Thank you, Mr. Speaker.

[*English*]

There are many more things that Petro-Canada can do on the environmental front, Mr. Speaker. All of these we can do.

So we Canadians once again are faced with a choice about Petro-Canada. We can choose to be satisfied with Petro-Canada as it is now, imitating the big American owned multinationals that we see through our window on their industry. Or we can let the Tories privatize Petro-Canada, thereby closing the shutter on that window forever and placing our blind trust in an Exxon-envisaged profit-driven energy future or we can move forward.

We can turn away from the window of the past, remembering what we saw and learned through that window, and apply it elsewhere, creating our own more sustainable energy future. It is our choice.

In an aid toward this House making the right choice, I should like to propose and amendment to the motion previously moved by the hon. member for Scarborough—Rouge River. I move:

> That the amendment be amended by adding the following words:
>
> "and at a time when the development and wide dispersal of alternatives to traditional fossil fuel energy sources is an environmental necessity."

Thank you very much, Mr. Speaker.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. The Chair will take under advisement the motion for a sub-amendment moved by the hon. member for Edmonton East. Resuming debate. The hon. member for Calgary Southwest.

[*English*]

Mrs. Barbara Sparrow (Calgary Southwest): Mr. Speaker, I have waited for this day for a long time. I can assure you that it gives me a great deal of pleasure to stand here and discuss this Bill C-84 with regard to the sale of the shares of Petro-Canada to the general public.

In introducing this legislation, the minister responsible for privatization and regulatory affairs has laid out a reasonable and a practical rationale for the government's privatization initiative. The rationale flows from the basic principles of the privatization process. In our government's agenda for economic renewal, which was presented in 1984, we expressed the intention to do a thorough review of the role of individual Crown corporations. The agenda paper noted that, and I quote, "Although each corporation was established to serve—

Mr. McDermid: I rise on a point of order, Mr. Speaker. In the give and thrust of debate in the House, we do the odd strange thing. The hon. member for Edmonton East is sitting whistling the American national anthem, which has absolutely no respect for this House or the hon. member for Calgary Southwest and her speech. We were very patient listening to him—

Mr. Harvey (Edmonton East): Ha.

Mr. McDermid: We gave the odd gibe, and I got the odd gibe from the hon. member when I was speaking as well. However I think sitting here whistling the American national anthem in the House is totally irresponsible and extremely childish.

Mr. Walker: Mr. Speaker, I am not going to come to the defence of the member singing an anthem, but one of the great ironies is to have that minister who has been catcalling every speaker for the last two hours suddenly turning around and finding somebody else's behaviour bad. If he wants to set a standard then perhaps he can begin with his own.

Mr. Attewell: Mr. Speaker, I would also like to comment that that was not worthy of him or his party. Perhaps, if he is to continue with silly things like that, he might be more ably engaged in that other place down the hall where they had a great Friday.

Mr. Harvey (Edmonton East): I rise on this point, Mr. Speaker. I am indeed sorry if I have distressed hon. members across the way. I understand that the distress centres principally on my choice of material, that in fact strong objection has been taken to my version of the *Star Spangled Banner*, although I note that in other instances that has not been the case.

However, if the problem is the song, I would cheerfully move to *Yankee Doodle Dandy* or *America the Beautiful*.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member but I don't think this point of order should lead to further debate. There have been messages hither and yon, and I again recognize the hon. member for Calgary–Southwest.

[*English*]

Mrs. Sparrow: Mr. Speaker, I was saying that we have done a thorough review of individual Crown corporations. I would like to quote from the agenda paper that we followed and noted:

> Although each corporation was established to serve what at that time might have been an important public policy purpose, we must ask ourselves whether that remains the case. If it does not, it is surely important to consider whether the corporation should be retained.

We completed such an examination of Petro–Canada and concluded that no public policy purpose was being served by continued Crown ownership of Petro–Canada. We also concluded that the public ownership of Petro–Canada was not and is not required as an instrument of energy policy.

Today I would like to demonstrate in my remarks that the privatization of Petro–Canada will not put at risk Canadian energy policy objectives. It is quite the reverse. Many energy policy objectives will be better served by a privatized Petro–Canada.

First, I would like to start by recalling the main features of this government's energy policy. We have implemented a market oriented energy policy in the belief that the private sector, guided by efficiently functioning markets, is in the best position to make optimal decisions concerning energy consumption, production, and investment.

Consistent with this philosophy, the government has reformed the regulations governing the energy sector and allowed energy prices to be set by market forces. This government has also negotiated secure access to U.S. markets for Canadian energy products by the free trade agreement.

It has created an atmosphere which fosters investment, including foreign investment, while it ensures continued opportunities for Canadians to participate in the oil industry.

It was this government which terminated the National Energy Program through the western accord in March 1985. We deregulated oil in June 1985 and moved toward deregulation of gas starting October 29, 1985. The market forces set the prices.

• (1720)

Many questions have been raised about the possible negative effects the privatization of Petro–Canada could have on the oil and gas industry and the Canadian energy policy. Statements have been made—and I am sure you have heard them, Mr. Speaker—that privatization would impede the development of the industry, that it would put Canadian security of supply at risk, that it would lead to unacceptable decreases in Canadian ownership of the industry, that it would lead to an inability by the government to ensure environmentally responsible development of energy resources, and that it would remove an essential window on the industry for the government.

I would like to review each one of these concerns. Petro-Canada is a major player in the Canadian petroleum industry. Decisions by Petro-Canada can have an impact on the industry which extend beyond their direct effect on the company Petro-Canada. Recognizing this, the government gave Petro-Canada a commercial mandate in 1985. Acting in concert with that mandate, Petro-Canada has become a major player in several of our megaprojects. It also has the second largest proven reserves of oil and of natural gas liquids and the fourth largest natural gas reserves of any company in Canada. How it got those reserves is another story. I would like to talk about them a bit later.

The privatization of Petro-Canada will give the company the freedom that it requires to develop, sell or acquire other properties and assets, without the necessity of seeking government approvals for these transactions which really could otherwise slow down the process or truly impose some conditions which would not be attractive to potential private sector partners.

Security of energy supply has always been a key component of our energy policy. The government's policy is this: security of supply can best be achieved, first, by ensuring that Canada possesses a strong, diverse and growing energy sector; second, by developing domestic procedures to deal with the possible shortages; and, third, by taking appropriate multilateral actions in concert with its IEA partners.

We have done this. Energy procedures have been established for the domestic market. Canada has agreed to energy sharing procedures with the IEA partners in the event of any physical shortage of oil that should threaten any of the IEA countries.

By far the most important steps we have taken really and truly relate to our domestic industry. We have put in place policies to encourage the development of all economically viable forms of energy. We, this government, has encouraged the development of infrastructure which has lessened the dependence of the eastern part of our country on imported oil. Yes, the east imports all its needs.

Through regulatory reform and the removal of oppressive and discriminatory taxes like the PGRT that those people implemented we have created the conditions that are going to enable the domestic oil industry to grow, to find and to develop new reserves of oil and gas that Canada is going to need for its future.

Privatization is going to enable Petro-Canada to play a major role in that process. Putting the company on the same footing as its private competitors will increase the range of business arrangements which it can use to develop its assets. At the same time privatization will permit the company to have access to the full range of private sector financial markets in instruments. This will help Petro-Canada to develop its many prospects in timely fashion.

Members opposite have criticized the privatization of this company on the grounds that it will amount to turning the corporation into multinational interests, as the member for Edmonton East was saying just a few moments ago. Those members could not be further from the truth. Petro-Canada will remain a Canadian owned and controlled corporation after privatization.

Total foreign investment in Petro-Canada will not be permitted to exceed 25 per cent of the non-government shares held. The maximum 25 per cent foreign ownership in Petro-Canada would reduce over-all Canadian ownership in the upstream sector by approximately 1.6 per cent, if it were not offset by new investment or growth in the Canadian owned sector industry.

Privatization, on the other hand, is going to allow the company to grow and to prosper. It is going to be interesting because by this means of privatization it really can assist this Canadian company to increase, grow and improve Canadian ownership within the industry throughout Canada.

The protection of the environment, especially in the ecological sensitive offshore and of course in our northern regions, is a central element of our government's policy. The government intends to announce a green paper plan before the end of this year which would affirm an approach to environmental protection through improved decision making.

This government is committed to establishing a decision-making process in which environmental considerations become an essential part of investment decisions made in all sectors. This has already been done by the National Energy Board. As a matter of fact, the Minister of Energy, Mines and Resources requested the chairman

of the energy board some six or eight months ago to make sure that environmental assessments were done.

Besides this the government will deploy whatever instruments are required and appropriate to ensure environmentally correct behaviour. In the past regulations have been an important tool in this regard, and they will continue to be important in the future.

There will also be a growing role for market based instruments such as tradable emission permits. Petro-Canada, whether publicly owned or privately owned, will be subjected to the same environmental laws and regulations as any other company. Public ownership of one oil company is not an acceptable substitute for an environmental policy which will ensure environmentally sensitive behaviour on the part of all participants that now takes place in our economy.

Petro-Canada's policy is to meet or exceed all regulatory requirements. We would expect that this policy of environmental awareness and good corporate citizenship would be unchanged by this privatization. This company Petro-Canada is no longer needed by the government as a tool for gathering information on the Canadian oil and gas industry.

The Department of Energy, Mines and Resources now has more than adequate information to give the government the insight it requires to make policy decisions affecting the industry. Since the inception of Petro-Canada, two agencies have been created and are able to collect information.

One is the Canadian Oil and Gas Lands Administration, COGLA, and the other is the Petroleum Monitoring Agency, PMA. They can give the government a broad perspective on this important industry instead of the limited view of one company such as the Crown corporation.

In summary, privatization of Petro-Canada is consistent with government's privatization policies and with its energy policies. The environment will have assessments and be protected.

I would like to remind some of our colleagues in the House of a little history, just to refresh their memories. This Crown corporation was set up in 1975-76 by the Liberal government of Mr. Trudeau for ideological reasons. It had a meet in Ottawa mandate. I do not know how much exploration and development is done in Ottawa, but this is where the mandate was made to act as a window on the oil and gas industry and to negotiate state-to-state oil purchases. I could talk all night on their ridiculous deal done with Mexico: high prices, and it was not even high quality crude. We had to re-refine it when it came in here, and of course it was there to promote self-sufficiency in energy.

Today it has assets of $6.8 billion. Actually, just for our information, Canadian taxpayers have pumped more than $10.4 billion into Petro-Canada. That represents $400 for every man, woman, and child.

How did it obtain its assets? Mr. Speaker, I know you will find this interesting. It got its assets through acquisitions, buy-outs, and backings: Atlantic Richfield, Pacific Pete—Mr. Speaker, you remember Pacific Pete, a good Calgary company—PetroFina, and Gulf Downstream, just to name a few of the acquisitions. How much did the Liberals pay for PetroFina? Every Canadian has contributed. I would like to ask my colleague across from me if Petro-Canada has discovered any oil or gas. I would like you to name me one barrel of oil or one MCF of gas that this company has discovered. You cannot do it.

• (1730)

In 1980 the National Energy Program devastated the west. It literally robbed Alberta of over $60 billion. You remember the PGRT. It killed us out there. The program gave Petro-Canada a neat right, the right to gain control of 25 per cent of the discoveries on all Canada Lands. Sure, private enterprise went out. They did the work and they took the risk and guess what? Petro-Canada could have its choice of 25 a per cent back in of the deals it wanted. Or it could say no to the deals it did not want. Their assets came through the back door.

Petro-Canada has to prove it can be sufficiently profitable and this is the way to go about it. The company has been working towards self-sufficiency and profitability since 1984. Since we took office, they have had to. It was this government, when we took office, that told Petro-Canada to make it on its own and operate as a private corporation. Yes, we cut off that money pipeline. The company was born to spend money and it sure has.

Petro-Canada has spent $7.3 billion during the 1980s and it showed net earnings of about $38 million. The company has not been successful on the profit side of the ledger. With $6.8 billion in assets—and I would like the hon. member for Edmonton East to check that figure—their profit last year was about $56 million. That is $56 million on $6.8 billion assets. It is really not a good record.

The company has committed billions to developing Hibernia, the Terra Nova oil fields, Alberta Syncrude and also its Wolfe Lake heavy oil project. In all fairness, I would like everyone to realize that the Canada Lands exploration that we have done over the past 10 or 15 years has provided us with a wealth of geological information.

Canada is very fortunate to be blessed with natural resources. As we move through this decade, we have to strive to become more self-sufficient. Petro-Canada needs capital. They need capital to succeed. It is time they raised their own financing, competed straight up in the marketplace, and got on with their own exploration development and production.

Roughly 80 per cent of the company's revenue stream comes from its refining and marketing operations. Their refineries need cash to improve their systems, to meet environmental standards so we can have cleaner air. That is what they need to do and that is what privatization can help them with. It is truly going to improve their growth of opportunities for the company. They are needed out there. They are one of 16 Canadian oil companies across Canada, not one of three or four as the hon. member mentioned. Perhaps he would like to do more research on that. We have a lot more companies than Imperial Oil, Shell and Petro-Canada.

Privatization is going to encourage more development of our Canadian resources. It will enhance Petro-Canada's ability to really respond to market opportunities and that is great. It is not going to impair our ability to achieve its national objectives because Petro-Canada is not and has not truly been for some time, used as a government policy.

I would like to say how pleased I am to stand up and support Bill C-84, and really explain to people that the only way to go is to put the company out on the market and sell shares. Obviously it will meet the market demands and we will have a truly better secure supply of oil and gas in this country.

[*Translation*]

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): Before proceeding to questions and comments, the Chair wishes to announce that it will now hand down its decision on the proposed sub-amendment presented by the NDP critic. The motion is in order.

For questions and comments, the hon. member for Laval East.

MEASURE TO ENACT

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): First of all, Mr. Speaker, I wish to congratulate you on your new job, since this is the first time I have had a chance to do so in the House.

I also would like to congratulate the hon. member for Calgary Southwest, with whom I have had the pleasure of working on this bill for almost six years. My colleague, who is an expert on "upstream", has been looking forward to this day for a long time. At last she is able to announce a decision long awaited by Quebecers and more specifically by the people of Laval whom I have the honour and the privilege to represent here in the House.

[*English*]

I would like to congratulate my hon. colleague from Calgary Southwest and ask her a few questions. Why did the Liberal government install this beautiful maple leaf on every street corner, and in some places on three corners. I was stuck between the tree leaves to compete in private enterprise. I was one of them, unfortunately, in those days.

How did the consumer benefit? What was the benefit to the lessee in being able to announce the new maple leaf logo, which I thought was propaganda stuff for Mr. Trudeau in those days.

I would like the hon. member to tell me what the real benefit was for this country and for the Canadians who had to pay for this?

Mrs. Barbara Sparrow (Calgary Southwest): Mr. Speaker, I wish to thank my colleague from Laval-Est for his questions.

Yes, it was some years ago that we did work on a position paper for the privatization of Petro–Canada. I believe it was 1985. At that time it was quite obvious that Canada no longer needed the Crown corporation as it was not fulfilling its mandate.

My colleague asked me what did this company do for lessees. I am scratching my head because I am having trouble coming up with a specific answer. I would like to pose the question back to the hon. member, although that is not quite what Mr. Speaker would want. What is the Government of Canada doing owning 3,300 gas stations across this nation?

The prices are set by the market, and I think you probably realize that, Mr. Speaker. For the lessee–owner, one of the things that probably hurt a lot of people was that it put some out of work. No doubt the Government of Canada has 3,300—I will check that—gas stations across the country. It certainly did not benefit the consumer.

The major thing is that Petro–Canada can play a role in the security of supply. What it really needs and where it should be is out in the marketplace raising its own capital, be it through debt equity or whatever type of cash infusion. It will probably be floating some bonds or a debt equity issue, but it is to go out and to explore, develop and produce. Production is not needed so much today but when we have proven reserves we certainly know that in the future we will be able to support the needs of Canadians.

What is interesting today, and when my colleague asks what did it do for the lessees or did not do, is not so much that it did not really help the lessees, but that Canada today produces about one and a half million barrels a day. We export 615,000 barrels of oil a day and import about 550,000 to 570,000 barrels a day. This means that we are net exporters and that leaves us in a good position and with our IEA agency and our commitments to the OECD people, this does put us in a good spot. We want to maintain and always be net exporters so we are giving Petro–Canada a vehicle where it can raise the funds. It will be able to go out and develop or discover these new proven reserves that will enhance the future of this country. I thank my colleague and say, I think it is time we got rid of those 3,300 gas stations—

• (1740)

An hon. member: The lessees must be—

Mrs. Sparrow: The lessees will be happy.

Mr. John Manley (Ottawa South): Mr. Speaker, I would just like to ask two very simple questions of my friend, the hon. member for Calgary Southwest. First of all, she has described Petro–Canada as a corporation in fairly damning terms. If it is really as bad as she said, who in the private sector is going to want to buy it?

Second, I would like to ask her why, knowing that she has been very interested in much of the work that has been done by other provincial public companies in Canada in the energy sector, such as Hydro–Quebec and Ontario Hydro, would she explain to me why she thinks it is necessary that Petro–Canada be sold, equity–wise to the private sector, and cannot raise the capital that it needs through debt financing?

Mrs. Sparrow: Mr. Speaker, I appreciate the questions from my colleague, the hon. member for Ottawa South. I certainly had the opportunity to work with this colleague on the Committee on Industry, Science and Technology, and we are sort of into that right here. I enjoy working with the hon. member.

Yes, I did mention things about Petro–Canada and the whole question is about its future as a private company. That is where its future is going to be. By not subsidizing or pumping in billions of dollars, which our mandate was and it changed in 1984–85, the company really has no other source of funds. Well, yes, it has profits, but what I was discussing today is that Petro–Canada has assets of about $6.8 billion and those have been written down in the last four years too. If you have assets like that and you only generate about $56 million in profits, there is something wrong. But it does need capital and it certainly will be able to go out into the market.

Mr. Manley: Borrow.

Mrs. Sparrow: It cannot borrow, it has too much debt. What we need to do is to allow it to go out into the market where it will be able to meet its obligations.

It is involved in the Hibernia program and I think we just voted on that the other day in regard to the east coast and bringing some sort of security of supply there. Petro–Canada also has a large interest in Terra Nova, I think about 25 per cent but do not quote me. It has a large interest in the Beaufort and it is going to be sooner rather than longer that we will see our reserves on our northern Canada Lands, up in the Mackenzie Valley, brought on stream, after environmental assessments

have been done. The future of this company depends upon its privatization and that is why we are doing it.

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, I did want to ask a question of the NDP speaker but, as that is not permitted under the rules, I will ask the question of a member who knows what she is talking about. I would like to ask the hon. member for Calgary Southwest first, has Petro-Canada ever discovered one teaspoonful of oil, and second, I would also like to ask about this question raised about foreign ownership. The hon. member said in her comments that there would be maximum of 25 per cent foreign ownership allowed. Even presuming that whole maximum was taken up, what would the effect on the foreign ownership in the country be?

The Acting Speaker (Mr. DeBlois): The hon. member for Calgary Southwest. Very briefly.

Mrs. Sparrow: Mr. Speaker, I want to thank my colleague for Calgary Southeast. First, he asked the question: "How much oil has Petro-Canada found?" It has not discovered any oil or gas. Its assets have all come through acquisitions, buy-outs, and backings.

The hon. member's second question was with regard to the foreign ownership. This is going to be a Canadian-controlled company. If the 25 per cent was indeed taken up by true foreigners, it perhaps might lower the upstream by 1.6 per cent. That is basing the fact on the total 25 per cent that would be allowed to foreign ownership that would completely go that way. It would be 1.6 on upstream.

It is not who owns it. It is who explores, develops, and produces for Canadians and gives jobs in security of supply for this country. That is what this private company is going to do.

NOTICE OF ALLOCATION OF TIME TO CONSIDER SECOND READING STAGE OF BILL C-84

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, I rise on a point of order. I, too, want to congratulate you. It is the first opportuntiy I have had to do so.

I have been informed that to date, agreement has not been reached under the provisions of Standing Order 78(1) and (2) with respect to an allocation of time in the second reading of Bill C-84, an act respecting the privatization of of the national petroleum company of Canada. We will continue to try to get an agreement with the opposition parties on a reasonable length of time that we debate this on second reading and get it into committee for an in-depth study.

However, under the provisions of Standing Order 78(3), I give notice of my intention to move a time allocation motion at the next sitting of the House for the purpose of allocating a specified number of days or day for the consideration and disposal of that stage of the said bill.

An hon. member: Shame.

Mr. Harvey (Edmonton East): I rise on a point of order, Mr. Speaker. It could not have been anything else. The Minister of State has already spoken in the debate. It had to be a point of order.

On that point of order let me say that I am little short of astonished that the government after hearing only three speakers in the debate—

Mr. Dingwall: Mr. Speaker, I rise on the point of order raised by the hon. minister. He is certainly within the provisions of the Standing Orders to move notice of his particular motion, but I just wish to draw to the attention of members of the House that this is a real breach of what has transpired between the various—

Some hon. members: Order, order.

Mr. Dingwall: —House leaders concerning business of the House. Once again, the government has gone back on its word.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Resuming debate. The hon. member for York Centre.

[*English*]

MEASURE TO ENACT

Hon. Bob Kaplan (York Centre): Mr. Speaker, we are rapidly approaching six o'clock and I am very pleased to have the opportunity to rise to speak as my colleague did for the opposition and to make it clear to members of the House, and to the government in particular, that the opposition does not support the privatization of Petro-Canada and that we will be voting against this measure.

We oppose very strongly the government's concept of Petro-Canada, that of being a company such as any

other. We find it ironic that the the government should make the point that Petro-Canada should be privatized because it is performing no public sector role. That, to me, is a very circular argument. It was this government in 1984 that acted to deprive Petro-Canada of any role in the public sector.

Our submission is that Petro-Canada should have a mandate that touches public sector interests, as well as private sector interests. If it did so as part of a national energy program in general, it would be part of a national energy policy which the government, in spite of what it says, does not have. We would find Petro-Canada, indeed, earning its keep and justifying the support of Canadians.

• (1750)

Mr. McDermid: Why do we keep it?

Mr. Kaplan: Why do we keep it, the minister asks. He made the point in his remarks, and I noted them, that it was only common sense to sell Petro-Canada.

To me, if anything, that betrays the small-minded view that the government is taking, not only of Petro-Canada and not only of energy policy, but of its whole responsibility as a government. "It is only common sense to sell it".

I noted the *Edmonton Journal* on October 3 dealt with the suggestion of the minister that it is common sense to sell it. It caught my eye that the *Edmonton Journal*, which opposes selling Petro-Canada, made the point that it does not make sense to begin disposing of the national oil company just as prices are sky-rocketing in the crisis produced Iraq's invasion of Kuwait.

The invasion of Kuwait by Iraq reminds us of the first of three brief points that I want to make on this subject. The first is that energy is not just a product like any other. It is a strategic resource. For the government to take what it calls a common sense attitude toward Petro-Canada and to feel that common sense requires that it be sold shows a failure to understand the significance of energy and the proper roles of Petro-Canada and government in dealing with it.

I will just summarize the three points that I want to make and I hope I can return to each. The second point is that the government really has no energy policy at all. It thinks that when it talks about the marketplace being the proper allocator and the proper determiner that that is a policy. It is far from being an adequate policy.

Third, I want to make the point that an important element of nation building is being overlooked by the government, again, not just in connection with Petro-Canada but in its general approach toward its responsibilities.

The country is deteriorating. The national government of the country is evaporating. The national values of Canada, the things that hold us together and that make us want to survive together and to build together as a country, are diminishing and becoming smaller. For us in the opposition, the decision to privatize Petro-Canada is just one more step along the road taken by a government which fails to realize what is the essence of governing this country, and that is nation building.

Let me return to the first point I made about the government's theory that there is a marketplace that it supports, that it believes in, and that determines the price of energy. What is a marketplace? A marketplace is a metaphor for the place where willing buyers and willing sellers meet and transactions are completed. There is no such marketplace in the field of energy. This is a highly concentrated industry. When one seller raises its prices, the buyers are not given the opportunity to go rushing to the lower-priced sellers to buy from them and see them make bigger profits. If that happened, there would be a marketplace.

What happens when one seller raises its prices in this industry? There is price leadership, we all know that. Every other seller follows it and the prices go up. That is not a marketplace. The government itself knows that there is not a properly working marketplace in this field, because the government itself set up a price monitoring agency in the energy field. That is a recognition that these prices do not operate like the prices of food, or automobiles or industrial products. There is something there that needs to be watched.

We have lots of evidence in the past. We have convictions. The Minister of Justice is in the Chamber. She knows there have been many convictions in the energy field for price-fixing, for tide selling, and for every market abuse that one can bring into that sector.

Petro-Canada was meant to perform the function of being an honest participant in that market, to the extent that there was one, that would give Canadians the break at least of some honest competition. I am not saying that the other companies are performing dishonestly. The record speaks for itself. They have done from time to time in the past. I am saying that having Petro-Canada government owned out there in the so-called marketplace would be one ingredient assuring Canadians that there was some element of opportunity for willing sellers to look for the best deal.

I also wanted to make the point that the government needs an energy policy. The Minister of Energy, Mines and Resources has just come into the House and I am very glad to see him. He uses the rhetoric from time to time of there being a marketplace, when the government's own actions, half-baked and tentative as they are, shows that it recognizes itself that there is not a marketplace. This country needs an energy policy.

We are a uniquely situated country. Most countries in the world do not have a choice about what their energy policy is going to be. They do not have the margin to do very much picking and choosing or structuring about what their energy policy is going to be. Either they are exporters of one particular kind of energy, or they are importers. They are stuck in an international situation which pretty well dictates what their energy policy is going to be.

Canada is unique in having the opportunity to have a real put together, considered, multi-faceted energy policy. We are so well endowed with so many options as you move from coast to coast. There are tidal opportunities. There are hard metal and uranium opportunities. There are conventional oil sources. There are tar sands. There are offshore opportunities. Every variety of possibility that the mind can concede is a possible option for Canada.

The government says the marketplace is going to tell us all about that, as if it did not know itself by what it did in Hibernia, for example, that the marketplace is not going to deliver. It is not going to be the decision maker for us about where our future is going to lie. The marketplace is a very short-term, reactive phenomenon. Canada can have an energy policy which, if we want to support it, can be a strong factor in national unity for the country. We can have an energy policy that looks to every region of our country and to its opportunities and offers as a nation to see them supported.

Some energy opportunities take 10 years to bring to market and a lot of new technology and new thinking about conservation, distribution and refining. It is not something that the marketplace can adequately respond to. It is something that we ought to put together in the same way that we put Canada together in 1867 with the concept of a railway, something that the marketplace would not have given us, something that needed to be a kind of national vision.

I put it to the government that energy for Canada is not just a marketable product. It is a strategic resource in which we have so many options and ways to go and such a possible long horizon of planning and opportunity, that to put forward a false premise or theory of common sense, which it says dictates that Petro-Canada must be sold now, is an insult and a betrayal of our future as a country.

It does not surprise me that the government is not thinking about the future of the country or that it is not trying to build or to enlarge. So many of the things that the government has done have backfired, but even the ones that have been successful have resulted in the diminishing of what it means to be a Canadian and to know what Canada is all about. It has to learn. I hope there will be a government in office one day that will know that to hold the country together, one has to keep building, not privatizing, deregulating, Americanizing, or turning over to the provinces. That is not a future for our country.

[*Translation*]

The Acting Speaker (Mr. DeBlois): It being six o'clock, the House stands adjourned until tomorrow at 11 a.m, pursuant to Standing Order 24(1).

The House adjourned at 6 p.m.

HOUSE OF COMMONS

Thursday, October 11, 1990

The House met at 11 a.m.

Prayers

[*Translation*]

PRIVILEGE

ALLEGED LACK OF CONSULTATION OF PARLIAMENT

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, this morning I gave the Chair notice that I wanted to raise, at the first opportunity, a question of privilege on the manner in which the government proceeded yesterday, and I am referring to the fact that the Minister of State (Privatization and Regulatory Affairs) gave notice pursuant to Standing Order 78(3). I would like to read the following which appears at page 2095 of the *Votes and Proceedings* for Wednesday, October 10, 1990:

> Mr. McDermid, a Member of the Queen's Privy Council, from his place in the House, stated that an agreement could not be reached under the provisions of Standing Orders 78(1) and 78(2) with respect to an allocation of time to the second reading stage of Bill C-84, An Act respecting the privatization of the national petroleum company of Canada, and, under the provisions of Standing Order 78(3), gave notice of his intention to move a motion at the next sitting of the House for the purpose of allotting a specified number of days, or a day, for the consideration and disposal of that stage of the said Bill.

Mr. Speaker, this happened late yesterday, after we had heard three speakers in a debate that started yesterday in the House—three speakers on a very important bill.

Mr. Speaker, I will try to be as brief as possible. The notice given by the minister is irregular, because he misled the House by implying that Standing Orders 78(1) and 78(2) had been used. Not so, Mr. Speaker! Neither 78(1) nor 78(2) were used, and as for 78(3), according to us, according to the traditions and customs of this House, in fact for more than 20 years, Mr. Speaker, since 1969, when the Standing Orders were amended, the government has always been required to make every effort to consult with the party of the government's Official Opposition—in this case the Liberal Party—and the other parties in this House, in this case the New Democratic Party.

Mr. Speaker, I can assure you that neither the Parliamentary House Leader of the Liberal Party nor the Deputy House Leader and Whip, the hon. member for Cape Breton—Richmond East, nor my colleague, friend and deputy, the hon. member for Kingston and the Islands, nor the Deputy Whip of the Official Opposition, the member for Glengarry—Prescott—Russell, Mr. Boudria, were ever consulted.

Therefore, no one in this House can say there has been any attempt to consult with the Official Opposition pursuant to Standing Orders 78(1) and 78(2). Mr. Speaker, what do these Standing Orders say? I will read them, because this is very important.

[*English*]

> 78.(1) When a Minister of the Crown, from his or her place in the House, states that there is agreement among the representatives of all parties to allot a specified number of days or hours to the proceedings at one or more stages of any public bill, the Minister may propose a motion, without notice, setting forth the terms of such agreed allocation; and every such motion shall be decided forthwith, without debate or amendment.

Mr. Speaker, that has not been done. That was not done by the government.

Standing Order 78(2), Mr. Speaker, which flows after Standing Order 78(1), reads as follows:

> (2) When a Minister of the Crown, from his or her place in the House, states that a majority of the representatives of the several parties have come to an agreement—

And I underline "several parties have come to an agreement":

> —in respect of a proposed allotment of days or hours for the proceedings at any stage of the passing of a public bill, the Minister may propose a motion, without notice, during proceedings under Government Orders, setting forth the terms of the said proposed allocation; provided that for the purposes of this section of this Standing Order an allocation may be proposed in one motion to cover the proceedings at both the report and the third reading stages of a bill if that motion is consistent with the provisions of Standing Order 76(10). During the consideration of any such motion no Member may speak more than once or longer than ten minutes. Not more than two hours after the commencement of proceedings

> thereon, the Speaker shall put every question necessary to dispose of the said motion. Any proceeding interrupted pursuant to this section of this Standing Order shall be deemed adjourned.

Mr. Speaker, that was not done. Standing Order 78(2) was not followed. From all this flows Standing Order 78(3) which says that if we could not get agreement under Standing Order 78(1) and we could not get agreement under Standing Order 78(2), then the government can come and consult with the parties and possibly after that consultation give a notice. I will read it:

> (3) A Minister of the Crown who from his or her place in the House, at a previous sitting, has stated that an agreement could not be reached under the provisions of sections (1) or (2) of this Standing Order in respect of proceedings at the stage at which a public bill was then under consideration either in the House or in any committee, and has given notice of his or her intention so to do, may propose a motion during proceedings under Government Orders, for the purpose of allotting a specified number of days or hours for the consideration and disposal of proceedings at that stage; provided that the time allotted for any stage is not to be less than one sitting day and provided that for the purposes of this section of this Standing Order an allocation may be proposed in one motion to cover the proceedings at both the report and the third reading stages on a bill—

And so on. Mr. Speaker, yesterday, I submit to you, this House was misled intentionally by this government, was not—

• (1110)

Some hon. members: Order, order.

Mr. Gauthier: I am using my words carefully, Mr. Speaker, and I will use those words carefully and I use them knowing exactly what they mean.

Mr. Speaker: Well, it is a very serious charge. I just want to consider my position for a moment or two. I would ask the hon. member to take his seat. I want to consider my position for a moment or two.

The hon. member for Ottawa—Vanier has raised, by way of a question of privilege—

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

Mr. Speaker: The hon. parliamentary secretary.

Mr. Cooper: Sorry, Mr. Speaker. I just want a point of clarification. If you are rising to make a ruling, it would be important that we on this side have an opportunity to respond. I just wanted to clarify that. It is not to interrupt the Chair in any way.

Mr. Speaker: I appreciate the hon. parliamentary secretary and perhaps I should have made that clear. I am not, at this moment, making a ruling on the question of privilege raised by the hon. member for Ottawa—Vanier. I am dealing with another matter that has emerged during the hon. member's intervention. But I want all hon. members and I want the public to understand where I am and what it is I have to do at the moment.

The hon. member for Ottawa—Vanier has, by way of a question of privilege, said in effect that the notice given by the hon. minister yesterday under the rules is not a proper notice because the minister has said that agreement could not be reached and that things that should have taken place have not taken place.

Earlier in the argument he said that the minister rose to give notice late yesterday afternoon after three speakers had debated and that by saying that agreement could not be reached he misled the House.

I would ask for hon. members' attention, please. that is not an easy subject. At that stage the hon. member had said the minister had misled the House.

Mr. Gauthier: No, I said the government misled the House.

Mr. Speaker: All right, through the minister the government had misled the House.

At that point there had been no accusations of deliberateness. Now, at a later stage in the argument, there is an accusation of deliberateness. If I have misunderstood what the hon. member said—and if what the hon. member said is that the government deliberately misled the House and that is not directed at the minister—then I would like clarification for that.

I do have the "blues" in front of me. I want to be absolutely sure that we do not have an accusation of deliberate misleading against the minister which has emerged from an argument that may or may not be valid on other grounds. That is the difficulty the Chair is in.

I will hear the hon. member for Kamloops and maybe he will be able to assist the Chair. I will hear the hon. member for Ottawa—Vanier in a moment.

Mr. Gauthier: Mr. Speaker—

Mr. Speaker: I will hear the hon. member for Ottawa—Vanier. Then I will hear the hon. member for Kamloops.

Mr. Gauthier: Mr. Speaker, I will just use the documents that are available to all members. I will leave it to the House to decide if what I have just said—

Mr. Speaker: That is not my problem at the moment. It may become my problem as I deal with the argument the hon. member is putting up. What I want to know is: Is the hon. member taking the position that he is making an allegation that the minister—

Mr. Gauthier: No.

Mr. Speaker: —deliberately misled the House? No.

Mr. Gauthier: Mr. Speaker, I want to correct that impression that you got because I did not use those words. What I did say was that the government misled the House, and I said deliberately misled the House, and I can argue that point.

An hon. member: That's right.

Mr. Speaker: Perhaps the hon. member for Kamloops can help me.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I simply want to concur. I was listening obviously very carefully to my hon. friend for Ottawa—Vanier presenting his arguments. When he indicated that there had been misinformation, he did in fact refer to the government misleading the House as opposed to any particular member of the government.

Mr. Speaker: I am prepared to proceed to listen to the hon. member for Ottawa—Vanier, but on the clear understanding that the House has had an assurance from him that there is no allegation that the minister has deliberately misled the House.

Hon. members will realize that that is something we have to clarify now. There may well be other arguments that I will have to listen to. I think I know where the argument is going, but I do not want to have any misunderstanding at this point.

Mr. Gauthier: Mr. Speaker, I think I clarified what I said, what I meant to say, what I thought I had said—

An hon. member: And what you did say.

Mr. Gauthier: —and what I did say, I still maintain and I will repeat again. The government misled the House of Commons and did it deliberately. That is the argument that I want to make, Mr. Speaker, and I will make the argument using the documents that we all have in hand today.

I take Standing Order 78(3)—

Mr. Speaker: Just a moment. Let us get the first issue cleared away. I will hear further. The hon. parliamentary secretary was seeking the floor.

Mr. Cooper: Mr. Speaker, first of all may I say that any attempts by anybody to mislead the House, I do not want in any way to have reflected on the minister. I think that responsibility is mine, as it is an area of my responsibility to negotiate with the other parties and attempt to come to an agreement.

I would like to enter into the point of privilege raised by my hon. friend because I think that he has raised an important point. It is one that I think deserves a serious response.

• (1120)

Mr. Speaker: Just a moment. We are still dealing with the question of the words used. I listened to the hon. member for Kamloops. I think it was appropriate to listen, at least momentarily, to the hon. parliamentary secretary.

I want to assure the hon. parliamentary secretary that before I make any decision he will be heard on the substantive argument that the hon. member for Ottawa—Vanier is raising. There was no need to go any further than that.

The hon. member for Ottawa—Vanier has given us his word that he is not directing any accusation against the minister for intentional misleading. I will accept that and I will hear his argument further. Then I will call on other members.

Mr. Gauthier: It went through my mind, Mr. Speaker, but I just will not say it. I just would like to continue with my argument to the effect that this is a faulty notice. I want to make the point using documents that we have before us. In Standing Order 78(3) it states:

> A Minister of the Crown who from his or her place in the House, at a previous sitting, has stated that an agreement could not be reached—

I underline "could not be reached". In the statement the Minister of State for Privatization and Regulatory Affairs made in the House yesterday he said:

> I have been informed that to date, agreement has not been reached—

There is a difference. The Standing Order says "could not" and the minister of state said yesterday "has not". To have an agreement, one must have two or three people participating in a kind of dialogue where exchanges are made. That is what an agreement is. An agreement is when people, in accord with the parameters of the problem before them, decide to do certain things.

The minister yesterday said there has been no agreement. How the heck could he say that when he knows darn well that there was no consultation with anybody on this side of the House? How could the minister, in his great intelligence, decide that the opposition, after three speakers in the House, had been consulted because he heard from this side opposition views on that bill? Is that what he did? I would like to hear from the minister as to why he put that in there, that it has been a fact that an agreement could not be reached. That is wrong and false.

In the standing order the use of the language is the same as in the notice given: an agreement has not been possible. The wording does not precisely say that the minister has tried to reach an agreement. It does not say that. The following is stated in yesterday's *Hansard* at page 14016:

> I have been informed that to date, agreement has not been reached—

What does that mean, Mr. Speaker?

I have been around here for 18 years and a lot of people in this House believed and thought that the customs, the procedures, and the usual way of doing things, the courteous thing, was to have consultations under Standing Order 78(1). That is the practice in the House, for those who are listening.

The rule says that the government comes to the opposition and says: "We would like to limit the debate on such and such a measure, or such a bill or motion. Would you agree to give us debate for maybe two or three days?" That has been done over the years since 1969. As I said before, that has been the practice. That has been the custom. That has been the rule of the House.

If the government could not get agreement under Standing Order 78(1) from all parties, maybe a majority of the parties, maybe two of the three parties in the House, would agree. That was Standing Order 78(2). If not, then it could use Standing Order 78(3) and give notice that no agreement could be reached. But, Mr. Speaker, to get an agreement you have to try to get an agreement and they never even tried to get an agreement.

My argument to you, Mr. Speaker, is that by saying to Canadians and to the House that Standing Orders 78(1) and 78(2), as we used them, is false. The government never used Standing Order 78(1). It never used Standing Order 78(2). It is jumping the rules and using, in my view, the wrong approach. They are using the wrong—

Mr. Tobin: It is against the rules.

Mr. Gauthier: As the member says, it is against the rules to go and make that kind of statement.

There is more than an implication of the government. At least it must try under Standing Orders 78(1) and 78(2). Technically the government could argue—I will give him that—that it has not been possible to reach an agreement. It could say that and that we would have to accept.

Mr. Speaker, you would have to start by stating that you tried to get an agreement, and the government never tried to get an agreement.

In my experience here in this House as Whip and as House leader, every time the government has come to us for consultation on this matter we have given a fair, an open and a direct answer to its questions. And it has used it. Time allocation and closure are well known to this government. It will go down in history as the government that misused, abused, and used that continuously to gag the House, but that is not the point I am trying to make.

We have been consulted on this matter before. It is true that sometimes we do not agree, but at least it tried. Then it comes in and says: "Because we cannot get an agreement, we move the time allocation procedure allowed under Standing Order 78(3)." We accept that. We know that.

The government has to get this legislation through. We know there are time limits on debates sometimes. The throne speech debate is eight days. The budget speech is five days. We accept those things. Those are rules of this House, but you have to operate within the rules of the House.

Mr. Speaker, you are to be the protector of those rules. That is why I appeal to you under my privileges and those of my group to protect us from those kinds of Senate oriented habits it has acquired. The way the Senate is doing it is the same bloody practice that the government wants to put here in the House of Commons. We will object to that as strenuously as we can.

I appeal to you, Mr. Speaker, to use your good judgment and your good offices to think this through and, based on what you have told me before, to try to come to grips with what is an agreement. It is not a debate. It is a process of consultation.

I am not debating with the government side as to whether or not we should or should not have time allocation. I am just saying that consultation with the opposition is required by the Standing Orders. They must be followed if we are to follow the rules, and I appeal to you, Mr. Speaker, to rule this notice as void and null, and absolutely non-existent.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, in listening to my hon. friend I must say that I am almost persuaded by his very eloquent argument.

However, as I think anyone who spent any time in this House will know, there are always two sides to every debate and every question. In this case this is no exception. There are in fact two sides to the question.

It is interesting that in the four years prior to 1984 the government which the hon. member was a part of used time allocation and closure some 26 times. My information is that in the six years following that date we have hit an anniversary: we too have used it 26 times. Unfortunately, we were two years longer in that process than were the Liberals when they were in government. My point is this—

An hon. member: Oh, oh.

Mr. Speaker: The matter that has been raised is not an easy one. I have to interpret the orders as they are written.

It does not help the Chair and it does not help the reputation of this place, when the hon. parliamentary secretary, the hon. member for Kamloops, or anybody else is arguing a difficult and technical point, that some other member who is in general disagreement with the position taken but is not engaged in the technical and difficult debate is shouting from his or her seat.

Please, I ask hon. members to assist the Chair and to do it in a civilized and careful way. The country is desperately looking to some place where these things can be done and are done in a civilized way. I know that hon. members are very conscious of that, and I know that I can count on their co-operation.

• (1130)

Mr. Cooper: Mr. Speaker, the point I want to make is that in fact what has happened is time allocation and closure. These are the rules which are provided for our use in this House. They have become part of our operating system and have been used for more than 10 years. It is interesting that today it balances out, 26 times in the previous four years prior to 1984, and six times since.

It is interesting to read Standing Orders 78.(1), (2) and (3). I would like to refer to phrases in them. In Standing Order 78.(1) it states there is an agreement. In 78.(2) it states that the majority of the representatives of the several parties have come to an agreement. However, Standing Order 78.(3) says in the third line that an agreement could not be reached under the provisions of the previous sections.

What is interesting about that particular wording is that it mentions an agreement but it does not mention the process. That is very crucial here. It is very central to the issue we are discussing at the moment. The reason it is so crucial is that it does not say or lay out a process that has to be followed with a little check list, and at the end of that check list one says the check list is completed, therefore this action takes place.

There is a very important reason, I believe, why the drafters of the Standing Order chose that particular wording. Essentially, what we are up against is that in order to have an agreement, you have to have a conversation. You have to have a discussion. However, there have been times, and it is not only today, but at other times in the past, that it is impossible to have that conversation. Therefore, just because that particular conversation does not take place does not mean that there have not been attempts for consultation and that the requirements of Standing Order 78.(1) and (2) have not been fulfilled.

I would like to make a point which is very germane to the argument we are facing today, and upon which, Mr. Speaker, you will have to make a decision. I would like to read the words of the minister when he rose in the House yesterday afternoon to propose this motion. I quote from page 14016 of *Hansard*, the top right hand column:

> We will continue to try to get an agreement with the opposition parties on a reasonable length of time that we debate this on second reading and get it into committee for an in-depth study.

In other words, the minister offered once again at the time of the introduction of the notice, an opportunity for negotiation. I use the words "once again" because I think those words are very crucial.

I would also like to point out that at page 14015 of *Hansard* the time listed at the bottom of the page on the left hand corner is 1740. I am guessing that roughly the time the minister put the proposal to the House was somewhere around 1745 or 1746. In other words, it was late in the debate yesterday.

Why did the minister move at that particular moment? Was it a time pulled out of the air? No, it was not the time pulled out of the air. The reason it was not a time pulled out of the air is because yesterday, in my role as parliamentary secretary to the leader of the government in the House, I tried to discuss with the opposition parties an attempt to come to agreements on a whole basket of legislation.

Yesterday the hon. member who rose on the point of order, the House leader for the Official Opposition was doing some important work in committee. I know that. As a result of that, yesterday I attempted to talk to the Whip of the Liberal Party. I attempted on three different occasions to talk to him. He was in and out of the House so we kept missing one another. I left word in the back room that I wished to speak to him. I waited until a few minutes to six, and in fact, as the timing shows in *Hansard*, I think it would work out to roughly 5.45, before I asked the minister to proceed with the notice on the time allocation.

The reason I point this out is that there were attempts on my part to have a discussion with the Official Opposition to go through this process. While going through the process of trying to have my discussions yesterday, I ended up talking with the House leader for the NDP. During the conversations we had it became very obvious to me that in fact there was no possibility for agreement under Standing Order 78(1). That one was clearly ruled out.

I attempted then to have conversations with the Official Opposition but was not successful. There were further attempts made and in fact, finally last evening, I ran into the Whip for the Official Opposition as he was going up in the elevator and after talking to him a moment indicated to him that it was our intention to proceed with this notice, but that we would still want to talk. I also had a conversation this morning with the House leader of the Official Opposition.

Mr. Speaker, what I am tying to demonstrate to you, I hope successfully, is that there have been several attempts, both publicly and privately, to proceed with discussions which would allow us to come to an agreement. But in fact, Mr. Speaker, those consultations did not take place other than the discussions that happened at the House leaders' meeting on the Tuesday previous, 48 hours or more ago.

I think it is very crucial because, again, if you go back to the wording of Standing Order 78(1), (2), and (3) it becomes very apparent from that wording that an agreement could not be reached.

Mr. Speaker, we could not reach an agreement. We have offered on several occasions, including as much as an hour and a half ago, to have further consultations to come to some sort of agreement. That was refused and obviously we do not have an agreement.

I think, Mr. Speaker, the notice of motion that was given yesterday by the minister was a perfectly legitimate motion. It was obvious that there was not agreement, and there was every reason to believe, as has been confirmed, that there was no agreement.

So, Mr. Speaker, we are left with a situation where the government wants to continue with its legislative agenda and do that in a reasonable time frame, it has to resort to the tools that are provided by the House of Commons in its Standing Orders.

We have done that. We have done that in this case. We have done it in previous cases. So although my friend makes a very persuasive argument, Mr. Speaker, I want to say that it simply is not a legitimate point of privilege. We offer once again to have consultations and to continue to have those negotiations.

Mr. Speaker, I want to indicate that we are more than happy to negotiate on a reasonable timetable for all legislation.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I listened with interest to my friend the parliamentary secretary and while I find his comments to be interesting I do not find them terribly relevant.

I want to say right from the beginning that this is a most serious issue which the House leader for the Official Opposition has raised. The rules are there to be followed precisely and I would suggest that they were written with care. Any of us who have gone through the process of attempting to write standing orders recognizes the care and thought that goes into the wording of a particular standing order.

Mr. Speaker, I would like to refer to some precedents first of all. I want to go back to April 14, 1987, during the debate on Bill C-22, when the Speaker at that point made this comment:

> Rules of procedure—are designed to allow the full expression of views on both sides of an issue. They provide the Opposition with a means to delay a decision. They also provide the majority with a means of limiting debate in order to arrive at a decision. This is the kind of balance essential to the procedure of a democratic assembly. Our rules were certainly never designed to permit the total frustration of one side or the other—

Mr. Speaker, I also refer to the February 7, 1990 *Hansard* at page 7948 when you made the following comments:

> Notice of time allocation motions after only a few hours of debate at any stage of a Bill can also be an abuse.

• (1140)

First of all to put this into some context, and I think the record is very clear, the Conservatives have in their six years doubled the use of closure and time allocation in the whole history of Parliament since 1867. In other words, no other government has used closure and time allocation to the extent of this particular government in our entire history. We have seen in committees, in this House, as well as the other place, an abuse of the rules, tradition, custom, interpretation and convention.

My recollection is that at the most recent House leaders meeting, which took place on Tuesday afternoon, I do not recall at that time whether there was a discussion as to the limits of debate on the privatization of Petro-Canada. I do not recall that. I do, however, agree with my hon. friend, the parliamentary secretary, that we had discussions about the debate. But I point out that we only had three speakers, the minister responsible, the critic for the Official Opposition and the critic for the New Democratic Party spoke.

When my hon. friend the parliamentary secretary says that it was his intention to discuss this with somebody but he could not find anyone to discuss it with, Mr. Speaker, I submit to you with all respect that there are a number of people within each party with whom the hon. member could have discussed this issue, for example, the critics who were speaking. The critic for the Official Opposition was not consulted. The critic for the New Democratic Party was not consulted. Then there are House leaders, then there are deputy House leaders, then there are whips and there are deputy whips.

My friend the parliamentary secretary, if he is listening, knew where the House leader of the Official Opposition was yesterday afternoon. He was in committee, as was the whip for the New Democratic Party, in a very important committee meeting, namely the meeting on the Parliament of Canada Act. He was aware of that. It was a few steps down the hallway.

When the parliamentary secretary says that he attempted to converse on this issue, I suggest that he made very little effort to converse.

Mr. Layton: Were you consulted?

Mr. Riis: We had a discussion.

Therefore, I want to reinforce that I think my colleague, the hon. member for Ottawa—Vanier, made the case well. We are all familiar with Standing Order 78(1), (2) and (3). When in Standing Order 78(3) it says an agreement could not be reached, surely to goodness that means that consultations or discussions of some kind would have to take place. When the parliamentary secretary now has admitted today that absolutely no conversations took place with representatives at least of the Official Opposition on this matter, it is perfectly clear.

I might say that I do not recall precise discussions of this nature, but we have had ongoing casual discussions for many days. I think what it does clarify is that if the government is going to use closure and time allocation again we had better formalize and use the formal meetings where the House leader of the government and the House leaders of the other parties meet regularly and formally to discuss the work of the House. Surely to goodness it must be at that time, or else another formally

convened meeting when discussions of this nature must take place.

I submit to you, Mr. Speaker, with all seriousness that for Standing Order 78(3) to be used by the minister responsible for privatization and quoted in this House yesterday, where it says that an agreement could not be reached, and when we have determined today, without any question, that there was no discussion regarding an agreement at least between the government and the Official Opposition, I submit that if we are going to follow rules that are written for this House, we must do just that, follow the rules. If the rules are not followed, Mr. Speaker, I beg of you to recognize that at this point we have seen a breach of those particular rules, as they were intended to be followed. It would be appropriate for us not to proceed at this point with a time allocation motion and subsequent discussion and debate.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I would just like very quickly to correct the record in terms of what the hon. member for Kamloops said about the use of closure. I have here all of the time allocations. The rule, which is now 78(1), (2) and (3), was imposed in 1971 by the Trudeau government. Between 1980 and 1984 inclusive, it was used 29 times in that four-year period. In the six-year period since then, it has been used 27 times. So, we have used it fewer times in six years than the Liberals used it in four years.

That is to answer the atrocious distortion by the hon. member for Kamloops that this government has used it more often than any government in history. We have a long way to go to catch up to the Trudeau government.

Mr. Arseneault: That's debate.

Mr. Allmand: Nobody believes you Harvie.

Mr. Andre: Mr. Speaker, apparently the facts are unacceptable to the Liberal opposition.

On March 29, 1990, the hon. member for Kamloops raised a complaint about the use of time allocation. Mr. Speaker said at that time, and I quote from page 9917 of *Hansard*:

> The hon. member for Kamloops has raised a complaint. At the same time, he has indicated that at least in his mind there was a possibility of obtaining a workable understanding.

—on time allocation. Mr. Speaker went on to say, and I quote:

> The hon. minister has said that in his view that was not possible.
>
> I have had to deal with this matter before, as hon. members know. I refer all hon. members to a ruling made on August 16, 1988, as reported on page 18380 of *Hansard*. In the very last paragraph I had to say this:
>
> Standing Order 117—
>
> Which is now Standing Order 73:
>
> —provides for a Minister to act if there is no agreement and as I stated on June 6, 1988, the Chair must take a Minister's declaration at face value and cannot judge the quality of negotiations or of any proposals that may have been made.
>
> I think that is the position that the Chair has to take.

I think that clears it up and we can get on to the business, Mr. Speaker. We have now taken up 45 minutes.

At the House leaders' meeting on Tuesday, I asked whether there would be agreement on some sort of reasonable period on this bill. There was no such agreement and it was obvious. I, indeed, asked, "Are you suggesting I will have to move to time allocation?" The acknowledgement was that I probably would have to do that. You have heard my parliamentary secretary state his efforts to reach some sort of agreement under 78(1) or 78(2).

I would repeat my offer now: if we can reach an agreement, under 78(1) or 78(2), I am prepared to reach such an agreement. I am prepared to do that now, right now, if there is such an agreement from the Opposition. I was not able to get it at the House leaders' meeting, which is the reason we have those meetings—in order to have those discussions.

My parliamentary secretary followed up yesterday, in the afternoon, with an attempt to reach an agreement, thinking that, after their caucuses, perhaps there was some inclination maybe to reach an agreement. There was not. On that basis, we are moving with 78(3) which, Mr. Speaker, but for the time we waste today, would have provided for three days at second reading on this legislation, which is quite a considerable amount of time, given the other processes that have to go through.

I would humbly suggest, Mr. Speaker, that the ruling you made on March 29, 1990, as a result of the complaint of the member for Kamloops, is appropriate in today's circumstances as well.

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, some certain comments have been attributed to me by my friend, the honorary Parliamentary Secretary to the government House leader. I do not know if he is "honorary" or "honourable" of whatever, but I have to take him at face value.

It reminds me of the occasion when I defended a convicted individual in court in Halifax. The gentleman, at that time, was up for living off the avails of prostitution. When we went before the judge, the judge wanted to ask a specific question of my client—this is germane, Mr. Speaker—and he asked a question of my client. He said: "Were you at such and such a place on such and such a date?" My client responded: "Well, Your Honour, the weather outside is very nice." He would not answer the question which was put to him. When you hear the comments from the hon. parliamentary secretary to the government House leader, he does everything but go to the substantive part of Standing Order 78.

• (1150)

There are certain preconditions, Mr. Speaker, in order to put this particular standing order into effect. They are outlined in Standing Order 78(1), 78(2), and 78(3). Those are the facts. To suggest that there was some sort of nefarious agreement which nobody on this side of the House has ever heard about, was ever informed about, or consulted about, is not accurate.

The hon. parliamentary secretary has made allusions to the fact that he had tried to attempt to get a hold of me. If the parliamentary secretary would be clear in his own thinking, he would know that we both have been trying to get hold of each other, to discuss a particular matter pertaining to the striking committee. That was the reason, Mr. Speaker, that I have attempted to reach him and he tried to reach me. There was never a scintilla of a sentence, a message—absolutely nothing with regard to wanting to talk. Not a smidgen, as they say in Newfoundland. Not one smidgen, Mr. Speaker, of an attempt to try to get any kind of an agreement and/or to discuss the prospects of an agreement.

The parliamentary secretary is correct. He saw me enter into an elevator after six o'clock last night, after the Minister of Privatization stood in his place and gave the notice. He—

Mr. Speaker: I hesitate to interrupt the hon. member but the various versions of what happened or did not happen may not be very much help to the Chair, keeping in mind past past rulings. I think we have heard enough. Both sides have indicated that they have a certain position to take on whether there was or was not adequate consultation or enough effort made.

I am much more concerned about the plain wording of the rule and what the minister may be required to say when he rises in his place. The minister said an agreement has not been reached. The plain wording of the rule says that the minister is to say that agreement could not be reached. I would ask the hon. member to address that point specifically.

Mr. Dingwall: Mr. Speaker, in response to your direction I will follow that, but for the record, the hon. member opposite has talked about process. He has tried to stack his argument with regard to process.

Mr. Andre: Order.

Mr. Speaker: Just a moment. In order to help hon. members, I have just indicated that this is a very narrow procedural point. I have allowed a certain latitude with respect to what was or what was not said.

I am asking anyone who intervenes or is recognized by the Chair to address this narrow procedural point. I am bound by rules. The rules say certain things. The minister said something else. That is the point I am coming to.

Mr. Dingwall: Under Standing Order 78, it is very clear. It states in 78(1):

> —that there is agreement among the representatives of all parties—

Standing Order 78(2) says:

> —that a majority of the representatives of the several parties have come to an agreement in respect of a proposed allotment of days—

Mr. Hawkes: Did that happen? Did either of those things happen?

Mr. Dingwall: Standing Order 78(3) states:

> —has stated that an agreement could not be reached under the provisions of sections (1) or (2)—

Mr. Dingwall: "Could not be reached," Mr. Speaker. We suggest to you respectfully, Sir, that under the provisions of Standing Orders 78(1) and 78(2), there was no attempt at any agreement whatsoever.

The provisions of Standing Order 78(3) are not applicable. Therefore, the motion is null and void.

In conclusion, one of the most fundamental responsibilities of the Chair in the House is to make certain members of Parliament, all members of Parliament, abide by the rules of the House of Commons.

If members came into this Chamber dressed inappropriately, Mr. Speaker, you would draw that to their attention and corrective action would be taken. I suggest to you, Sir, that these rules have been broken by hon. members opposite. It is clear beyond a shadow of a doubt that they are in breach of the Standing Orders and I would hope, Mr. Speaker, that you would find a *prima facie* case on the question of privilege of the hon. member for Ottawa—Vanier.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I want to be quite brief in my dealings with Standing Order 78(3). It seems to me the rule is very clear, notwithstanding the precedent that the government House leader has cited in Your Honour's ruling in March of this year, I believe it was.

I submit that the quality of the negotiations is not what we are asking Your Honour to inquire into. We are asking Your Honour to determine that there were, in fact, no negotiations. It is our submission that negotiations are required under Standing Order 78(3) before the minister can stand in the House and say that agreement could not be reached.

The minister himself is now saying that he did not say that. He said there was no agreement. I submit that saying that there is no agreement is one thing, and it is not what he is required to say. He has to say that no agreement could be reached, and in order to reach an agreement you have to have negotiations. That is elementary. There were no negotiations in this case. There was no consultation in this case. I came into the House at four o'clock. I was in here for a short time. I was in my office. The parliamentary secretary knows he can deal with me.

Mr. Speaker: I can save a lot of time. We are all interested in all interventions. I do not need to hear anything more on what was or was not said. I am asking the hon. member who has considerable legal training in his own right to address the very direct question I have posed, and that is the wording of the rule.

Mr. Milliken: Mr. Speaker, the wording of the rule is that an agreement, and I quote it again:

—that an agreement could not be reached—

It is my submission that, in order to attempt to get an agreement, you must negotiate. You must make an effort. You must go and ask, and I submit there has been no asking in this case.

In my limited experience in the House, and I will admit that my experience with this rule in terms of negotiations is relatively limited, but I did witness it once with the predecessor of the current government House leader. He came into the opposition lobby one day and said: "This is a formal consultation. Is there agreement under 78(1) or 78(2) to limit debate on this bill?" Our House leader at the time, the hon. member for Ottawa—Vanier, said: "No, there is no such agreement." The minister said: "Thank you very much." He left and moved a time allocation order. That is the way it is done. It is elementary.

I submit that that was not done in this case. For the minister to stand up and say, in fact, that there has been no agreement may have been true, but there was no negotiation and he had to say more than that. He had to say that he could not get an agreement and he did not say it. In my submission, the notice given yesterday is null and void.

Mr. Speaker: I will reserve for a little while my decision on this matter. In the meantime, we will proceed with Routine Proceedings.

ROUTINE PROCEEDINGS

[*Translation*]

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, I am pleased to table, in both official languages, a number of Order in Council appointments which were made by the government. While I have the floor, Mr. Speaker—

[*English*]

I move:

That the House do now proceed to Orders of the Day.

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

Some hon. members: Yes.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: nay.

The Acting Speaker (Mr. Paproski): In my opinion, the yeas have it.

And more than 15 members having risen:

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

The House divided on the motion, which was agreed to on the following division:

(*Division No. 304*)

YEAS

Members

Anderson
Atkinson
Beatty
Bernier
Bjornson
Blais
Bouchard (Roberval)
Brightwell
Cadieux
Cardiff
Chadwick
Charest
Clifford
Cook
Corbeil
Darling
de Cotret
Dobbie
Dorin
Edwards
Fee
Ferland
Fretz
Gibeau
Halliday
Hawkes
Holtmann
Hudon
Jacques
Johnson
Kempling
Larrivée
Lewis
MacDonald (Rosedale)
Malone
Martin (Lincoln)
Andre
Attewell
Belsher
Bertrand
Blackburn (Jonquière)
Bosley
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Clark (Yellowhead)
Cole
Cooper
Côté
DeBlois
Della Noce
Domm
Duplessis
Epp
Feltham
Fontaine
Friesen
Gustafson
Harvey (Chicoutimi)
Hogue
Horning
Hughes
James
Joncas
Koury
Layton
Loiselle
MacKay
Marin
Mayer
Mazankowski
McDougall (St. Paul's)
Mitges
Moore
Nicholson
O'Kurley
Porter
Reid
Ricard
Robitaille
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Turner (Halton—Peel)
Vankoughnet
Vien
Weiner
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—122
McDermid
McKnight
Monteith
Mulroney
Oberle
Plourde
Redway
Reimer
Richardson
Rocheleau
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Van de Walle
Vézina
Vincent
Wenman
Wilbee
Winegard

NAYS

Members

Allmand
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Baker
Benjamin
Blondin
Caccia
Campbell (South West Nova)
Crawford
Dingwall
Duhamel
Fisher
Foster
Gaffney
Heap
Hovdebo
Keyes
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Maheu
McCurdy
Milliken
Pagtakhan
Parker
Prud'homme
Riis
Skelly (Comox—Alberni)
Stewart
Taylor
Vanclief—61
Angus
Assad
Axworthy (Winnipeg South Centre)
Bélair
Blackburn (Brant)
Breaugh
Callbeck
Catterall
de Jong
Dionne
Ferguson
Flis
Fulton
Harvey (Edmonton East)
Hopkins
Hunter
Kristiansen
Laporte
Lee
MacWilliam
Manley
McGuire
Ouellet
Parent
Proud
Rideout
Samson
Speller
Stupich
Tobin

• (1240)

The Acting Speaker (Mr. Paproski): I declare the motion carried.

Mr. Speaker: I wonder if I could ask the hon. member, before raising the point of order, to allow me to render the judgment, which I said I would do.

Point of Order

PRIVILEGE

ALLEGED LACK OF CONSULTATION—SPEAKER'S RULING

Mr. Speaker: The hon. member for Ottawa—Vanier rose earlier this morning on a question of privilege concerning whether or not the hon. minister had given valid notice pursuant to the provisions of sections 78(1), 78(2) and 78(3) of the Standing Orders relating to time allocation.

The hon. minister said "I am informed that to date agreement has not been reached under the provisions," et cetera. I point out that he also said "we will try to get an agreement with the opposition parties on a reasonable length of time".

There has been considerable discussion this morning with respect to what is or what is not required under the Standing Order in terms of consultation or exchange of views between the government and others in the Chamber.

I want it clearly understood that my ruling today does not turn in any way, or on any particular, on any of the comments that were made during arguments as to the question of discussions between, or lack of discussions between, anybody in this Chamber at all.

My ruling does not take anything away from rulings of past Speakers, and especially my ruling of some months ago, in March I think of last year. It made it very clear that under the rules it is not for the Speaker to go behind the statement of the minister and try to make a factual ruling as to whether or not discussions were adequate or inadequate or, for that matter, try to strain the rules and to try to give an interpretation that substitutes for the plain wording of the rule.

I have also indicated that it might be in the interests of the House that the entire rule was looked at again, reconsidered, and perhaps redrafted.

The rule I am bound by, and this place lives by the rule of law, is the plain words of Ruling 78.(3) and it states:

> A Minister of the Crown who from his or her place in the House, at a previous sitting, has stated that an agreement could not be reached under the provisions of—

[*Translation*]

In English:

> (3) A Minister of the Crown who from his or her place in the House, at a previous sitting, has stated an agreement could not be reached—

[*English*]

It sometimes happens that when one has to try to interpret what is meant by words, some guidance or some difference shows up between the English and the French. There is, in my opinion, absolutely no difference whatsoever in the meaning of those words either in English or in French.

As I have pointed out, the hon. minister said: "I have been informed to date that agreement has not been reached." I find on this very narrow ground, but one which I cannot ignore as your Speaker because it is clearly there in the rules, that the minister should have said "could not be reached." That is what is required under the ruling and, as a consequence, I have to rule that the notice given yesterday is not valid. Of course, it is for the government to decide whether it wishes to give the notice again.

* * *

POINT OF ORDER

REQUEST TO REVERT APPLICATIONS PURSUANT TO S. O. 52

Mr. Iain Angus (Thunder Bay—Atikokan): I rise on a point of order, Mr. Speaker. I had given you notice earlier today of my intention to rise at the appropriate time to seek your judgment on a matter of an emergency debate.

I wonder if the House would agree to revert to that point to allow me to make that presentation?

The Acting Speaker (Mr. Paproski): Members have heard the request. Is it agreed?

Some hon. members: No.

The Acting Speaker (Mr. Paproski): Sorry. It is not agreed.

Orders of the Day.

GOVERNMENT ORDERS

[*Translation*]

PETRO-CANADA PUBLIC PARTICIPATION ACT

MEASURE TO ENACT

The House resumed, from Wednesday, October 10, consideration of the motion of Mr. McDermid that Bill C-84, an Act respecting the privatization of the national petroleum company of Canada, be read the second time and referred to a legislative committee.

And on the amendment of Mr. Lee (p. 14001).

That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:

"this House oppose in principle Bill C-84, An Act respecting the privatization of the National Petroleum Company of Canada, because it considers it irresponsible to abandon public sector involvement in the Canadian petroleum industry in the absence of a coherent Canadian federal government energy policy at a time of increasing international uncertainty with regard to petroleum supply."

And on the amendment to the amendment of Mr. Harvey (p. 14010).

That the amendment be amended by adding the following words:

"and at a time when the development and wide dispersal of alternatives to traditional fossil fuel energy sources is an environmental necessity."

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I have been waiting for this opportunity for several years. Last night, when I was preparing my notes, I tried to figure how long it was since the last two elections, and in fact it was exactly six years, two months and fourteen days ago that I promised my constituents that under a Conservative government, Petro-Canada would be privatized.

Today, I am proud of the fact that as a member to be part of this Conservative government I was able to bring my ideas to this place and work for the well-being of my constituents in Laval, in the province of Quebec, on behalf of whom I intend to speak today. The others did a very good job, and my fellow members from Laval are not far away. Nevertheless, I am sure that I speak not only for myself and my constituents but also for the residents of Laval Centre and Laval West.

Speaker's Ruling

• (1250)

First of all, Mr. Speaker, I think we should proceed with the debate on the Petro-Canada privatization bill, Bill C-84.

In 1984, I had a small pamphlet in which I described my campaign promises. There were about ten. In 1988, during the second campaign, people would show me this pamphlet, saying: "One promise was not kept; you made us a promise you didn't keep". It was the promise to privatize Petro-Canada. The only answer I could give them was to say, quite honestly: "Don't worry, we are working on it".

Well, today, Mr. Speaker, I am proud to be able to rise in the House and tell my constituents in Laval: "We did it"! To the retailers I had the privilege to represent during the past 20 years, I want to say that Petro-Canada was a real problem for us. It was really unacceptable that the Liberals should create this corporation with our money, to compete with us. That really took the cake.

I had a poster which goes back to the last announcement made by former Minister of Energy Marc Lalonde in Montreal, on October 24, 1981.

An hon. member: Father Superior!

Mr. Della Noce: He was the father of Energy Canada. If he were still here today, with his ideas, and if the Progressive Conservative Party had not changed the National Energy Program, we might be paying as much as $117 or $120 a barrel for oil. Imagine what it would cost at the pump!

This government did what it had to do. It got rid of the National Energy Program. And since that time, we are paying world prices. Considering what is happening in the Persian Gulf, we may not be necessarely happy about it, and this may not be the right time to talk about prices, but I think it would take more than one war to reach Mr. Lalonde's price of $117 or $120 a barrel, the price he forecast for the 90s.

This photograph, Mr. Speaker, which I am willing to table in the House, brings back some very unpleasant memories. It was on the wall of my office in one of my service stations in Laval. I asked my employees to leave it in the building. What a nightmare, Mr. Speaker! What a nightmare for consumers. What a nightmare for retailers. What a shock for Quebecers when they saw this photograph in the Montreal newspaper *La Presse* on

Tuesday, October 2, 1990. It was published with the announcement that Petro-Canada would be privatized. The photograph was taken on October 24, 1981. You should see what he looks like, pumping gas!

But to get back to our subject, Mr. Speaker, since I was waiting for this opportunity, when I was asked to join the party in 1984, I was semi-retired.

Mr. Bélair: At your age?

Mr. Della Noce: Yes, at my age! Someone approached me—

An hon. member: It wasn't the Liberals!

Mr. Della Noce: Someone approached me to ask if I wanted to join the Progressive Conservative Party. I said: "That sounds interesting, because in my field, only the Progressive Conservative Party would be able to meet my expectations". In fact, I wrote to Mr. Lalonde, the former Minister of Energy—

An hon. member: Did he answer your letter?

Mr. Della Noce: —the guy with the cap. But Mr. Lalonde never answered my letter, although I wrote on behalf of 7,000 Quebec retailers. At the time, of course, Quebec was not very popular with the Liberal Party, but after all! I also sent a copy to a marvelous man, one of my ex-colleagues—I never thought I would be his colleague one day when I wrote the letter—the hon. member for Joliette, Mr. Roch LaSalle. He got back to me three days later, he called me to ask if he could help us. You will say, of course, that is the opposition. No, this was a man who liked Quebec, who liked Quebecers. When you represent 7,000 members, it seems the least you can expect is an answer to your letter.

M. Tétreault: And he was not arrogant.

Mr. Della Noce: No, he was not an arrogant man. It seems to me Mr. Lalonde could have answered my letter.

Be that as it may, Mr. Speaker, I said that I would run if I could find a party which shared my views and my ideology, for example on Petro-Canada and on the National Energy Program for which I did not have any use. I had a meeting with the Prime Minister who at the time was Leader of the Opposition here in the House. I told him about my concerns and my views. I will always remember what the Prime Minister told me. I did not know him any better than anybody else, but I liked him. Like a great Canadian he said to me: Get elected and go to Ottawa to defend your own cause. I thought this was such a good answer that I did come here to defend my cause.

In 1985, with my colleague from Calgary Southwest who made a very good speech yesterday, I began working on a privatization project. Six of my colleagues were members of that committee. Today I see that the dream of Canadians, consumers and retailers is coming true.

Yesterday I listened to members opposite, a member of the New Democratic Party, Liberal members, including one of our outstanding colleagues the Liberal member for York Centre who said, and I quote from page 14016 of yesterday's debates:

> —the opposition does not support the privatization of Petro-Canada and that we will be voting against this measure.

They do not support the privatization of Petro-Canada, sure enough, but they are the ones who set it up in the first place. It is a rather embarrassing thing to say.

Why put Petro-Canada on the block? Why privatize it? Why keep it? These are the questions they should be asking. What did Petro-Canada ever do for consumers? Did it give them lower prices? No. Did it treat retailers better that the private sector did? No. Did it help get what is called a "window on the industry? I can tell you that Mr. Lalonde was not even anywhere near the window and already things turned sour. What was Petro-Canada doing, Mr. Speaker? Let me tell you. I was a retailer in those says. I owned a station, and there were another three or four in the vicinity. There was Petrofina, BP, Supertest and others. All of a sudden, Petro-Canada gas stations swarmed in like flies or mosquitoes and I found myself surrounded. They all had a face lift at the taxpayers expense, you know. They were using my money to compete with me! That was too much! That was liberal all right! Red maple leaves were put on. That was Trudeau propaganda! How nice to see all those maple leaves across Canada while Quebec is separating. The hell with Quebec, right!

Mr. Speaker, when I got up one morning and saw I had four Petro-Canada stations for competitors, that they each had a $50,000 budget for a face lift using my money while I had only $1,000 for painting and maintenance, I

promised myself that I would shut them down. I had to work very hard, but I succeeded. They had no idea of how it works in the private enterprise. They were not getting up at five in the morning to attract the clientele. They were subsidized by the people, with government money. I was so easy to run the business on government money. But if you is with privatization, you will see changes. Wait and see what will happen once they are privatized.

In closing, Mr. Speaker, because I thought I had twenty minutes. I do not understand. You are telling me I used merely ten minutes. Maybe I will be allowed to continue—

[*English*]

The Acting Speaker (Mr. Paproski): I hate to disturb the hon. member because he is just getting wound up. He will have 10 minutes remaining in his speech, plus 10 minutes for questions and comments, after three o'clock.

It being one o'clock, I do now leave the Chamber until two o'clock this day.

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

GOODS AND SERVICES TAX

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, the people of the north continue to oppose the goods and services tax proposals. The government of the Northwest Territories says the tax is unfair and the timing is wrong. Unemployment is rising. Interest rates are too high. The economy is in recession. The higher prices the GST will create could not come at a worse time.

Prices of goods and services in the north are already, on average, 44 per cent higher than in southern Canada. In isolated Arctic settlements, prices can be more than 100 per cent higher. Because of these higher prices, the value of the federal sales tax credit will be much lower for the northern Canadian family than for the southern Canadian family.

Under the goods and services tax, all freight to the north will be taxed.

A resolution passed by the Kitikmeot regional council last month stated simply: "This tax is going to be terrible for all northerners".

The Northwest Territories does not want the GST. The government must scrap it now.

* * *

THE LATE ED BARRETT

Mr. Doug Fee (Red Deer): Mr. Speaker, Red Deer said goodbye to one of its best this week with the passing of former mayor Ed Barrett. I was privileged to join a packed congregation to celebrate the life of a well loved and respected community leader.

Mr. Barrett gave a lifetime of service to his community. He served 13 years on city council. He was mayor from 1965 to 1974. He was president of the Alberta Urban Municipalities Association, and very active in his church, especially the choir, where he was known for his fine singing voice.

He retired in 1974 and was named Red Deer's Citizen of the Year. But Ed Barrett did not stop there. He became very active in organizing seniors' groups and was still heard singing in the hospital last week.

Ed Barrett will be remembered for many things, most importantly for his honesty and integrity. He was an example for everyone who was privileged to know him.

* * *

THE ECONOMY

Mr. Ken Atkinson (St. Catharines): Mr. Speaker, a number of items mentioned in the recent report of the Economic Council of Canada have been conveniently forgotten by many opposition critics.

The report states that in order for industry and workers to adapt to emerging markets and new patterns of international trade, there must be more emphasis on job retraining at every level rather than passive income support programs.

The council calls for more co-operation between all levels of government, labour, and employers in regard to job retraining and other important economic matters in order to have a better balance between fiscal and monetary policy.

The report indicates that Bill C-21, presently being held up in the other place, is a significant start toward changing our policies regarding job training and thus adapting to changing world markets.

Mr. Speaker, the Liberals in the other place must end their antics and allow these progressive initiatives, supported by the Economic Council to move forward.

* * *

AGRICULTURE

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I rise today to deliver a message to this government on behalf of the dairy and poultry producers of Haldimand—Norfolk.

They join thousands of other farmers across Canada in urging this government not to compromise supply management as it enters the final round of the GATT negotiations. Farmers all across Canada have been hurt by this government's anti-farm policies. Our dairy and poultry farmers and their supply management systems were sold down the river by concessions this government gave under the Canada-U.S. free trade deal.

Canada must not sell out its farmers under these negotiations as it did under free trade. Canadian dairy and poultry farmers are under the gun now, thanks to this government. I am telling this government not to return from the GATT negotiations unless it helps our supply managed commodity farmers. It is time for this government to finally stand up for the rights of our Canadian farmers.

* * *

[*Translation*]

THE ECONOMY

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, I have here a notice sent to employees who work for Mallette in Timmins. The company's owners have announced layoffs for an indefinite period because of the present economic situation.

This notice is very similar to ones received by employees at Air Canada, Imperial Oil, Canadian National, and so forth. What the Prime Minister calls a slight slowdown is, in fact, a recession.

Mr. Speaker, it is high time the Prime Minister and his Minister of Finance put a stop to these disastrous economic policies which include high interest rates, the goods and services tax and other measures that have led to the present situation.

* * *

[*English*]

NATIONAL UNITY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, it has been deeply disappointing and frustrating to most Canadians, and certainly to me, that some of our citizens, particularly in Quebec but also among our native Indian bands, seek a separate sovereignty, apart from Canada. I cannot and will not support any directions that promote a separate Canada.

The unity of this country is our most compelling priority. However, this is not to say that we should try to prevent anyone from exercising his or her freedom to feel or to think or to speak differently in Canada, even though it may be for extreme positions such as separation. Our democracy is surely strong enough for that. It will stand the test of dissent and division. In fact, it will be that very spirit of free democracy that will ultimately keep us together.

For example, as much as I oppose the separation of Quebec, which is the cause that motivates some of our independent members from Quebec, and as strongly as I will work to defend Canadian unity against their efforts, nevertheless I do support their elected right to represent their constituents as they see fit.

We shall not be able to demonstrate the virtues of Canadianism by obstructing or squelching free thought or free speech. Rather, we will establish those virtues by tolerating dissent and debate and by defeating wrong directions in democratic ways.

* * *

[*Translation*]

HIBERNIA PROJECT

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, Quebec Conservatives did not wait until September 1990 to defend the interests of Quebec in the Hibernia project. Yesterday, Quebec Minister Gérald Tremblay, a Liberal, proved this when he said that "we should not look at the situation in terms of Lévis alone". Mr. Tremblay maintained that without the presence of Benoit Bouchard, the minister and member for Roberval in Ottawa, "we

would not have the economic spinoffs we have in Quebec today".

Mr. Speaker, the Quebec Conservatives, Minister Bouchard and the Conservative member for Lévis have always worked very hard to maximize economic spinoffs for Quebec and its workers.

* * *

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, yesterday Canadians found out to their amazement that the Canadian Security Intelligence Service had warned the Solicitor General in March 1989 that there were serious problems in Canada's native community and that there was a potential for violence.

It seems the Solicitor General did not give further consideration to this report.

All Canadians want an answer to the following questions: When did the minister find out that illegal arms were entering Canada in Akwesasne, in my riding? Why wasn't the information passed on to the *Sûreté du Québec*? What steps has the minister taken to avoid the kind of violence that led to two deaths in Akwesasne and one in Oka?

Mr. Speaker, we must have a parliamentary inquiry to find the answers to these questions. I therefore ask that the Standing Committee on Justice of the House of Commons start such an inquiry immediately.

* * *

DEMOCRACY

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, the unbelievable manoeuvring resorted to by Liberal senators with Mr. Chretien's approval are a clear demonstration of the confusion the Liberal Party has fallen into.

What is at stake here is the very principle of Parliamentary democracy, meaning the pre-eminence of an elected House of Commons over an appointed Senate.

The Liberal senators are blocking legislation stemming from the 1989 budget, major changes to the unemployment insurance scheme, as well as the GST legislation. They are playing a very dangerous, costly and irresponsible game. In terms of money, their tricks will add $8.3 billion to the annual deficit, taking into account the fact that the Liberals are currently blocking four other finance bills.

Since we came into office in 1984, the Senate has delayed as many as 50 bills.

In short, the Liberal Party is usurping power and, such tactics could very well undermine the very foundation of the Canadian legislative system.

* * *

[*English*]

AGRICULTURE

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, we have a grain crisis in Saskatchewan. Our grain cannot be sold at a decent price. Sales have dried up, the elevator system is plugged and farmers are left to pile the grain on the ground.

Farmers used to receive interest-free cash advances. The PC government cancelled this and instead, because of the GST, it is the farmers who will be giving the government interest-free cash advances. Those tricky Tories.

My colleagues in the Saskatchewan legislature have collected 2,000 signatures in response to a single ad. The Prime Minister's office should be receiving these today. These 2,000 farm families of Saskatchewan have taken the time to send an important message to the Prime Minister.

The message, Mr. Speaker, is as follows:

> Dear Mr. Mulroney:
>
> We ask you to help ease the grain delivery crisis. Bring back interest-free advances. It's one way your government can help Saskatchewan farmers immediately.

* * *

ENERGY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, this afternoon a very important cavalcade reached Ottawa, cars which are fuelled in four different ways: by gasoline, natural gas, propane and 85 per cent methanol.

As these vehicles cross Canada, they dramatically illustrate that there are viable alternatives to our slavish dependence on oil as the fuel that powers most passenger cars. Of these four fuels, only methanol is not available to consumers on a consistent and wide scale

basis. Yet cars powered by methanol are clean-burning and environmentally friendly. Because methanol can be made from natural gas, wood, coal, corn or grains, Canada could have an inexhaustible supply of energy—if we were to put the resources and determination behind it.

• (1410)

Already methanol is a billion dollar industry in western Canada, with most of the production going to the United States where clean air laws favour that fuel.

I urge Canadians to consider methanol and I invite members of this House this afternoon to have a look at the World of Wheels alternative fuel vehicles outside.

The time has come to think beyond oil.

* * *

CANADA POST

Mrs. Coline Campbell (South West Nova): Mr. Speaker, yesterday I received 310 letters and two petitions, signed by some 751 people, all in protest of the proposed closure of the post office in South Ohio, Nova Scotia. They are the latest victims of Canada Post's drive to close rural post offices in Canada.

They join other angry people in South West Nova whose vigorous protests against the closure of their post offices have been ignored by Canada Post.

These are the people missed by Canada Post when it did a survey that showed 90 per cent of its rural customers are happy with these closures.

These are the people who have not been fooled by Canada Post's efforts to hide the serious impact these closures will have on all rural Canadians by announcing only one at a time.

Mr. Speaker, I call on the minister responsible to direct Canada Post to come clean with its rural customers and reveal the total number of post offices it intends to close so that they have an opportunity to all come together at once to defend their clear right to the best possible postal service this Canadian government can give.

JUSTICE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, this morning Canadians awoke to the news that Conservatives want to be above the law. Yesterday the Tories used their majority muscle in a legislative committee to force through changes in the law which govern MPs and Senators. They want to be tipped off to any RCMP criminal investigations into their parliamentary affairs.

In other words, the Conservatives are creating a two-tiered justice system—one level for Tory MPs and another for ordinary Canadians.

Earlier this year, the Minister of Justice said there could only be one law for Canadians. She told the House: "We cannot pick and choose when we want to apply the law and we cannot pick and choose which laws we want to obey". A few weeks later her colleagues are looking for special laws for Tory MPs.

There seem to be no limits to the abuses of this government. To further their misguided agenda, the Tories are willing to break all conventions, abuse closure, stack the Senate, and now they want to give themselves special legal privileges.

No wonder Canadians have such contempt for this government.

* * *

THE ECONOMY

Mr. George S. Rideout (Moncton): Mr. Speaker, enough is enough. Moncton has been hard hit by the Conservative agenda. We lost the CN shops for a total of 1,500 jobs, the government destroyed VIA Rail for a loss of 200 jobs. The closure of CFB Moncton will result in the loss of another 400 jobs, and now CN says it is looking to cut 70 jobs, and Air Canada expects to cut 13.

Taking 70 jobs out of Moncton does not sound like much, but it is roughly equivalent to taking 1,800 jobs from a city the size of Montreal.

We are in a made-in-Canada recession as a result of this government's high interest rate and high dollar policies. We need a government that is sensitive to communities, especially those that have already paid a hard and heavy price for the disastrous Tory economic and fiscal policies.

Seventy jobs when you are looking at a balance sheet are just numbers on a sheet of paper, but 70 people with family and friends who have to suffer the dislocation and emotional upset of job loss is too high a price to pay on the altar of bottom line economics.

Enough is enough.

* * *

HOUSING

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, recent statistics have come to light which show 9 per cent of people living in housing co-ops have incomes in excess of $50,000.

Over one-half of all the people living in federally subsidized housing co-ops can afford the carrying costs of a modest home. Many housing co-op projects are financed by 8 per cent or 9 per cent mortgage money over 50 years.

As people's incomes rise, they should move on so that the homeless and low-income Canadians have access to affordable housing.

I call upon the minister to introduce a policy which would encourage high-income Canadians to move out of these heavily subsidized projects.

We as a country can no longer afford to subsidize whole projects like the Sundance Housing Co-op in Edmonton with 8 per cent money so that high-income Canadians can enjoy a co-op lifestyle.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, my question is for the Minister of Finance.

The thousands of Canadians who are losing their jobs, their homes, and their businesses due to the policies of this government know that we are in a recession.

The respected economists of the Conference Board of Canada confirm that we are in a recession. They say that it is our first made-in-Canada recession, in effect one caused by the policies of this government. Everybody in Canada knows that we are in a recession except the Minister of Finance.

Therefore I have a very simple question for the Minister of Finance. Will the minister finally admit that we are now in a recession? Yes or no.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if I may be so bold and say to the Leader of the Opposition, that is a silly question.

Some hon. members: Oh, oh.

Mr. Wilson (Etobicoke Centre): Let us deal with the facts of what we have as an economy, the facts that I have been setting out very clearly since my budget of February of this year where I said we were going through a slowdown in the economy, a slowdown that is necessary for our economy to go through, because of the extent of the inflationary pressures that are in the economy, inflationary pressures that were a good deal higher than those of our major trading partners.

It is important that we see an easing in these inflationary pressures so that we can get on to a path of non-inflationary growth with lower interest rates and we can see a continuation of the tremendous job creation record that we had in the first six years of our mandate.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, Canadians will be sickened by the callous and heartless evasion of the basic question by the Minister of Finance.

The thousands of Canadians who are losing their jobs due to the recession caused by the policies of this government are not being silly. The thousands of Canadians who are losing their homes and their businesses due to the recession caused by the policies of this government are not being silly.

Why won't the minister stop trying to tell Canadians they are being silly when they are stating the facts? Why won't he admit there is a recession and start doing something about it by reversing his policies starting with the GST?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I was not referring to Canadians as being silly. I am referring to the type of question that the hon. member is asking.

If he has sensible question as to why we are going through a period of a slowdown in the economy, I have addressed that question. If he is asking the question as to

what we are doing to move ourselves through this slow-down in the economy, I have answered that question as well.

As we have seen the economy slowing down, as we have seen the inflationary pressures subside, we are getting interest rates down. As we get those interest rates down, the positive effect of that will be felt in every corner of the country. That is precisely the response that we are following as a government.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, this morning, when the minister was asked by the press whether there was a recession, he said "the whole discussion is silly".

Canadians will want to know why he is so unwilling to say the *r* word. They are not going to wash out his mouth with soap if he states the fact and says the word "recession". Why won't he say it? Why won't he admit it?

I repeat my question: Why won't the Minister of Finance admit, himself, that there is now a recession? Yes or no.

[*Translation*]

Why does the minister refuse to admit that his policies have created a recession?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. Leader of the Opposition is trying in a very awkward fashion to dance on the head of a pin.

I am trying to deal with the realities of the economic environment that we find ourselves in.

• (1420)

The economic realities are very clear. I have been talking about them long before the Leader of the Opposition talked about them. I said in my budget that 1990 was going to be a difficult year.

We must get ourselves through this year by getting a clear decline in the inflationary pressures so that we can see a reduction in interest rates. As we see that reduction in interest rates, we will be able to put ourselves on to a solid path of growth in the future. That is the policy that we have been following. It is a consistent policy and the policy is going to work.

[*Translation*]

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, Canadians have not created this recession. It is the policies of the Minister of Finance and his Tory government that have thrown Canada into a recession which everyone in this country, except the Minister of Finance, seems to recognize. Now, Mr. Speaker, my question is this: Is the Minister of Finance finally prepared to stand up as a man and honestly tell Canadians that we are indeed faced with a recession? That is all we want from him. Yes or no?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, these are esoteric questions that the hon. member is talking about. Perhaps he would deal with the issues.

Does the senior finance critic for the Liberal Party have any suggestions as to how we can get through this period? Is he going to respond in any way to what the Business Council on National Issues said today on how we get the deficit down lower?

Are these questions that the Liberal Party are prepared to address, or are they simply going to ask questions which have no bearing on the actual facts that we have to deal with?

Canadians want to see political parties and politicians dealing with the issues in an honest way on how we are going to find our way through the difficult period that I have talked about for all of this year? That is the question that the hon. member should be responding to.

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, the Minister of Finance has been at this for five years. He refused to listen to the Canadian premiers. He refuses to listen to Canadian business. He refuses to listen to Canadians who have told him over and over again that his high interest rate policy is driving the country into a recession.

I am sick and tired of listening to the Minister of Finance and his weak—

Some hon. members: Oh, oh.

Some hon. members: Hear, hear.

Mr. Speaker: I take it that hon. members have heard the question.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think there is one thing that is fairly clear and

that most Canadians would acknowledge, that if there is a recession a Liberal would recognize it. As the authors of the worst recession in 55 years, the Liberals would recognize it.

My hon. friend has been referring to comments made on the economy. Perhaps he could have, in justice, referred to two comments made this morning in regard to precisely the situation of the Minister of Finance and his record.

The President of BCNI said at the press conference this morning: "Mr. Wilson's performance has been better than that of all the provinces."

The President of the Canadian Manufacturers' Association said at the press conference this morning: "The manufacturers' sales tax is a disaster. The GST ought to go through". If the member of Parliament had any sense of commitment to a modern economy, he would urge the Liberals in the Senate to pass it now.

Some hon. members: Hear, hear.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

One of the groups that has been hardest hit in Canada by this government's failed economic policies is the aboriginal people of Canada. The Prime Minister said during the Oka crisis that when it was over he would have a plan that all Canadians would be proud of.

What is the plan for those one-half of aboriginal children who live in poverty? Where is the plan for the 90 per cent of the aboriginal families in Restigouche who live on welfare or unemployment insurance? Where is the plan for those people living in substandard housing on bands and reserves across this country?

We have heard the Prime Minister's promises. I ask the Prime Minister: Where is the plan?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend's questions are inadvertently misleading.

There was never any suggestion in the major commitments made by me in this House or by the minister that we could solve overnight the very serious social problems that have developed among aboriginal peoples now over decades and centuries.

Ms. Blondin: Just change your attitude.

Mr. Mulroney: My hon. friend says that there ought to be a change in attitudes. She is quite right.

The fundamental commitment that I made on behalf of the Government of Canada, and I believe on behalf of all parliamentarians, is that what is owed native peoples is a fundamental change in attitude to bring about the social justice to which they are entitled.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I remind the Prime Minister that there has not been one concrete proposal to address the severe poverty which is abysmal in aboriginal communities across this country. The economic policies of this government continue to fail Canadians.

[*Translation*]

Mr. Speaker, I have a supplementary for the Prime Minister. This morning the Minister of State for Finance was telling us about an "adjustment period". This adjustment period is in fact a real tragedy. Still more families live in poverty, still more youths cannot find jobs.

Mr. Speaker, again I quote the minister who said this morning: "Many Canadians are suffering and feeling helpless." I ask the Prime Minister, where are the jobs which would put an end to their sufferings and their feeling of helplessness?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, it is a well-known fact that for six years now Canada has been the leader in job creation, that it has created jobs faster than any of the G-7 industrialized nations. We have created 1.6 million new jobs in Canada, an achievement for which our country deserves full recognition. Since September 17, 1984 the unemployment rate among young people has dropped 4.6 per cent.

With respect to children or individuals living in poverty, I said yesterday that 250,000 Canadians no longer live in poverty as a result of our government's policies. This has to be a commendable achievement for a country like ours.

Miracles we did not have, but we did make real progress and our performance would have been better still had the hon. member and her Party given us their full support.

[*English*]

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is for the Prime Minister.

The Prime Minister knows that the Economic Council of Canada showed that Canada had, out of 16 countries, the 15th highest level of unemployment. We should be ashamed of our level of unemployment. We should not be bragging about our level of unemployment. We should be planning for full employment in this country.

This recession that has been created by this government, created by its economic policies of free trade, privatization and deregulation, has been all too effective. We can ask the poor across this country, working families who are out of a job, and companies that have moved across the border as a result of this government's policies.

I say to the Prime Minister that his policies have been very effective in getting us into a recession. What kind of policies does he have to get us out of a recession?

• (1430)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think it is generally acknowledged by all members of the House, or certainly most members of the House, that for the last six years Canada's job-creation record topped the G-7 and that our record of economic growth was second only to that of Japan.

Apart from some of the job-creation figures, it is true that the economy is in a slow down. But during that period since 1984, 757,000 Canadians have been removed from the poverty rolls. That is a major contribution toward social justice by any standard. What we are seeking to do is to create new wealth in the country in a non-inflationary climate. That is why the policies of the government were designed to avoid what is taking place in some other industrialized countries where inflation is now approaching 10 per cent and 11 per cent. Because we believe inflation to be the most insidious of ills in an economy since it hurts the poor and those on fixed incomes more than anyone else, we are maintaining the elements that have brought about record economic prosperity for six years and it is our hope to do so in a non-inflationary manner.

If my hon. friend has one single idea that would improve upon that, please stand up and tell us because all we have heard is more spending, more spending, more spending, more taxes and more taxes and more taxes from the NDP.

Mr. Axworthy (Winnipeg South Centre): Resign.

[*Translation*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, I direct my question to the Minister of Finance. Last week the Economic Council said that the activities of his government are the main cause of inflation. Yesterday, at long last, the Minister of Industry, Science and Technology did admit that we are in a recession. Again yesterday the Conference Board of Canada said that the recession will be harder on Canada than on any other country in the world, harder on Quebec than on any other Canadian province. Yesterday we lost 1,000 jobs in Montreal. Why? Because of the crushing interest rates we have to endure. My question is this: What does the minister intend to do to get us out of the mess he made, to get us out of the recession he has created?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me take my hon. friend back to how this all started. It was 1988 and 1989 when inflationary pressures in the economy started to increase. We had a point where the inflation rate got a good deal higher and the inflationary pressures, as measured by the unit labour costs got a good deal higher than those in the United States, Japan and Germany. We had to take action as a government to ease those inflationary pressures.

That resulted in higher interest rates. The higher interest rates were also designed to slow down the rate of growth of credit, which was growing two to two and a half times faster than the nominal rate of growth in the economy. If we had let that go on, we would have got ourselves exactly back into the position that the Liberal Party of Canada got us into in 1981-82.

Surely my hon. friend, who was not part of that government can recognize from a distance that that was a mess we should avoid if we possibly could. That is precisely what we are trying to avoid with the policies that we have been following.

Since the spring when we have seen the inflationary pressures ease, we have been seeing interest rates ease. As that continues further, as the economy eases, we are getting interest rates down further. They have come down in the last three and a half months by one and a half percentage points. That is the direction in which we are going. We believe it is the right policy. We believe that if we had followed the policies that my colleague and his friends are suggesting we follow, we would be right back into the mess of 1981–82 when we had a far, far more serious recession than anybody is contemplating today. That is the problem that we have to avoid.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, with regret this Minister of Finance is living in cuckoo land.

The problem that we face in this country is jobs. The GST does not create jobs, it costs jobs. High interest rates do not create jobs, they cost jobs.

Some hon. members: Oh, oh.

Mr. Martin: Mr. Speaker, Freud said it very well. He said that you have to admit that there is a problem before you can solve the problem. Let me tell you, Mr. Speaker, we are in a recession whether this minister will admit it or not. What this government does not need is another economist, it needs a psychiatrist.

Some hon. members: Hear, hear.

Mr. Speaker: Perhaps the hon. member could put the question very clearly.

Mr. Martin: Mr. Speaker, we are in a recession caused by the Prime Minister, by the minister, by this government—

Some hon. members: Oh, oh.

Some hon. members: Hear, hear.

Mr. Speaker: The hon. member for Saint Léonard.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, in the past 48 hours we lost 3,000 jobs at Air Canada, 1,500 jobs at CN and 3,000 at Esso. Meanwhile, there has been a 50 per cent increase in bankruptcies in this country.

My question is directed to the Minister of Finance. How many companies and how many jobs do we have to lose before the minister admits that his monetary policy is disastrous and that we are in a recession, a recession he himself created? What is he going to do now? How many jobs and companies do we have to lose?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member mentions Air Canada. Surely he acknowledges that the biggest problem that Air Canada has today is the increase in oil prices, which in turn has been caused by the international problem in the Middle East right now.

Now the hon. member says, "What are we going to do about it?". I would like to ask him to reflect back on what the Economic Council said. It had some criticisms for the Government of Canada. It said that we should be getting the deficit down more quickly so that we can get interest rates down more quickly.

What is the hon. member suggesting we do to get the deficit down?

Some hon. members: Resign.

Mr. Wilson (Etobicoke Centre): We feel we have the right balance between taxes and spending, but if the hon. member feels we can get the deficit down faster by increasing taxes more or by reducing expenditures less, then let him say so.

The hon. member for Broadview—Greenwood said, "The Liberal Party can't hang-glide to power without alternatives. They must have alternatives". We are the alternative because I agree with the hon. member, you can't hang-glide to power.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, the minister wants to know what to do to reduce the deficit. Well, start reducing interest. If the minister had listened—

[*Translation*]

If the minister had listened to the Government of Quebec, the *Conseil du patronat*, and all economic partners in Quebec, we would not be in a recession today!

What is he going to do now? Now that he has his recession, the one he created, what is he going to do before it is too late for Canada?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I recognize that the hon. member probably has not read all of the reports that we have seen in the last few days.

But the fundamental basis for them saying we must get interest rates down is to get the deficit down. If my hon. friend has some ideas on how to get the deficit down, let him join in the public debate. Let him—

Some hon. members: Resign.

Mr. Speaker: The hon. member for Moose Jaw—Lake Centre.

* * *

AGRICULTURE

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, my question is for the Minister of Agriculture. Prairie farmers are not able to sell their grain. Thousands of bushels are in danger of simply rotting on the ground. Farmer and rural bankruptcies are up by 25 per cent over last year. Every western MP can tell tragic tales about constituents in his or her riding. Western Canada is in a recession.

When is the government going to provide some real assistance to prairie agriculture instead of rhetoric. We need help now.

• (1440)

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I appreciate the hon. member's question and recognize the serious problems that agriculture is facing in western Canada in particular.

As the hon. member knows, we did provide some $500 million worth of emergency assistance in the spring. We had hoped that that would be matched by the provincial governments. Unfortunately, it was matched in part only but I think has gone some distance in helping farmers get their crops in. We now have a record crop and it is causing congestion. Several alternatives are being looked at.

However, I want to remind the hon. member that this problem has been with us for quite some time. We are trying to deal with the issue at the GATT negotiations, to try to bring some order out of the chaos in the international marketplace. We are working very diligently on a long-term safety net program.

I am sure the hon. member will be pleased to know that I am looking very favourably at the reinstatement of interest-free cash advances, provided it can be linked into a long-term solution to the problem.

Mr. Len Taylor (The Battlefords—Meadow Lake): A supplementary, Mr. Speaker. The policies that the Minister of Agriculture is talking about today are not doing anything to alleviate the immediate farm financial crisis. I find the discussion about the reinstatement of the interest-free cash advance to be in order. Members of his own party have been talking about reinstating the interest-free cash advance.

Can the minister tell us today that by the end of this week interest-free cash advances will be available to western Canadian farmers so that they are not at bay with the banks at the immediate time?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I did indicate that we were giving the matter urgent consideration.

Also I would like to remind the hon. member and his colleagues that this morning the Prime Minister, myself and other members of Cabinet met with Mr. Dunkel, the head of the General Agreement on Tariffs and Trade who is in Canada at the present time working in a co-ordinated effort to try to bring some order out of the chaos that exists in the international marketplace.

The Prime Minister is the one who brought agriculture to the top of the agenda of the GATT and he should be applauded for that. We now have an opportunity to address the long-term situation which will not only serve us in the long term but will serve us in the immediate term as well.

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THE ECONOMY

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, my question is for the Minister of Finance who was warned last spring by western premiers about a made-in-Canada recession. They used that term, made-in-Canada recession. They warned him about the use of high interest rates, the lack of confidence in his policies and the imposition of the GST, which would only worsen the condition of the western economy.

In the face of 268 farm bankruptcies on the prairies, the loss of 11,000 manufacturing jobs in Manitoba alone, will the minister now admit that he and his policies are a total and dreadful failure?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member is selectively referring to what the premiers said. He neglects to say that in 1988 they unanimously came out with a recommendation to get interest rates down. If we had done that, we would have a rip-roaring inflation problem today, the likes of which they have in the United Kingdom today. I remind hon. members that the inflation rate in the United Kingdom is 10.6 per cent.

The hon. member criticizes the GST, saying that it will be tough on agriculture. What my hon. friend should do is go and speak to the Canadian Federation of Agriculture. They will explain to him that they support the GST because there will be a $250 million saving to agriculture. Let me repeat that, Mr. Speaker, a $250 million saving for agriculture as a result of the elimination of the federal sales tax and the introduction of the goods and services tax.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, I wish this minister would come west. My home city of Winnipeg has a proud heritage in transportation, yet this week there were 223 more lay-offs at Air Canada and 125 more lost jobs at CN Rail, which will result in taking $8 million out of the Winnipeg economy. I have said nothing about the total collapse of the trucking industry in my province.

I want to ask the Minister this. Will he now realize that Manitobans are hurting, as are all Canadians, and that his policies are crippling the Manitoba economy?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have never said that Canadians are not hurting. I understand—

An hon. member: You said it was silly.

Mr. Wilson (Etobicoke Centre): No, no, I said the Leader of the Opposition was silly.

I have said that I understand that the period we are going through now, which I anticipated some while ago, would be a difficult one for Canadians. But what we have to understand is the alternatives.

We could have avoided this period we are going through now. We could have let the party go on for another three, six, or nine months, but then the problems would be that much greater. What we are trying to do is avoid the boom and the bust that we had in 1981-82 by taking steps earlier to anticipate the problem and to get the problem under control before we lose control of it, and that is precisely what we are going through now.

I said in my budget that there will be great demands for quick-fix solutions to this, quick-fix solutions that are not possible. Unfortunately, my colleague is looking for a quick-fix solution which simply will not work.

Ms. Mary Clancy (Halifax): Mr. Speaker, the Atlantic provinces are in agony. Prohibitive interest rates, hundreds of jobs gone, yesterday, at Air Canada and its Atlantic service division, the looming GST, and now a man-made recession. I have a question for the man, the Minister of Finance.

Why is he hell-bent on destroying the Atlantic provinces and why does he consider their fears about this situation, in his own words, silly?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, it is silly for the hon. member to suggest that I am hell-bent on destroying the economy of the Atlantic provinces. What I have tried to explain to the hon. member and her colleagues is the basis for the policy that we have been following.

She should reflect back to what happened in the 1970s and the early 1980s. The government of the day swept the problem of inflation under the carpet and allowed inflation to go to 13 per cent. That resulted in interest rates of 20 per cent to 25 per cent and that, Mr. Speaker, did destroy the economy of Atlantic Canada. If she could understand the fact that we tried to anticipate the problem in this business cycle, not let inflation get out of control, and avoid the problems that we ran into in the 1970s and early 1980s, she would understand the basis for the policy that we are following today. It is a policy of leadership, of avoiding problems before they get out of control.

Ms. Mary Clancy (Halifax): Mr. Speaker, if the hon. minister avoids any more problems, the Atlantic provinces will disappear. Overnight, in Nova Scotia, heating oil is up three cents a litre, gas is up two cents a litre, and the other Atlantic provinces will soon have to follow suit. In our region, this winter, Canadians will be unemployed

and they will be freezing in the dark. Will the minister, for the love of God, change his policy?

Some hon. members: Hear, hear.

Mr. Speaker: The hon. member for Thunder Bay—Atikokan.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is directed to the right hon. Prime Minister who promised, during the federal election, to provide generous adjustment programs for workers who lose their jobs because of his government's policies.

Since Tuesday, 2,900 jobs at Air Canada, 1,500 jobs at Canadian National, and up to 3,000 jobs at Imperial Oil have been axed because of the government's policy of transport deregulation and lax rules on corporate mergers and take-overs. When will the Prime Minister produce those generous programs so that workers and their families will not be left high and dry and broke by the government?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, the NDP ask the same question day after day after day, at the same time as they are defending the Liberal senators who are holding up $800 million worth of benefits for Canadian workers.

Some hon. members: VER, VER.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, if the government thinks that the cut-backs and meagre half measures of Bill C-21 are generous programs, then I worry about the future for Canadian workers.

• (1450)

Transport deregulation has cost the industry 4,400 jobs within the past 44 hours. That is 100 jobs an hour and now the government wants to open things up completely with continent-wide free trade in the skies.

I ask again, Mr. Speaker, will the government produce the programs it promised to help workers? Better yet, will the government dump policies such as deregulation, high interest rates, and the GST, that are killing those jobs in the first place?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker—

Some hon. members: Oh, oh.

Mr. Lewis: Mr. Speaker, out of the litany of problems that my hon. friend referred to, he referred to deregulation. I would like to point out that in the National Transportation Agency's annual report it stated that Canada's airline industry has always been concentrated, but when examined closely it is less dominated by one airline now than it was before the relaxing of regulatory controls in 1984. The increased level of competition in the domestic airline industry has produced a much broader selection of services and prices for the Canadian transportation industry.

Some hon. members: Hear, hear.

[*Translation*]

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, my question is directed to the Minister of Finance.

We now know it's official: Canada is in a recession and it is going to hurt. This was according to the Conference Board, and yesterday, one of the government's ministers was honest enough to admit it was true. We also know that Quebec is going to hurt more than the others. With 40 per cent of Canadian business bankruptcies, an unemployment rate of 10.5 per cent, compared with 6.5 per cent in Ontario, and this week's announcement that 4,000 jobs will be lost in Montreal alone, Mr. Speaker, I want to ask the minister what he intends to do about turning the situation around. And when is the government going to give us a new economic statement?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have repeated several times the reasons behind the policies of the Canadian government. There was a problem in the past with inflation, and our inflation rate is still higher than that of our trading partners in other countries. That is why it is very important for our country to reduce inflationary pressures. By doing so, we can then reduce interest rates. That is our government's policy. It is a policy that created a large number of jobs in Quebec and across Canada during the first year of our term, and that same policy will produce the same results in the years to come.

Mr. Speaker: The hon. member for Lac-Saint-Jean has the floor, for a very short supplementary.

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, only the Minister of Finance fails to see that unreasonably high interest rates are a drastic remedy that is killing, not curing the patient. This policy is draining Quebec. It is pulling the plug on a whole generation of hard work and success in business in

Quebec. Mr. Speaker, when will this government finally take the responsibility for its own actions, set interest rates itself and stop hiding behind the Governor of the Bank of Canada?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I must say that when the hon. member was on this side of the House, he agreed wholeheartedly with our government's policies.

[*English*]

Mr. Sergio Marchi (York West): Mr. Speaker, my question is directed to the Minister of Finance.

The government's economic policies have set the transport industry into a complete tail spin. In just a matter of days, Air Canada has laid off close to 3,000 people and CN has let go another 1,500 hard working Canadians.

Given the government's failing right wing economic agenda of privatization, deregulation, and high interest rates, what is the minister prepared to do to save the thousands of much needed jobs in the transport sector? It is a key industry in our national economy.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member is referring to our policies of privatization, deregulation, and high interest rates which are designed to control inflation.

If he would look at countries around the world, such as the eastern European countries, Australia, or New Zealand which do not call themselves right wing countries, he would see that the exact same policies of privatization, deregulation, and inflation control are being followed there.

The whole point that I am making to my hon. friend is that if he would take his head out of the sand and look at what is happening around the world today, understanding the types of economic policies that are followed throughout the world to deal with the economic challenges we have as a country, he would be supportive of our economic policy.

Mr. Sergio Marchi (York West): Mr. Speaker, talking about sand, if the minister removed the sand between his ears, he might see what is happening to our country.

My supplementary question is directed to the same minister.

Upon announcing the policy of deregulation, the Deputy Prime Minister said: "This government will monitor the effects of change upon the employees and will respond to any adverse consequences as humanely as possible."

I ask the minister: Will the government keep this promise and provide the necessary adjustment programs to help the thousands upon thousands of Canadian workers who have been displaced, particularly now that we are into a full blown recession, created by this one Minister of Finance?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, only the Liberals would regard $800 million worth of adjustment programs as being insignificant. That is what is being held up by the hon. member's colleagues in the Senate.

Some hon. members: VER, VER.

Mr. Speaker: I remind hon. members that each time I have to restore order, precious time is fleeing out of Question Period.

Mrs. McDougall: Mr. Speaker, the adjustment programs that we have put forward to deal with exactly the kinds of problems that the hon. members keep hammering away at are in the Senate. It has been eleven months since they were sent to the Senate.

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BILL C-21

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, over the last number of days, representatives and the president of the United Fishermen and Allied Workers' Union of British Columbia; the president and representatives of the Fishermen's Union of Atlantic Canada, representing tens of thousands of fishermen, have been in Ottawa to meet with members from all three parties.

In the case of British Columbia, 90 per cent of the fishermen will not quality for unemployment insurance because of the regulations now being imposed by the government. There are thousands more in Atlantic Canada.

My question is very simple. Given that both these unions have made it crystal clear that they do not

support Bill C-21, why will the government not do as it is asked and put an end to this economic terrorism, introduce the VER, and put an end to economic hostage taking of—

Mr. Speaker: The hon. minister.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, a temporary VER bill is not going to help the new parents in Canada who are looking for maternity and paternal benefits. A VER bill is—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. minister.

• (1500)

Mrs. McDougall: If the hon. member is so concerned about the workers—

Some hon. members: VER, VER.

Mrs. McDougall: —then I would suggest that they take into account the needs of seasonal workers—

Some hon. members: VER, VER.

Mrs. McDougall: —in the fish plants as well as the fishermen and the other people who are concerned. All the shouting in the world is not going to help those people.

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[*Translation*]

FORESTS

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, my question is for the Minister of Industry, Science and Technology and deals with the Canada-Quebec Subsidiary Agreement on Development.

On August 24, 1990, the federal government submitted to the minister of Forestry for Quebec a proposal for the renewal of the Canada-Quebec Forest Agreement.

Considering no answer has been received yet, could the Minister tell us how he intends to ensure that the Quebec forest industry benefits as soon as possible from the federal governement funds?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I thank my colleague for his excellent question.

We have indeed offered, on August 24th, the Quebec government to renew the Forest Agreement. As of yet, we have not received an answer. However, we believe that the Quebec government intends to make a valid proposal toward finding a solution, as producers in Quebec expect, which is extremeley important for the forests in Quebec.

* * *

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw attention to the presence in the Speaker's gallery of parliamentarians from various francophone countries who are members of the Parliamentary Affairs Committee of the International Association of French-Speaking Parliamentarians.

Some hon. members: Hear, hear.

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BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, it is customary for the Opposition House leader to ask what the government's legislative agenda will be for the next few days. I ask the question.

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, today we will continue with second reading of Bill C-84. Tomorrow, I would like to call and perhaps deal with in its entirety Bill C-37 for third reading, Bill C-74 to complete second reading, and Bill C-73 to complete second reading.

I understand in all of these cases we are near completion. Discussions can carry on informally. In terms of order, I understand there is some concern about what might be called first. Certainly that is subject to agreement with the opposition as well.

On Monday, I am not quite sure at this point what business will be called, probably Bill C-84. But there might be a change.

Mr. Gauthier: Mr. Speaker, just as a matter of information. I wonder if the House leader could tell us what he means by "probably" so that people can plan their business for Monday. Can he give us an indication of what he has in mind except Bill C-84 for Tuesday next week? What does he intend to call? It is all very well to point out probably, but I would like to have some

indication so we can organize our work here on this side of the House.

Mr. Andre: Mr. Speaker, I would like to get some certainty so that we can organize our work as well. Last Tuesday we had a House meeting and talked about Bill C–84. Today, a point of order was raised which the Speaker ruled in contravention of citation 732 of Beauchesne's. That has thrown the schedule off. I am sorry.

Some hon. members: Oh, oh.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, unless I heard incorrectly, it seems to me that the government House leader has questioned the decision of the Chair. I think you will find that entirely inappropriate. First of all, he has no right to question the decision of the Chair by saying it was an inappropriate decision.

I want to say, representing people who want to make this place work as effectively and efficiently as possible—

Some hon. members: Oh, oh.

Mr. Riis: When we asked the government House leader to give us a platform for a few days so that we can plan ahead so that the appropriate speakers can be brought into their places, all he could do was tell us what we are going to do tomorrow. He said: "Maybe we will do something on Monday". Not a word for Tuesday. We cannot conduct business in a proper way unless the government House leader does his job.

Some hon. members: Hear, hear.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, this is absolutely ridiculous.

Some hon. members: Hear, hear.

Mr. Cooper: I appreciate their applause when I refer to their ridiculousness of their arguments.

Their arguments are ridiculous because in fact what the House leader has said is that he would like to have discussions with the other House leaders to talk about the agenda for the next few days. We have had those discussions. I had some of them—

An hon. member: Drop it.

Mr. Cooper: Sorry. Go ahead. Would you like to take the floor?

An hon. member: You are taking all the floor.

Mr. Cooper: Take the floor.

An hon. member: You sound like a Liberal senator.

Mr. Cooper: Mr. Speaker—

The Acting Speaker (Mr. Paproski): I can wait all day here.

An hon. member: On the same point of order.

The Acting Speaker (Mr. Paproski): I will hear the hon. member for Ottawa—Vanier and then I will hear the parliamentary secretary.

Mr. Gauthier: This is unbelievable, Mr. Speaker. We have the parliamentary secretary now apologizing for the behaviour of his leader in this House, who tells us that we have had meetings—

An hon. member: You do.

Mr. Gauthier: Yes, Mr. Speaker, we meet every Tuesday. I have been decent in not giving this House my impressions of those bloody meetings because sometimes it is waste of time. But if he wants to have meetings and afterward say that there was consultation when there was no consultation, and then appeal a decision of the Chair, I think the leader on the government side has to eat crow sometimes and he has to admit he made a mistake today.

Mr. Speaker, I just want to make one point. I think we have co–operated with this government and the proof is the agenda. We have been very co–operative with the government up until now. But if the government keeps insulting the opposition, not telling us what is going to be done tomorrow or Monday, or Tuesday, and play the game by surprise, Mr. Speaker, we have a couple of surprises up our sleeves too.

Mr. Cooper: Mr. Speaker, if the House leader had responded to the House leader for the Liberal opposition with what was going to be the business of next week without having consulted with the hon. member, he would accuse him of ramming legislation down their throats. The bottom line is that the minister has indicated that today we will continue with Bill C–84; Friday, we will do Bills C–37, C–73 and C–74.

We are prepared to have discussions with the opposition House leader and the leader of the NDP to talk about the legislation for Monday and Tuesday. We are prepared to have those discussions simply because we do try to negotiate an agreement that is acceptable to all

members of the House. That has been our practice and it is a practice that we will continue to live up to.

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I listened to the exchange that just took place. I know what it is as a result of. It is a result of an impatient minister of privatization who wanted to put closure before he should have. However, I think that the House leader somehow looked at the decision that was made earlier this day by the Speaker and I think you should look very carefully as to whether or not the House leader has impugned the Speaker's decision. I reserve the right to look at it.

Mr. John Nunziata (York South—Weston): Mr. Speaker, I think the evidence is clear that this government continues to run roughshod over the opposition.

Some hon. members: Order.

Mr. Nunziata: If the parliamentary system of government is to work—

The Acting Speaker (Mr. Paproski): Does the hon. member have a point of order, or is he talking about government business?

Mr. Nunziata: If the House of Commons is to operate in an intelligent, prudent and effective manner, there has to be co-operation between the House leaders. The House leader of the Official Opposition is trying to get some understanding from the government in terms of its plan. The government has the authority to set the orders of the day. We simply would like to know what the government intends to call at the beginning of next week. How can Canadians have confidence in this government if they do not know—

• (1510)

The Acting Speaker (Mr. Paproski): I think there has been enough negotiations coming across from the government side and the opposition. If there are to be any more negotiations, I think they should be done either behind the curtain or at another locale, where they always are done. I think we should get on with the government business today.

The hon. member for Kamloops on a point of order.

Mr. Riis: Mr. Speaker, I am quite prepared to negotiate, as you suggest, behind the curtains or wherever.

I think there is another important matter that we simply cannot leave. It is that we always respect the decision of the Chair. I heard very clearly the government House leader say that the Speaker's decision was in contravention of Standing Order 78(3). That means he is questioning the decision of the Speaker. I suggest that before he returns to this House, he must withdraw those comments in the traditional way.

The Acting Speaker (Mr. Paproski): I am sure we will have a look at the"blues". We will carry on.

GOVERNMENT ORDERS

[*English*]

WAYS AND MEANS

INCOME TAX ACT

Hon. Michael Wilson (Minister of Finance) moved that a Ways and Means motion to amend the Income Tax Act (child tax credit), laid upon the table on Wednesday, October 10, 1990, be concurred in.

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

Some hon. members: Agreed.

An hon. member: No.

The Acting Speaker (Mr. Paproski): Agreed, on division.

Motion agreed to.

Mr. Wilson (Etobicoke Centre) moved that Bill C-86, an act to amend the Income Tax Act (child tax credit), be read the first time and be printed.

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

* * *

PETRO-CANADA PUBLIC PARTICIPATION ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. McDermid that Bill C-84, an act respecting the privatization of the national petroleum company of

Canada, be read the second time and referred to a legislative committee; and on the amendment of Mr. Lee (p. 14001); and on the amendment to the amendment of Mr. Harvey (Edmonton East), (p. 14010).

The Acting Speaker (Mr. Paproski): When we adjourned at one o'clock, the hon. member for Laval-Est had the floor. He has 10 minutes remaining in his debate, plus 10 minutes questions and comments.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, before you left the Chair, you said I had ten minutes left. I will now continue my speech on the privatization of Petro-Canada.

As I said this morning, I have tried to explain why Petro-Canada has been of no use to either retailers or consumers. I tried to find some benefits, and found not a single one. Petro-Canada was a failure. There was nothing in it for Canadians.

Mr. Saint-Julien: That's true!

Mr. Della Noce: First of all, the government has no business selling gas, Mr. Speaker, any more than it does selling tooth brushes. It is absolutely ridiculous to use taxpayers' money to take over a company in the private sector, considering the private sector was in perfectly good shape.

This party feels that private sector deserves our confidence. Today, Mr. Speaker, I thought again during lunch about the fact that Petro-Canada never played the leading role it was supposed to play. Petro-Canada was always a bone of contention. Let me give you an example. When Petro-Canada sold gas for one cent a litre less than private companies like Esso, for instance, the next day, everybody called the government to complain that Petro-Canada was cutting its prices. Whenever Petro-Canada decided to charge one cent more, the next day Canadian consumers would be on the phone, saying: This is our company, so why do we have to pay more? It doesn't make sense. That is what we had to contend with for six years, when we got those calls in our ridings.

As a company, Petro-Canada was in a conflict-of-interest situation from the outset because it was powerless. It was always an extension of the government and only did what the government told it to do.

Petro-Canada's slogan was something like: "It belongs to us". Mr. Speaker, I have given this a lot of thought over the years, and I think I have the answer. It doesn't belong to us, because nobody can go there and get free or cheaper gas. Several times it reminded me of the time when Shell had a slogan: Shell helps those who help themselves. The Shell retailers I represented said: Help yourself, because Shell certainly won't. Petro-Canada belongs to you. Maybe they left out something and it should read: Petro-Canada does *not* belong to you. Maybe that's what they meant. Although the Liberals said at the time it was a window opening on the industry, I didn't see a very big window and I didn't see what consumers stood to gain either.

Mr. Speaker, Petro-Canada will have a fantastic future thanks to privatization. With or without a war in Kuwait, according to the experts and analysts the next five years will be excellent for the oil industry, and that includes Petro-Canada.

Members opposite who like Petro-Canada and who still object to the bill—only yesterday, we had one member who said he was going to vote against the bill. The hon. member for York Centre, from the Toronto area, said that the opposition was not in favour of privatizing Petro-Canada. He has forgotten that oil companies are promised a bright future, whether or not there is a war in Kuwait. They are going through difficult times just now. The Opposition just cannot admit that Petro-Canada should not be a Crown corporation.

Petro-Canada has not discovered a single barrel of oil, not even a glass. It was supposed to show leadership and assume the duties of existing organizations. Not a barrel, not even a cup. Yet, the people opposite want to keep it. On a diet for the past year, Petro-Canada has dropped a lot of deadweight. It has sold 1,200 of its service stations. From now on, therefore, this company will be able to do its job like the others, on the same level as the others, and will be able likewise to get financing. The good thing about that Petro-Canada will no longer be a political tool in the hands of a minister such as Mr. Lalonde who could call and say: On such and such a day, you are going to do this, you are going to do that.

That era is over! We must let private enterprise operate without government interference. Why is the government not selling tooth brushes? I wonder why. What did the retailers get? At first, when they received their Petro-Canada signs, they were happy because they were part of a big organization and expected to make millions. They were even forbidden to hang on the wall pictures of their families. They would work like slaves from 7 a.m. to 11 p.m. because their manager in his ivory tower in Calgary had said that those were the opening hours. When retailers complained that not a single customer would show up after 9 p.m, they were told that it did not matter, that Petro-Canada stations remained open until 11 p.m., and that was that! Do you call that living? I know a number of retailers who ruined their personnel lives, their family lives, received hardly any salaries and got no return on their investments. They lost everything because Petro-canada, a Crown corporation, was forcing them to remain open until 11 p.m. Petro-Canada wanted to keep a nice profile, because the minister used to call it once in a while; it had to look good politically, especially once every four years, come election time. That is what Petro-Canada did for our people.

• (1520)

Mr. Speaker, I wish to thank my colleagues who, with me, formed a team in 1985 to suggest this privatization to the government. I wish to thank also all the ministers, their advisers and especially our Prime Minister who listened to us and other Canadians, because in my own riding of Laval, in Quebec, I have not met many people who are great supporters of Petro-Canada. Each time there was a price increase, Petro-Canada, which was supposed to monitor the industry, just went along. When there were decreases, it went along too. But it never led the way. It just followed; they were a bunch of "followers".

Today, Mr. Speaker, I am proud to tell my constituents who are listening to me that I did keep the promise I made in 1984 and repeated in 1988, that Petro-Canada would be privatized and that the National Energy Program would be abolished. Today, Mr. Speaker, I can tell them "mission accomplished!". And it is a mission accomplished for a number of Quebec ridings. I toured Quebec and visited quite a few service station operators, I knew 7,000 of them when I was their representative. All the way from Montreal to Gaspé, and along the Ontario border as well. The agents who wore the Petro-Canada cap certainly did not have it made, quite the contrary, they had to work harder and for lower returns than others operating in the private sector.

I had the pleasure of working 14 years with Imperial Oil. These turned out to be the 14 most disastrous years of my life because Imperial Oil management were heartless. I do not know if they have mellowed since, but I rather doubt it. Their one and only concern was the dollar. When private sector dealers are battling it out on a level field, fair is fair, but when war is being waged with Canadian taxpayers' money I can tell you that you may be hard pressed to stand the competition.

As I said in my remarks this morning, each private station service operator had an annual budget of $1,000 for sprucing up the place, while each Petro-Canada agent could spend as much as $50,000 for the same thing. They would even break up the concrete to clean up although it was not necessary. It did not matter, they were spending taxpayers' money. The Liberals are second to none when it comes to spending money. Goodbye, thank you, not to worry! Marc Lalonde, a nice picture I have kept since 1981, Canada's No. 1 gas jockey, "Marc Lalonde, October 24, 1981". See what he looks like! He created a lot of problems for the retailers, but he never dealt with the industry's problems, because Petro-Canada never did anything to improve Canada's position. Let my colleagues opposite tell the House whether in Gaspé, gas was cheaper at Petro-Canada! Certainly not! In fact, it was more expensive. Did they sell gas cheaper in Petro-Canada stations in Abitibi? No, they charged more! Was the service any better? Certainly not!

They came down hard on the retailers and told them; Petro-Canada was now a national company and had to force its way into the market. Sure, but they ignored the rights of employees. And this was all because Mr. Trudeau wanted to see a maple leaf on every block. That is why Petro-Canada was so important.

Mr. Saint-Julien: A red maple leaf!

Mr. Della Noce: They got their little red leaf. They got their red maple leaf. But they lost the election. And they alienated retailers. The retailers didn't vote for the Liberals because they got the short end of the stick. I

represented those retailers, but when I asked Mr. Lalonde to help us, he didn't have the courtesy to reply.

Mr. Speaker, all this should come as no surprise. You have heard this kind of story before. All I want to say is that Petro-Canada will have a successful future if it goes private. I want to congratulate the minister and the government for making this possible, and I am proud to be a member of this government.

The Acting Speaker (Mr. Paproski): Questions and comments. The hon. member for Welland—St. Catharines—Thorold.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, my colleague from Quebec spoke well, but I must add that, originally, Petro-Canada was intended to benefit not only for people interested in making money here and there but all Canadians. About the service stations that were built in Quebec, their people who built them sure made money, because they were tearing down old buildings and putting up new ones. I can assure you the government made no money on that. Private businesses wanted to take advantage of the situation.

[*English*]

I do not want to get into a full scale debate, but it would seem to me that Petro-Canada, is something which was owned by Canadians for Canadians and not solely for the abuse of private industry, so that it could gouge and fill its pockets. Today in this House I accuse private industry and I accuse the gas companies of going ahead and gouging us at the gas pumps.

We still have Petro-Canada. Thank God, we have not sold it off. It is one of the last things that we had that we can say virtually is our own as Canadians. Now we come along and for a couple of dollars, he says—

[*Translation*]

We are going to put an end to the maple leaf, which stands for Canada.

[*English*]

And so it is, Mr. Speaker. The red ensign is on it because it belongs to us. All these people who want to get in simply by saying their little piece over on the other side, let them listen because Petro-Canada is our birthright.

I wonder if my hon. colleague could perhaps address himself to these questions which I pose: Would Quebec indeed be enjoying the facilities of getting all the gas it needs now, notwithstanding the fact that we made a deal to give most of it away with free trade? Would Hibernia have taken place?

My hon. colleague says that he was in gas stations all over Canada. I ask my colleague: Was he ever in the tar sands? Did he ever go out to see what Hibernia was all about? Did he ever go up to the Beaufort Sea? I would like to hear what he has to say about that. I would like to put that in the perspective of what we as Canadians have sacrificed so that we can own them—

An hon. member: Oh, oh.

Mr. Parent: I never asked you. It was for the man who was speaking. The whole thing is, I say to the man over there, that most of us have been to these places. I think it is only right that the man over there who is defending the sale of Petro-Canada should be the one to answer the questions that I pose to him today.

The Acting Speaker (Mr. Paproski): I would hope the hon. member would be succinct because there are two other questioners.

Mr. Della Noce: Mr. Speaker, I will be as brief as possible. The questions of my colleague from Welland were so good that I will be delighted to answer them. I have been waiting six years to answer these questions. I am very proud today to stand in this House and do so.

My colleague says that if we destroy stations we could have people working. Yes, that is the Liberal thinking: destroy something that does not need to be destroyed, just to spend money. I am against that.

The situation is that if we compete I have to have the same tools to compete. This was not so. One day I woke up and three service stations around me that were poor like me became rich people, and the name was Petro-Can. This was not fair. Why throw me out of business? I had a family. I had employees. Why throw me out of business with Canadian money? That is not fair. You should give me the same share. That is what I do not like about it.

An hon. member: Your own money.

Mr. Della Noce: My own money. The government took my money to replace a floor or a station that was not needed because the private owner had it and it was okay. Now I have to sit back and applaud the federal Liberal Party for what it did. This is abuse of the industry and

abuse of money that people have to pay tax on a daily basis.

The hon. member said that Petro-Canada was there to eliminate the abuse of the oil company. What did it do? Give me one example when Petro-Canada stood up and fought with Imperial Oil. There was none. It did nothing. Imperial Oil was increasing one cent; Petro-Canada was increasing two cents. Nothing, nothing was done, and they call that police to monitor the price. It was even excluded from the Competition Act. It could do anything. You could not even apply the Competition Act.

Today it is part of the Competition Act like Imperial Oil, like Shell, and like Texaco used to be. Why should it be excluded from the Competition Act? You call that a police who is allowed to shoot with no rules. That is what it was. That is what I did not like and that is what they did not like.

It is too bad, Mr. Speaker, that you tell me my time is up. I could speak to him for two more hours, as an example, but I will give a break to my other colleague.

• (1530)

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I wish to make a remark and to ask a question. The hon. member for Laval-Est has stood up for the interests of the people of Canada and Quebec like few other Quebec member of Parliament. And he did not wait until September 1990 to do so. On many occasions, in caucus meetings and in the House, Mr. Speaker, he kept us informed on the gasoline issue.

Mr. Speaker, we were always told that Petro-Canada belonged to us, but some of my constituents kept asking me why Petro-Canada was not cheaper and was indeed more expensive at times than other companies. My question is the following: Will the Quebec Conservative member for Laval-Est tell us why the gas sold by Petro-Canada does not cost less?

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Having been involved for 20 years in that industry, Mr. Speaker, I can tell you and the Hon. Member for Abitibi, also the Hon. Member for Welland—I wanted to tell him earlier, but I will reply to both of them now.

Mr. Speaker, Petro-Canada was experiencing tremondous difficulties. It was in a conflict of interest situation every day and every hour. It could not lower its prices because that move would have been detrimental to the private sector. If it raised them, that move would have hurt the government, come election time. Therefore, it was between—

Mrs. Bourgault: —a rock and a hard place.

Mr. Della Noce: —yes, between a rock and a hard place. If there is an Hon. Member here who feels that Petro-Canada has done a good job, he should tell me whether in his riding, his street or near his house he ever saw a Petro-Canada station selling gas not two, not three, not four, but one cent cheaper, as I did myself when I was a private retailer! Let him identify a single case. I challenge anybody. Petro-Canada could not do so—and this is my reply to my colleague—because it was a Crown corporation and, as such, it had to obey like a tin soldier, meaning that it could not move. Sometimes it would be the Minister calling, at other times it would be the board or the private sector. And you had better listen to the private sector. In short, do this, do not do that. It was a big waste of time and money, Mr. Speaker.

The Acting Speaker (Mr. Paproski): The time allocated for questions and comments has now expired. Resuming debate. The Hon. Member for Burin—Saint-Georges has the floor.

[*English*]

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, first of all, let me say how saddened I was the day my leader told me I would no longer be able to shadow my good friend, the minister responsible for privatization.

Mr. Boudria: Lots of time.

Mr. Simmons: The short time I spent in that assignment was enjoyable all the more so because the minister was always very cordial. Without tongue in cheek, I want to thank him for that. We did not agree often, but that is why he is on one side of the House and I am on the other. I wish my successor in that position, the gentleman from Scarborough—Rouge River, the same kind of cordial relationship with the minister.

I thought one of the more interesting speeches in this Chamber in recent times was the one just given by my good friend from Laval-Est. He and I should share with you a little secret. I inherited the office I presently

occupy in the Confederation Building from him. I got one of the big ones when he went on to a bigger one. You called that one. You probably called that one as badly as you are calling this bill, but that is another story. I just wanted to let you know, Mr. Speaker, that he and I have been in the same place but not at the same time. I inherited his office.

I want to take this licence just in passing, friend to friend, as one who sits where he sat at one time. I heard him talk about Imperial Oil and his less than happy relationship towards the end, and I think it was something like the worst fourteen years of his life. I heard him toward the end of his speech when he got into the business of symbolism which Petro-Canada has, the maple leaf and that kind of stuff. I do not think that was the real brunt of what he was saying. I think what he was saying was that if they had had a skull and cross-bones or the flag from Timbuctoo as their symbol, his emotion would have been the same. I do not think it was the maple leaf that set him off but his basic compulsive hatred for the administration that was led by the Right Hon. Mr. Trudeau. I want to say again friend to friend, I understand. We all have less than happy experiences either with administrations, with companies or other entities. He ought not to be consumed by this terrible passion called hatred. It is kind of debilitating. It is like revenge in a way. It destroys only the aggressor only, the person doing the hating or trying to affect the revenge.

I would hope he would not give us too many more dissertations along those particular lines. We are only yet on the amendment. I am sure he will want to address himself to the main motion, once we have dealt with the amendment.

Maybe at that time, he will be more forthcoming not in so far as his immediate passion, his hatred is concerned—I found this interesting but not terribly uplifting—but that he would spend some time telling us why it is that if privatization is the best thing since sliced bread, he did not spend a little time putting some butter on it, why he did not spend a little time telling us why he supports privatization?

His hatred of PetroCan I can understand. I do not agree with it, but I can understand it given his circumstances.

Let us go on to two or three things that I would like to say about the bill in the few minutes that I have. My friend and colleague from Scarborough—Rouge River has spelled out extremely well our position on this bill, as did my colleague from York Centre.

I know this debate will be touching on various aspects of our concern and our position here. What I like to do with almost any issue is put a Newfoundland perspective on an aspect of it. Members will be aware that the Hibernia agreement, which was recently signed, has an oil consortium made up of four partners as part of the agreement. Of course, one of those partners is Petro-Can.

PetroCan has a 25 per cent share in the consortium, which is now in the process of beginning the commercial development of the Hibernia oil field located a couple hundred miles southeast of St. John's, Newfoundland.

The lead partner is Mobil, which has a larger percentage than any of the others. It has a 28 per cent share. Then, of course, we have Chevron and Gulf with shares, with Chevron having about 21 per cent, and Gulf about 25 per cent. But that is not the point of my comment.

I want to draw attention to the very point that the hon. member for Welland—St. Catharines—Thorold alluded to a minute ago, the fact that Hibernia has the involvement of PetroCan. He also mentioned the fact that the Beaufort Sea has the active involvement of PetroCan.

Those who would criticize PetroCan as the instrument of public policy that it was intended to be—I submit that it has been very successfully—in that context need to go no further than the two examples that the hon. member for Welland—St. Catharines—Thorold has given the House in the past few minutes.

Let us consider these points. Beaufort Sea, frontier exploration. Hibernia, offshore Newfoundland, frontier exploration, and now development. Surely there alone you have an adequate argument for an instrument of public policy in the hands of the federal government.

I understand that when the right hon. member for Yellowhead, now the Secretary of State for External Affairs, came briefly to office in May 1979, he had intended to privatize at that particular time. I understand equally that when the right hon. gentleman from Baie Comeau, the current Prime Minister, came to

office in 1984, he has together with his immediate Tory predecessor, the gentleman from Yellowhead, in tandem, one after the other, dismantled PetroCan as a public policy instrument.

• (1540)

Therefore in the argument implicit in the question, do we need PetroCan has to be followed with another question, which PetroCan? The watered-down PetroCan of today or the PetroCan that was embodied in legislation initially and allowed to pursue its mandate until 1979, and to some extent until 1984. Mr. Speaker, you really have to answer the question generically first, do we need a public policy instrument in the oil industry area?

The answer in the 1970s was yes and I believe the answer clearly is yes today. Many of the same conditions apply right now in 1990 as applied in the seventies when this Crown corporation called PetroCan was first envisaged, first put into legislation and first put into place.

One has to look no further than the current goings on in the Middle East, the tragic Persian Gulf situation and the economic domino effect it is having on prices right here in Canada. You heard my friend and colleague from Halifax today during Question Period cite the increasing gas prices in Halifax. We could mirror these figures for her in all of Atlantic Canada, certainly in my own riding of Burin—St. George's and I am sure in the riding of my good friend from St. John's East and in many other ridings. Indeed, it is only a matter of time before we will be able to mirror it in every riding in Canada. That is part of the terrible domino effect that the Persian Gulf situation is having and will have on the whole world and we are not immune to it.

The whole Persian Gulf issue and the oil aspects of it is a subject in itself and as much as I would like to digress on that point, I think in the interest of getting on with the job and some relevancy, for which I am known, as my friend from St. John's East will concur—

Mr. Reid: Emphasis on the word "some".

Mr. Simmons: Emphasis on the word "some", as he says. In the interests of all the above, Mr. Speaker, I think I should reluctantly bring myself back to this fascinating subject called Petro-Canada.

My friend from Laval-Est is now demonstrating one more time the brilliance of that person who came up with the idea—I think the French actually have a term for it. They call it *esprit d'escalier* or in good old fashion American-Canadian-Newfinese, "Monday morning quarterbacking". Is it not always the case that after you have sat down, having given what you absolutely believe is the most brilliant speech of your life, you think of even more brilliant things to say?

I say to him, if he wants to shout some witticisms across the floor to me, let him go ahead. He probably notices it just fuels my engine. I enjoy it. But if he wants them to be heard particularly by his constituents, he would be well advised to wait until we get through with this amendment and then, when we get back on the main motion, he will have a further opportunity to get up and speak in this debate.

I appeal to him that during that period, not to indulge in hate mongering because that is not his strong suit. He does terribly at it. He went on at length with it but he does terribly at it. I ask him not to engage in either hate mongering or in vested interests. The floor of this chamber is not a place to peddle your vested interest, I say to the gentleman from Laval-Est.

With those qualifications, I will sit here in rapt attention and hear every word he has to say and maybe agree with some of them, though I do not make that as as firm commitment.

There are the detractors of this marvellous instrument called Petro-Canada. I say to my friend, the hon. member for St. John's East, about this marvellous instrument called PetroCan, his constituents believe that. But they also believe we should bring in a variable entry requirement as well, and either he does not seem to want to agree with them on that, or he has adopted a very convenient silence on the matter. That is another issue, Mr. Speaker, how I digress. Let me get back to this.

Some of the detractors of this particular marvellous Crown corporation would say and do say that a Crown energy corporation cannot possibly finance its debt as

well as if it were a private corporation. That is the argument, that somehow, if we derobed it or rid it of its Crown corporation trappings, it would suddenly become a super, energetic animal that would go out and take on the banks and the financial giants out there and debt would not be a problem, and so on and so forth.

Let us look at three energy corporations in the country, all owned by the Crown, either provincially or federally, but, as we say, all owned by the Crown. I just happen to have the figures here in front of me.

There is an outfit called Hydro-Québec, an organization that has done brilliantly well. It is a well run organization. I have had the opportunity to visit its headquarters in years past. I do not know a lot about its operation, but there is one important detail I do know about its operation—and my friend, the hon. member for St. John's East, would know this too because he and I read a lot of the same books. We come to different conclusions but we read the same books. He will know that one of the important details which relate to Hydro-Quebec is that it is raping Newfoundland, day after day, after day, because of that terrible Churchill Falls agreement. We in Newfoundland and Labrador have more than a passing acquaintance with Hydro-Quebec.

Let me get back to the point I was making. Hydro-Quebec's current debt is $28 billion. Its assets, in round figures, amount to $34 billion. In terms of the debt-to-equity ratio, that is a fairly frightful situation if one had a company in that kind of situation.

Mr. Hockin: Asset-to-debt.

Mr. Simmons: I understand, yes, the word was wrong, asset-to-debt. I thank the minister. That is why he is the Minister of State for Small Businesses and Tourism, because he knows so much about those things. I am just a poor carpenter's son from rural Newfoundland, still trying to get my tongue around all those terms. But you get the drift of what I am saying. That 28 is somewhat like 34. Proportionately, it is almost one-to-one.

Mr. Duhamel: Six difference.

Mr. Simmons: My friend, the hon. member for St. Boniface, gets the message that 28—You are motioning that is time already, Mr. Speaker. When you are having fun, it goes very quickly.

With Hydro-Quebec, the asset-to-debt ratio is $34 billion in assets and $28 billion in debt. Ontario Hydro has $36 billion in assets, compared to $27 billion in debt. In both cases, in rough terms, that is an almost one-to-one relationship. And for PetroCan, this much reviled, do-nothing organization that should be run out of town as quickly as possible and that we should rid our hands of just as fast as possible and right away, before it does us any more damage, just listen to the terrible ratio it has between assets and debt. Not one-to-one like Hydro-Québec, not even one-to-one like Ontario Hydro. No. Here are the figures. The total assets of PetroCan today area about $6.8 billion or $7 billion in round figures and its debt is $1.9 billion, or let us say, $2 billion. Its asset-to-debt is roughly $7 billion in assets and less than $2 billion in debts. Its ratio is about three to one, or better than that, about three-and-a-half to one.

• (1550)

If members are going to stand in the House and mislead—and I am sure it is inadvertent— they will have to realize that at some point we will get some facts into this debate, whether it takes just today or several other days. If they want to tamper with one of the most marvellous public policy instruments we have had in the country, they will have to face up to some facts. One of the facts staring them right in the face is that when the government says a Crown corporation cannot finance its debt, it is lying. It may not be doing it deliberately, it may be doing it unwittingly. But it is surely lying when it gets on with that particular nonsense.

An hon. member: Oh, oh.

Mr. Simmons: I am sure the minister feels a speech coming on, and in time we will hear from him. I have no doubt that he will be able to inform the House much more than I am on this subject. Remember, I am just the carpenter's son that stumbled in here to give you a few comments—

Mr. Reid: Looking for a place to spend the night?

Mr. Simmons: Looking for a place to spend the day, at least, yes. I just happened to stumble in and thought I would unload my opinion of what the government is doing while I was passing through, my humble opinion of what it is doing to a very good public policy instrument. What it is doing, I do not like, and that is why I am agin it. If I had more time I would tell you, Mr. Speaker, the other several reasons I have in front of me as to why it is

I cannot support the government's present effort to privatize PetroCan. What it is doing is wrong. The people of Canada are not being well served by this move.

I see my time is up, but maybe I will have another crack at it later on.

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, it is a pleasure for me to be able to respond to my friend from Burin—St. George's.

First, I would like to assure my friend that I have nothing but the utmost respect for Petro-Canada, for the job it did in its early days of formation and particularly, if I may say, for the job it has done in the last ten years as it operated more and more as an oil company, free from the fetters and control of government which has hindered its job as a Canadian oil company. It has been so successful in developing in a variety of frontiers in the country. It has made a substantial contribution through Petro-Canada International and other organizations. I would agree with him on that.

If I may, I would also tell him I agree absolutely on the variable entrance requirement. But there is so much more to Bill C-21 that is essential for his constituents and mine that we must move ahead with that. The hypocrisy in not recognizing that Bill C-21 does so much more is not acceptable. No one wants the variable entrance requirement more than I.

I would like to refer the hon. member to the question he raised concerning the debt-to-asset ratio, and I make no pretence to understand it. It is important that all members in the House recognize that, as Petro-Canada plays a more substantial role in the development of the offshore, particularly off the province of Newfoundland and Labrador, it must continue not only not to have the political constraints put on it but the financial constraints as well. If Petro-Canada, with its ownership in Terra Nova, which is approaching something like 45 per cent, is to participate in the development of that project, surely my hon. friend will agree, and I would like to hear his comment on this.

Mr. Simmons: On the last point, again?

Mr. Reid: The last point being that, if we want Terra Nova to be developed with the assistance of Petro-Canada, which today, as I understand, controls about 45 per cent, it is not realistic within the constraints of the fiscal pressures of this government, or any other government, with the burden of its debt and the responsibility that its debt places on the Government of Canada and its books. It is not realistic that we constrain Petro-Canada from a new infusion of equity and a new ability to get debt. Debt is only part of the point, and the equity that can be raised through becoming a private corporation, or a publicly traded corporation, is to the benefit of his constituents and mine, as we move to develop Terra Nova and then so many other projects in which I hope Petro-Canada plays a substantial and, indeed, a lead role.

Mr. Simmons: Mr. Speaker, the last question could be dealt with most quickly. I do not know my friend's expertise in this area, but he will know mine and it is limited. If he is having difficulty with the question of how PetroCan can tap the markets, he ought to talk to Hydro-Québec which does it very successfully on a regular basis.

The member for St. John's East seems to be labouring under the illusion that somehow government is a disease. Government is not a disease. Government can do some pretty unhealthy things, but this notion that everything associated with government is, by definition, abhorrent, I just do not buy that idea.

Mr. Reid: Neither do I, absolutely.

Mr. Simmons: I am glad for that clarification, because the impression that he gave at the top of his intervention was that somehow, the main problem with PetroCan is that it was owned by the federal government. I find that of itself not a particular problem.

I would like to address the variable entrance requirement.

Mr. Reid: Order, relevancy.

Mr. Simmons: Mr. Speaker, it was the member from St. John's East who raised the question with me about the VER. We can deal with this very quickly. I know he is afraid I might answer, but I am going to answer anyway.

If he is completely candid with the House, he knows very well that, while the VER is an aspect of Bill C-21,

for the past 40 years the issue has been dealt with quite separately from any new bill about unemployment insurance.

We have passed it every year. We have passed it under Mr. Trudeau, and we have passed it under the hon. member from Yellowhead. Under the present Prime Minister, we have passed it five years in a row. In the sixth year, that member got up and voted against it twice. Sorry, my time is up.

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, now it is my turn. The hon. member told me I would have my chance. I now have my chance, if he would listen. I have a chance to ask a question.

I know my hon. colleague now has the office I used to have. I did not move because for a bigger one. It is because the location is different and I prefer it here. But I do miss my old office and he is spoiled to have such a nice office. I will visit him soon.

I heard my hon. colleague speaking on Petro–Canada. Of course, he knows I do not like Petro–Canada. It is not because I do not like the leaf. I am a good Canadian. I am of Italian origin. We are all Canadians. We are proud of the country. It is strong when it is together.

The idea I do not like is the unfair competition it gives to a private enterprise. I speak as a private enterpriser. It is very hard to compete as a private enterprise when the government comes with the big bucks and the big people.

Petro–Canada had 10 people to inspect a service station. In private enterprise, we have one person and he cannot stay there for more than an hour. This allows him to make 10 stations a day. When it is public money, it is easier to spend a few days. Sometimes they might sleep over near the station and try to get a free dinner on the company.

Private enterprise cannot run with the idea that PetroCan used to have. If my hon. friend understands this, then why should the government sell gasoline or toothbrushes, or even airplanes? Why does it not keep the money to administer the services that all Canadians need. That was the argument we had in Quebec and across the country with the national association. We have nothing against being a Canadian. We are very proud. But when the government said it was a police force for the industry, I did not see anything good for Canadians. I did not see a single deal.

It was giving out hamburgers when people bought gasoline. Why did it give hamburgers to the customers? Why did it not give a one–cent discount like I used to give to my customers. That is what I did not like. Some smart guy, an administrator in Calgary, decided that to sell gasoline one has to give McDonald's hamburgers to the consumer. Why? They do not need that. They need gasoline at the bare price. This is what I did not like. This you do not see in private enterprise. Why do you not go to the small businessmen who need your help?

• (1600)

Mr. Simmons: Mr. Speaker, I thank the gentleman from Laval Est. He makes a very good point. The initial point he made had to do with unfair competition.

I will say to the hon. member in all candour, I do not know the details. I made light of it earlier, just in fun. I am sure he understood it within that context. I made light of his relationship with respect to PetroCan, but I do not know the details of it and I do not want to make light of it. That is not the issue.

I have not said that PetroCan is a perfect agency. What I have said, first of all, is, let us not throw the baby out with the bath water. If there are some things we want to correct about this, if it is doing some things it ought not to be doing, if it is engaged in unfair competition, let that be the target of our legislation here in the House. But let us not get rid of a good entity just because probably, according to the member's allegation, it has done some things which are less than desirable, or less than perfect. I do not know if that is the case, but I take the hon. member at his word if that is what happened.

I gather from the vibes we are getting from this issue that the member's experience on this issue has been less than pleasant. I will not do anything to make it any less pleasant.

Mr. Della Noce: Esso did not help.

Mr. Simmons: Esso did not help, and I understand you to say that.

To his second point very quickly, Mr. Speaker. He talks about PetroCan, the gas stations and the hamburgers and that kind of issue. He asked who came up with it. I suppose the glib answer is, I guess the same fellow or

woman who comes up with marketing gimmicks, balloons or coloured brochures, or whatever during election campaigns for Tory parties and other parties.

People get carried away with marketing gimmicks. Sometimes the hamburgers or the balloons given out have nothing to do with the purpose of the organization at all. I am sure that happens with oil companies every bit as it does with political parties.

But, Mr. Speaker, the substantive point I would say to him is this: PetroCan is a vertically integrated company. It has come to depend, rightly or wrongly, on its downstream, on its gas station cash flows to finance its upstream, some of its exploration activity.

Now, if he is raising the question, should they be doing that, that is a whole new question. It is quite possible for this legislature, this House, to say that we want to keep PetroCan as a public policy instrument, but we do not want interfering at the retail level. We can cut them off at the knees in terms of the downstream activity. That is an option for us. But the option again is not to throw out the whole thing.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I want to raise a couple of questions with my colleague. Perhaps because of limited time, he can concentrate on the last one.

I have been led to understand that there were a number of objectives to the initial conception of Petro-Canada which we have not discussed a great deal. For example, the exploration of additional reserves. In a paper I just read today, it says that if we continue present consumption rates that we have roughly 13 years of reserve only.

I have also been told that the study of alternative sources of energy was another important objective. We all realize that much of that, if not all of it, has been dismantled. That concerns me, particularly in terms of what is happening in the world today. Perhaps this is the most important point.

I have also been informed that the increase of Canadianization was an important goal of this particular institution and I have been told that there has been some significant success in certain areas of Canada that have benefited from this. I believe one of those areas has been the Atlantic provinces. I wonder if my colleague might respond to that. He might also want, because he was cut off rather shortly, to expand upon the variable entrance requirement and the maternity-paternity benefits in Bill C-21, that we are willing to bring in as a separate bill, as has been done in previous years.

The Acting Speaker (Mr. Paproski): The hon. member for Burin—St. George's. Very briefly, please.

Mr. Simmons: Mr. Speaker, first of all let me thank you for your tolerance. I shall be very brief. I thank my friend from St. Boniface for his questions. To do justice, I wish I had time to deal with these questions that they need. Let me cover them very quickly.

The short answer to his second last question, of course, is that we are in a considerably worse off position in 1990 than we were in 1984 in terms of Canadian ownership.

That is one of the direct results, as members will realize and as Canada realizes. One of the important side effects of the process of disarming and taking away from PetroCan's mandate as the Prime Minister has so shamefully done is that the instrument, which was doing very well in terms of helping us to get extra Canadian ownership of the industry, was cut off in mid stream.

In 1984, it was stopped from pursuing that objective, and the fallout is in front of us. We now have an industry that is more foreign owned now than it was. The figure has escaped me, but it is dramatic.

Today, we have far less Canadian ownership than we did in 1984. The hon. member for St. Boniface is equally correct when he talks about the VER, the so-called variable entrance requirement. It is true that in June 1990 and in December 1989 the hon. member for Laval-Est, the hon. member for St. John's East and everybody else on that side of the House got up and voted against the same amendment that their colleagues had voted for for five years: in December 1984, 1985, 1986, 1987 and 1988.

It was the same amendment that had been brought into this House for 14 years in a row. Then, in the 14th year, they voted against it. What is this? Is this some kind of revenge on the people out there in rural Canada? What kind of nonsense is this?

Today, we are prepared with 10 minutes. Mr. Speaker, give us 10 minutes. Give us four minutes. Give us a guitar and we will sing it to you. Give us two minutes, and we will put through that variable entrance require-

ment so fast you will not know what happened to this place. We will put an end to the misery of tens of thousands of people in my riding in Newfoundland, in all of Atlantic Canada and across this country who are out there suffering needlessly because we have a stubborn government that says: "My way or no way."

My friend says that this is a stupid government. No, Mr. Speaker, I have to disagree. It is not stupid. It is too conniving to be stupid. No one has ever said it is stupid, but it is uncaring. The net result is that thousands upon tens of thousands of people are suffering. These are people to whom we can come to the aid of with this bill. We could bring in a bill on maternity benefits, if that is what they want.

What we want is to vote for a bill that removes the government involvement to the tune of $2.7 billion in the unemployment insurance plan, because that would wipe out UI for the fishermen completely in the short term. I am not going to stand by and have that happen.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated.

Before I recognize the hon. member, it is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Comox—Alberni, the Budget; the hon. member for Cape Breton—East Richmond, Labour; the hon. member for Okanagan—Shuswap, Agriculture.

Mr. Dave Worthy (Cariboo—Chilcotin): Mr. Speaker, I was very interested in listening to the hon. member for Burin—St. George's.

It is always nice to know that there are other common people in this House. I guess that is not improper since this is the House of Commons.

The hon. member is a carpenter's son who found his way here. I am a poor rancher's boy who found his way into the Chilcotin plateau. I, too, am struggling to understand the complexities of this major bill for us.

Earlier, the Minister of State (Privatization and Regulatory Affairs) laid out in clear and simple language the reason for this government proposal. Today, I would like to discuss how this proposed transaction fits into the broader approach to privatization which has been followed by the government since 1984.

When the current government was elected in 1984, one of its first priorities was to restructure the country's economic framework to enable Canadians to become more competitive to meet the challenging of the emerging global marketplace.

In the past six years, this government has pursued an economic policy based on less government involvement in the private sector, a more disciplined use of the taxpayers' resources. Privatization, I am glad to say, is a key component of that policy. As many of you know, in the last half of the last decade governments of every political persuasion started to critically examine the old solutions to see if they had utility in a modern world of global competition. Not only did they find that the old practices of central planning and excessive intervention by governments were ineffective, they were counter-productive. They impaired the nation's ability to compete.

• (1610)

In the struggle to transform the economies of many of the democracies of eastern Europe in particular, governments there are embracing the notion of privatization in different ways and in varying degrees. While Canada is providing assistance to several of these countries in implementing their privatization programs, we cannot forget that we still have a lot of work to do in our own backyard.

At last count the Canadian government owned 53 Crown corporations and 113 subsidiary Crown corporations and had partial holdings in a number of other firms. This is after having successfully privatized 13 Crown corporations and Crown holdings in five mixed ownership corporations. Some of these include Canadair, an aircraft manufacturer; Teleglobe Canada, our overseas telecommunications carrier; and of course Air Canada, Canada's largest airline which was sold through two public share offerings to over 100,000 shareholders.

The success of Canada's approach to privatization is due largely to the fact that it reflects, and attempts to reflect the country's unique demographic, economic, political, and historical considerations. Consider for a moment the disparity between our geography and our population. Canada is the largest country in the western hemisphere. Compared to the U.S. with only 3.6 million square miles, Canada has 3.8. On the other hand we have a population of only 26 million, a tenth of that of the United States.

This disparity between our geography and our population has encouraged a reliance on government ownership as a way of supplying vital national services such as rail and air transport. Some of the customers of these services express concern that a change in ownership will mean a reduction in service or safety, or increased prices. Therefore, in developing its privatization plans the government gives special consideration to the concerns of these customers. Where necessary, regulations are introduced to ensure that health and safety standards are maintained.

Another factor explaining Canada's approach to privatization is the role of foreign ownership in our economy. Canada's economic development gave rise to the industrial base dominated by branch plants. Most of Canada's manufacturing and petroleum product sectors are still dominated by subsidiaries of companies headquartered outside of Canada.

As a result, Canadians have welcomed the financial benefits of foreign investment while remaining a bit nervous about the consequences of foreign influence on our economy. Because of this, the government's privatization program looks at the foreign ownership question on a case-by-case basis to determine whether non-resident restrictions are indeed required.

Canada's privatization program is also influenced by our Constitution, in particular its division of powers between federal and provincial governments. Canada's Constitution gives the provinces control over the regulation of the securities industry. The provincial securities commissions each impose constraints on what can be done to promote a public share offering. In these instances where a public share offering is used as a method of sale, this regulatory environment must be taken into account.

One final factor which contributes to the uniqueness of our privatization policy is the character and condition of Canadians themselves. Canadians are highly educated, participate actively in a free enterprise economy, and enjoy a high standard of living compared to other countries. Most Canadians own their own houses. Many of them own shares as well.

Canada did not have to promote "popular capitalism" as part of its privatization program because it was already a reality in the Canadian culture.

In fact more than four million Canadians or 23 per cent of the Canadian adult population own shares in a publicly traded company or in as stock mutual fund. This represents an increase of about one million share owners since 1986, when 18 per cent of Canadian adults participated in the stock market.

All these uniquely Canadian circumstances—a small population in a large land mass, the predominance of branch plants, our Constitution with its complex division of powers between the provincial and federal governments, and the nature of our domestic capital markets—had to be taken into account when the government first got itself into the business of owning commercial interests. They must be taken into account now as we get out of some of them.

The minister has assured us that the government's privatization program is based on a pragmatic, common sense, case by case approach. The time is taken to examine very carefully the circumstances associated with each company in order to determine the best method and timing of the sale.

It may be useful to look back on some of the major privatizations which have taken place since 1984 to show the pragmatic and intelligent approach that has been taken. In my opinion three transactions stand out: the sale of Canadair to Bombardier, the sale of Teleglobe to Memotec Data, and the privatization of Air Canada. I would like to take each one in turn.

First is the sale of Canadair. Canadians know that the sale of Canadair to Bombardier has been a tremendous success story. They know that Canadair was going nowhere under state ownership. It was a company with excellent technology but poor marketing and poor management skills. Those are exactly the ingredients which Bombardier brought to the enterprise. There is simply no question that the privatization of Canadair has given the company a bright and exciting future.

Second is Teleglobe. The Teleglobe case in an excellent example. You do not have to own a company to control it. In this case the price of overseas telephone calls can easily be controlled through regulation if that is desired. What was accomplished by relying on regula-

tion, not ownership, was the creation of a dynamic new force in the Canadian telecommunications sector, Memotec Data. Once again it was a win win situation.

Third is Air Canada. Crown ownership of Air Canada may have been necessary in earlier days to achieve the public policy objective of creating a national air system, but we all know that circumstances have radically changed in air transportation since those early days. Now we have two major airlines in Canada with myriad commuter lines servicing smaller centres. We now have a national air system with many participants. In short, public ownership of Air Canada was no longer essential to ensure a national air service.

Furthermore, Air Canada required a large infusion of capital to finance fleet modernization. We therefore had the choice of raising that money through higher taxes or higher deficit, or raising money through public share offerings. Since Crown ownership was no longer necessary, we chose to offer shares to the public which were well received by Air Canada employees and the general public alike.

These transactions are not the product of ideology. In my view, they represent the triumph of common sense over the impassioned rhetoric of the proponents of state ownership. They have set the stage for the government's latest privatization initiative: the sale of Petro-Canada.

As the minister stated earlier, Crown ownership is no longer necessary to achieve the principal public policy objective in the energy sector to establish the conditions in which economic development of our energy reserves can occur.

What is necessary for Petro-Canada to participate aggressively in the development of our oil and gas reserves is access to a new and reliable source of equity. Once again, we are left with a choice in the House of finding that money by taxing Canadians, by borrowing even more money on their behalf, or by inviting Canadians to take a direct stake in the company to share the challenge which lies ahead.

The decision by the government to allow Petro-Canada to raise equity directly from individual investors is not a product of ideology. It involves a lot of common sense.

• (1620)

Ideology, though, is at the root of much of the opposition that we are hearing. Many members opposite will oppose this legislation based on the belief that state ownership is an end in itself, that it is better to have a weak state owned company than a strong company owned by individual Canadians. Surely it is this glorification of state ownership for its own sake, regardless of its consequences, which is inconsistent with Canadian traditions.

This legislation is good for Petro-Canada. It is good for hard-pressed Canadian taxpayers and those Canadians who, like myself, are concerned about the debt burden we are leaving for the next generation. It is good for Canada since it will allow Petro-Canada to get on with the job of securing our energy future. That is why I support its passage.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I appreciate the comments my colleague made and I want to make a few comments as well as ask a few questions. First of all, I am not one of those who are mainly concerned with ideology. I believe common sense must be used, regardless of one's political allegiance. My colleague mentioned cases of firms and businesses where privatization was beneficial in his opinion.

[*English*]

While I appreciate the examples that he has given, I want to just question a few.

He did not mention, for example, the sale of Route Canada where he will recall that some 1,900 Canadians from across Canada have suffered significantly. Some of them have not received their termination pay, severance pay, or holiday pay. I think it is unfortunate that the minister responsible for that particular portfolio has not seen fit to order an inquiry to see whether or not we could help those suffering men and women across this nation, people who have waited for a long time to be responded to appropriately.

The minister mentioned Air Canada, but he did not mention of course the 2,900 jobs that have just been cut. I guess I am concerned as well about the privatization of Petro-Canada. Is there a possibility here that a significant number of jobs will indeed be cut in the near future?

I am not one who argues that jobs should be kept at any price. Obviously that is not possible. But, clearly, have we thought about that ahead of time so that if it is going to happen the men and women of this country who are affected can continue to live their lives with dignity and respond to their needs and the needs of their families?

Just one final point perhaps and a question. Is it the member's opinion that consumers of gas and oil products today are being gouged? If so, is it by the private sector? If yes, who in the private sector is doing it to them? Certainly the men and women who are calling me really are feeling as if they are being taken advantage of.

Mr. Worthy: Mr. Speaker, I thank the hon. member for the question. I do not think anybody in this House or in this country enjoys the spectre of lay-offs, especially large lay-offs like we have seen occurring.

The fact that as an airline company, or as any company, it is in a position to respond as quickly as it has to to market conditions is an indication of why the company should be under private ownership, if it is at all possible. It is exactly the reality that if it can respond quickly to be more efficient, to continue in productivity, and to continue to take advantage of the realistic business opportunities that are there, it will be able to secure a better future for itself and all its existing employees and, in the future, will be able to hire more.

I think it is recognized by most that falsely supporting an inefficient company just to maintain jobs is the worst direction to take in employment-type policy.

I would share the concern of the hon. member. I thank him for his question. However, I believe he is actually supporting the argument that where possible companies should be in the private enterprise so that they can stay efficient, stay strong, and continue to provide the jobs we so badly need.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I heard the comments of the hon. member for Cariboo—Chilcotin. I am sure that he spoke very sincerely of what he believed in. It probably will not surprise him if I say that I do not agree with any of his conclusions. However, surely he will agree with me that this is a very important issue. This is a bill for the Government of Canada to divest itself of the largest corporation that the Canadian government has ever sold off. The assets of the corporation are close to $7 billion.

Given that that is the case and that this is the partial divestiture of the largest Crown corporation that this country has ever owned, what does my colleague across the way think of time allocation or closure, if you wish, to have been put on this bill after only a few short hours of debate?

Mr. Worthy: Mr. Speaker, I thank the hon. member opposite for his question.

I share the hon. member's interest in a full and open debate on this bill because it is a very large undertaking and a very serious bill. It requires the most careful of consideration. I also know that the minister responsible for this bill also wants to see it fully debated.

The characteristics of this bill that are going to require the most careful exploration can more properly be done in committee. We are going to have to ensure that all the factors necessary in privatizing a Canadian company have been followed, and that we have properly assessed the need for Canadian ownership balanced against the need to get the greatest return for Canada from the shares.

We have to foresee possible problems that could occur and make sure that they have been adequately looked at. There is a whole myriad of very complex issues that can more properly take place in the committee room than they can on the floor of the House. I share the hon. member's interest in having full debate on the bill. I also would like to achieve that.

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I have just a short question for my colleague. I know he is very interested in the point, and I know he knows the answer.

The hon. member who spoke before him was comparing Petro-Canada to Hydro Quebec. The problem I have with this argument is that Hydro Quebec is selling electricity in one big machine. It is in a position of monopolizing. It can sell its electricity at any price. Quebecers cannot buy their electricity somewhere else; they have no choice. Petro-Canada, on the other hand, is in competitive position.

I want to ask my colleague: Why don't we put more money to help the situation like Hydro Quebec does? I look forward to his answer.

Mr. Worthy: Mr. Speaker, as I indicated when I started, I am not an accountant or a person who necessarily understands the full complexity of financial statements. I do not believe that you have to understand the complexity of it to understand this: The difference between a monopoly and a company that is trying to compete in the open marketplace is like night and day.

We have to add to that the terrible debt that Canadian taxpayers are now faced with and have struggled with since the Conservative government took over. It has to be the highest priority in our minds, as legislators. It has been by this government and it will continue to be. To ask Petro–Canada to take on that debt is asking the taxpayers of Canada to increase their debt load. I will not do that and I am sure my friend would not.

• (1630)

Mr. Maurice Foster (Algoma): Mr. Speaker, I am pleased to have an opportunity to say a few words on the bill which proposes the privatization of Petro–Canada. We on this side of the House have indicated our opposition to this privatization. We think that at this critical time in the history of our country, with the problems facing the Canadian economy and the uncertainty of oil supplies because of the events in the Middle East, this certainly is not the time to be privatizing Petro–Canada.

I was interested in the remarks of the hon. member for Cariboo—Chilcotin, who indicated that he was opposed to the government using closure or time allocation. I hope that, if the government ever moves it again, and I am sure that after his words, the government will not move to try to close down debate on such a massive, important issue as the privatization of Petro–Canada, he will vote against any move by the House leader on the government side to move in that direction.

This is a very important bill; it is a very important issue. Petroleum products are to the economy of a country what red blood is to the health of a human being. Because of the uncertainty back in 1973 and the first oil shocks of that year and again in 1980, the government of the day moved to establish a national petroleum corporation.

I had the opportunity of working on the committee which studied the bill to set up this corporation. At the time I do not believe we thought that the corporation would be as large as it is today. We saw it more as an instrument for exploration and development. It has moved on, through successive governments, to expand into the retail trade.

I was surprised, when the present government came to office in 1984, that one of the first things it did was to spend almost $1 billion to buy the downstream assets of Gulf Canada. Surely after all of the uncertainty of the Clark regime in 1979 as to whether it would privatize, partly privatize or not privatize Petro–Canada, it was amazing to me that the government bought up the Gulf Canada gas stations in eastern Canada. At the same time, I believe it provided assistance to the Reichmann organization to buy the upstream resources of Gulf Canada by giving them a tax credit. So, in fact, through that marvellous device known as the Little Egypt bump, the Reichmanns were able to acquire those assets with a great deal of the cost being borne by the taxpayers of Canada.

So given the Tory philosophy and position, it is really amazing that they spent $1 billion dollars, buying up a bunch of gas stations when they could have been committing that $1 billion to exploration and development. Nobody has quite ever explained exactly why they did that.

Now we hear them talking about selling off 15 per cent of the Petro–Canada assets in order to provide $500 million worth of funds that are really needed, according to Wilbert Hopper, President and Chief Executive Officer of Petro–Canada for oil and gas exploration and development. It seems to me that if they are needed now, the Tories might have been better to have saved those dollars back in 1984 and 1985 when they spent almost $1 billion. If it had not spent the money in that way, by giving a tax advantage to the Reichmann organization to purchase the upstream resources of Gulf Canada, it probably would have had all of the operating capital that was required at that time.

Clearly this proposal will not work if the government's plan is to sell off 15 per cent of the shares. No investor I know wants to buy into an organization that is as volatile as the oil industry. All you have to do is look at the

lay-offs announced today by Imperial Oil of from 3,000 to 4,000 employees to know just how volatile that industry is. I do not know that many investors want to invest in a Crown corporation of which 15 per cent will be sold. It makes for a very unhappy wedding, if there is one.

The investors are concerned that the government would use the Crown corporation for its own purpose as an instrument of public policy. It is not very workable to do that because the shareholders are supposed to be protected, but they are still with an 85 per cent interest.

Naturally the privatized corporation is going to be very interested in the views and the position of the minister of industry or the Minister of Finance, whoever holds the shares for the federal government. I do not think that kind of arrangement is ever going to be very happy for investors and probably not very happy for the government. It has been tried in other jurisdictions and usually has been a dismal failure, as it was in the case of B.C. when it tried its B.C. resources privatization scheme.

If ever there was bad timing for the sale of Petro-Canada, it surely must be now. The price of oil has gone from $16 or $17 a barrel to over $40 a barrel today. Shares of Petro-Canada, if they were on the market, clearly would be up because their resources in the ground would likewise be up. But the need for security of supply must be weighing heavily on the mind of the minister of energy these days.

Our reserves in the western sedimentary basin have been reduced almost annually. We are committed under the free trade agreement with the United States, regardless of what the oil shocks are—if war broke out in the Middle East today, as it could—to maintain our level of supply to the U.S. With those resources dwindling day after day, how is it possible for a government to sell off PetroCan, which can be a massive instrument of public policy? You only have to look at the percentage of the reserves and a market of something around 20 per cent, which if sold, is gone forever. We have already made a commitment under the FTA that it will be a total market situation. The instruments that the government has left for enunciating or having an energy policy are all being given away. This is a very important instrument we have now and it will be given away if this bill passes.

• (1640)

The government has said that it wants to privatize this company so that it will gain more capital from the marketplace for exploration and development. I have already asked, why did the government buy a bunch of gas stations if it wanted more money. Why did it spend $1 billion only four years ago to buy a bunch of gas stations if it was really short of capital for exploration and development? But the Canadian capital markets are only so large.

We are having difficulty finding capital resources for the manufacturing industry, the mining industry, for transportation, for all kinds of needs in areas like mine in northern Ontario. Yet it is proposed to privatize this and suck up those scarce financial resources from the Canadian marketplace into Petro-Canada.

Likewise, if Petro-Canada is privatized and these resources go into Petro-Canada, where will these other sectors of the industry, which are not as profitable at some stages, go? Clearly the mining industry is in a terrible state because the government has removed the flow-through shares and the MEDA incentive program.

Only a few weeks ago a number of members of our caucus had meetings in Kirkland Lake and we heard how that whole exploration and development for the mining industry has been destroyed in the last year because of the flow-through shares and the incentive programs are not there. They cannot get resources. If Petro-Canada moves into the marketplace to scrounge up even more resources, that industry and other industries, manufacturing and processing will be even that much more strapped.

The alternative under this bill is that 25 per cent can be sold off to foreign investors. Already we are seeing a dramatic reduction in the Canadian control of the oil industry. If we look at the downstream resources between 1985 and 1989, Canadian control has dropped from 42.7 per cent to 36.1 per cent.

Imagine, Mr. Speaker, in just four years with the Tory government in power, we have seen a 6 per cent—more than that actually, 6.5 per cent—decline in Canadian control of downstream energy resources. It is happening

in many other areas because what the government is saying is that it does not matter who controls. The oil companies with their headquarters in Houston or Chicago or wherever will be just as interested in Canadians as they will be in Americans.

Well, one does not have to be very wise to know that that is simply not the case. When the American administration in Washington, whether it is the Congress or the Senate, or the President, put the twist on the arm of corporate America, it responds. There is no question about it. If we look at the review of upstream resources between 1986 and 1989, a period of only three years, Canadian control has slipped from 49 per cent to 39 per cent, a drop of 10 per cent. If this bill goes through and there are not Canadian funds available to invest in those shares, naturally they will look to the United States for those resources.

One of the reasons that we wanted to establish Petro-Canada back in the seventies was to provide a window on the industry. We know it is controlled by five, six, or seven big oil companies operating internationally. We know that most of those, with the exception of Shell, are headquartered in the United States. We wanted to have, not only to have an instrument of public policy, but a window on that industry to have some influence on it and to know if there is a rip-off taking place.

People in my constituency complain about the high price of oil. Petro-Canada is a window and has been a window on the industry, not only at home, but abroad. Mr. Hopper is the President of the Canadian Petroleum Association. How much closer can you get to the industry than to have that position in Calgary?

Under this proposal, I predict that the national petroleum corporation, Petro-Canada, will cease to be a window on an industry where we know that in 10 or 20 years the level of resources are simply not going to be there. We have seen the level of reserves in the western sedimentary basin dropping all the time. That window could be lost.

In connection with that, in international affairs, we lose. We have Petro-Canada International which has been a valuable instrument for assisting Third World countries to develop their petroleum resources. Surely we, as a nation, have a responsibility through CIDA, international development agencies, the NGOs, and so on, to assist in international development. Petro-Canada has been a valuable instrument in that regard. Surely, Third World development is helping them to develop their resources. We did it, along with other countries, in India and other countries to develop their green revolution back in the sixties to see them able to grow their new varieties of dwarf wheat so that they could become self-sufficient or at least able to feed themselves.

Surely, petroleum is the life-blood of any economy. Assisting Third World countries to develop their mineral and energy resources is a valuable aspect. That will be lost under this proposal, the ability of Petro-Canada to be a window on the petroleum industry, not only in the nation, but abroad, and also to be an important international instrument for the development of Third World energy.

Petro-Canada has been the instrument of public policy development for projects such as Hibernia. I believe that the exact percentage of the development of Hibernia is 25 per cent owned by Petro-Canada. Surely, to throw that over into the private sector will not ensure the development of Hibernia. What about the others: Terra Nova, 44 per cent owned by Petro-Canada; OSLO, 15 per cent owned by Petro-Canada; Syncrude, 17 per cent owned by Petro-Canada; and the Wolf Lake project, 50 per cent owned by Petro-Canada. Those are projects that governments have difficulty in knowing exactly how to approach those and what percentage to be involved.

• (1650)

How can we be sure that, if Petro-Canada is privatized, these important projects which the government is committed to will go ahead? How will its share in OSLO or whatever simply be sold off? Ultimately, if privatization takes place, investors will not be satisfied with 15 per cent. Investors simply will want 100 per cent private sector to be sure that it is not an instrument of public policy. The ability of government to invest soundly and wisely in these projects will be lost and the responsibility for doing it will be lost.

The government has got a lot to answer for in proposing this at a time when oil prices on the world scene have risen from $16 or $18 a barrel during the past year to over $42 a barrel now. Can we be sure that the government knows what it is doing by privatizing this? Can we be sure that consumers are not going to be ripped off at the gas pump?

The government really should review this whole scheme again. The advantages are not very great. The disadvantages are very extensive. We can look at the 2,900 lay-offs at Air Canada today. Of course, it has been privatized. In Petro-Canada, we see 6,400 employees. Has the government got some secret agenda to do the same to the employees of Petro-Canada that it has done to Air Canada already today?

The Acting Speaker (Mr. Paproski): The hon. member's time has expired. Questions and comments.

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, I listened intently to what the hon. member said, and I am not sure he understands what he did say. I want some clarification.

He talked about rising oil prices, and he alluded to the fact that Petro-Canada somehow controlled prices of energy, whether it be gas or oil, that it is primarily involved in and that because of these rising prices, we should hang onto Petro-Canada to control these prices. That is the impression he left with the House.

He is quite a veteran of the House. He has been around here a long time. As a matter of fact, I think he might have been here when Petro-Canada was born. He is that long in the tooth, at least 15 years.

When has Petro-Canada has ever controlled the price of energy in the country. Was it ever initially mandated to control prices of energy in the country? If so, can he point to me where that mandate was? Can he point to me when at any time did it control the price of energy in the country?

The point is that the privatization of Petro-Canada has absolutely nothing to do with the rising energy prices that we see in the world today. It is the situation in the Middle East that has forced the speculative price of oil to increase. It has nothing to do with Petro-Canada, the privatization, or, I might say, its mandate when it was first envisaged by the cartel of Liberals and New Democrats back in the early seventies.

Mr. Foster: Mr. Speaker, of course, the Minister of State for Privatization and Regulatory Affairs speaks of cartels. The cartel, if there is one, is the cartel of the five or six big oil companies working in collusion to try to push up the prices of oil in the country.

When we established PetroCan back in the 1970s, we established it to extend and expand Canada's energy reserves and resources. The hon. member knows that what is important is that we have a window on the industry. What the government is proposing is that we sell this off and that we make sure that the government has no instruments for public policy with regard to energy.

The government has defanged the National Energy Board so it has no power to control exports. We have pushed up exports of natural gas and oil so that that whole area of national policy has been given away in the FTA. He knows that.

Mr. McDermid: That is nonsense. I do not know that at all.

Mr. Foster: He should know.

Mr. McDermid: It's all nonsense.

Mr. Foster: He knows that that is the truth and he does not like to hear it because it really upsets him.

Mr. McDermid: It is not factually correct.

Mr. Foster: That is exactly what the minister did and now he wants to get rid of the one instrument for a public policy in energy. The minister has proven that the government talks about getting more privatization, but this policy just gives them all away.

The government is talking about privatizing 15 per cent of this so that it can generate $500 million worth of exploration funds. If the government really wanted to have $500 million or $1 billion worth of funds for exploration to do this, why did it buy some $900 million worth of gas stations in 1984? If it was really interested in exploration and development, which was the primary role of Petro-Canada as originally envisaged, it did not need to spend $800 million or $900 million. It was not this minister because he was not there at the time, but it was this government that said: "We do not want to spend the money on exploration and development. We want to buy up Gulf's oil and gas stations in eastern Canada." So that is what it did.

Now, Petro-Canada is strapped for money because it spent it all on gas stations which really does not increase its reserves very much. I really do not understand why, if a government was being prudent with the taxpayers' money, it would go and buy up a whole bunch of gas stations, when it could have been using it for exploration

and development—and not just using it today. It could have been using it and rolling it over each year.

I really think that the Minister of State for Privatization does not know what he is talking about. This bill is really a bad bill.

The Acting Speaker (Mr. Paproski): Questions and comments. The hon. member for St. Boniface.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my hon. colleague spoke about the element of Canadian control and Canadianization. He had the figures in front of him. Could he just expand upon them somewhat and perhaps give an example or two of other areas that have slipped and have less Canadian control than they had?

I do not know if he has time to answer, but he may wish to comment on this. I have been receiving a lot of calls from constituents who feel that they are being taken advantage of in the current situation with respect to increased prices of gas.

Mr. Speaker: The hon. member might be able to answer that privately.

It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed in today's *Order Paper*.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

CHARLOTTETOWN CONFERENCE

ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY

Mr. George Proud (Hillsborough) moved:

That, in the opinion of this House, the city of Charlottetown, Prince Edward Island should be designated as the "Birthplace of Canada" to mark the one hundred and twenty-fifth anniversary of the 1864 Charlottetown Conference of the Fathers of Confederation.

He said: Mr. Speaker, it gives me a great deal of satisfaction and pride to move and begin debate on this motion.

I am very happy to have had my motion chosen in the draw at this time. I feel that most Canadians do not understand the order in which motions and Private Members' bills appear for debate because it is chosen by lottery, better known as the luck of the draw. Of course, I am going to need much more than luck to see this motion through to completion.

As the member of Parliament for Hillsborough, I have worked since June 1989 to achieve this designation and, of course, there have been many, many Islanders who have worked much longer than this to see Charlottetown given the recognition it deserves.

In 1989 the 125th anniversary of the Charlottetown Conference was celebrated. In 1864 at the conference, delegates from Canada and the Maritimes agreed in principle to form one union, the Dominion of Canada. At this time in Charlottetown a feeling of excitement and endless possibility was born. Delegates representing several provinces decided to form one nation. They realized that in unity, there is strength. Today, in 1990, Canadians hope to recapture that sense of unity and optimism.

It is possible to recapture the atmosphere of the 1864 conference if you walk around Charlottetown. Charlottetown is a community which was already 100 years old when the conference took place. You can begin this by walking up Great George Street from the harbour, the route followed by the Fathers of Confederation, the route they took after they disembarked from their steamer, *Queen Victoria*. Trees shade the area, and as you walk through the trees, Province House comes into view. Province House is where the conference took place, and it is where today the legislative proceedings of the province take place.

Province House is a great source of pride to Prince Edward Islanders. It was built as the colonial house between 1843 and 1846, with the official opening in January 1847. It has served as the seat of government from that time onward. It is a beautiful but aging building, and the aging of the building led to an agreement between the federal and provincial governments in 1974 to restore many of the rooms in Province House to the 1800s. This job was completed in 1986.

The room that most people want to see as they visit this building is the red chamber, the chamber in which the Fathers of Confederation met.

The National Capital Commission has worked with the province of Prince Edward Island in recognition of the role that the provincial capitals play in the evolution of the country. The commission has created direct linkages with Charlottetown in recognition of its valued role as

the historic and symbolic capital in the creation of Confederation.

Through a cultural exchange program, Charlottetown and Prince Edward Island were made more visible in Canada's capital; and the national capital is now more familiar to the residents of Prince Edward Island. Their efforts help to highlight the potential educational importance of debating this motion.

Canadians need unifying symbols. We need to be reminded of our great past so that we can think of the future with hope. I am afraid that if we do not make an active effort to affirm our identity as Canadians, to affirm the reasons why this country was created in the first place, we could lose it by default. That would be a tragedy, with such greatness behind us and so much to look forward to.

Canadians desire to renew the bonds that hold us together, to regain a sense of nationhood, as is evidenced by the huge numbers of people who come here to Parliament Hill. They come here not only to watch their democracy in action, but to see a building which symbolizes the nation. The Parliament Buildings and this Chamber, in particular, command our respect and our pride. And I do not think anyone leaves this Hill untouched.

Dignified and treasured as these buildings are, they are only part of the story of Canada. I think that Canadians should experience the same sense of history in Charlottetown as they do here in Ottawa. While any Islander knows the story of the Dominion's birth, and is happy to tell it to visitors, we would appreciate the support and the resources of the Government of Canada in letting all Canadians know about it and experience it.

Canadians learn in school that Charlottetown was the location of the conference where Confederation was born. What they might not realize is that Charlottetown's streets and buildings bring these history lessons to life. Many homes and buildings that date from that era still exist and have been fully restored to give Canadians a true sense of the times. One mansion, at which some of the delegates stayed while in Charlottetown, has been declared a national landmark. Government House, the home of Prince Edward Island's Lieutenant Governor, has been preserved beautifully. And the home of William Pope, one of Prince Edward Island's Fathers of Confederation, is now designated as a national park. Also, some modern landmarks commemorate this important moment in Canadian history and add to Charlottetown's appeal, such as the Confederation Centre of the Arts, the living monument to Canada's founding fathers.

All of this was accomplished through the dedication of many Islanders and many other people over a period of many years, such as the Charlottetown Area Development Corporation, through the Charlottetown Area Beautification Project, city council, members of the Legislative Assembly and the Heritage Foundation of Canada, as well as the Historic Sites and Monuments Board of Canada. The people of Charlottetown are conscious of their historic surroundings and they have worked very hard to maintain the physical aspects, and as a result, the spirit of the Charlottetown conference.

Mr. Speaker, I could stand here all day and list the individuals whose contributions to this effort have made it worth while. But, one person who stands out in my mind is a person by the name of Eddy Rice. Over the past year, I have sought the input and the advice of many people regarding this type of motion and their help was invaluable to me. But Eddie Rice, who has worked to preserve and promote Charlottetown's special place in history, was one of the first people to discuss this idea with me, so I especially appreciate his role. I think he summed it up best when he said: "We are guardians of our own heritage".

At this time, Mr. Speaker, I would like to point out that, due to a drafting oversight, my motion now reads:

> That, in the opinion of this House, the city of Charlottetown, Prince Edward Island should be designated as the "Birthplace of Canada" to mark the one hundred and twenty-fifth anniversary of the 1864 Charlottetown Conference of the Fathers of Confederation.

Later in the debate, my hon. colleague, the hon. member for Cardigan, will rise and move an amendment to this motion. The amendment will change the words "Birthplace of Canada" to "Birthplace of Confederation".

Mr. Speaker, on September 27 of this year, during Routine Proceedings, I moved for leave to introduce Bill C-330, An Act to Commemorate the Birthplace of Confederation. This was agreed to, the bill was read the first time and ordered to be printed.

This bill would promote the unifying symbols in the history of Canada in a time when the country seems divided. The bill shall, by means of plaques or other signs or in any other suitable manner mark the sites and buildings where was held, prior to 1867, the Charlottetown Conference, during which delegates from the Maritimes and from Canada agreed to explore the possibility of one union.

It is my hope that all members of this House will support both my motion and my bill. Prince Edward Islanders have worked for the official designation of their capital city, not only out of a desire to preserve and enhance its unique historic role but also to strengthen the local and the provincial economy which, I am sure, all hon. members know is in great need of strengthening. Prince Edward Island's economy is based, to a great extent, on tourism.

• (1710)

According to the Atlantic Provinces Economic Council, in 1989 over 740,000 people visited P.E.I. That is a large number of people for a province with a population of about 130,000. P.E.I.'s tourism sector must continue to grow so that its economy will be strengthened. Tourism is a very competitive sector, and we know we can compete. To do so, we need the help of the Government of Canada.

The official designation of Charlottetown would be of great help in this competitive market appealing not only to Canadian visitors, but to international ones as well. With increased tourism comes increased activity in all areas of the economy. P.E.I.'s existing tourism base presents Canada with a wonderful opportunity to showcase a very special event in our history.

Canada was created in a way which would be known around the world as the Canadian way of doing things. Delegates gathered in an atmosphere of hospitality and optimism. Meetings were held and vital business was conducted. Also, festivities took place. Festive dinners and parties were enjoyed by all. This has become a famous image of the conference. In September 1864, Charlottetown was the place to be, and the following quote from a letter by Charlottetown conference delegate, George Brown, to his wife, Anne, will help to give a visual view of the hospitality and optimism.

"Amid most beautiful scenery, we came suddenly on the capital city of the island. Our steamer dropped anchor magnificently in the stream, and its man-of-war cut evidently inspired the natives with huge respect for their big brothers from Canada. I flatter myself we did that well. Having dressed ourselves in the correct style—we pulled away for shore and landed like Mr. Christopher Columbus."

In fact, the S.S. *Queen Victoria* had caused some alarm that morning when it entered Hillsborough Bay because it had been mistaken for a Yankee commerce raider. With this auspicious beginning, the Charlottetown Conference was under way, and the discussions of the delegates at that conference shaped the lives of Canadians for the past 126 years. That is why I stand here today asking for the support of this House.

The conference was originally planned as a discussion of a possible federation of the maritime provinces, but when the Canadian delegation arrived, it turned into a discussion of a much larger scheme, the federation of British North America. The delegates heard speeches by John A. Macdonald, George Cartier, Thomas D'Arcy McGee, George Brown and many others. The debate was lively. Before the delegates left the Island in 1864, the government and the citizens of Charlottetown threw a gala ball at Province House where they danced, dined and made fine speeches until the wee hours of the morning. The ball was recreated in 1989 on the 125th anniversary during a memorable party in the streets surrounding Province House.

If there was ever a time when Canadians needed living symbols of their history and an understanding that nation building is not over, it is now. I urge the people in this Chamber to support this motion. It would be a simple gesture, but an important one for Prince Edward Islanders and for all Canadians.

I would like to conclude with a quote from one of Prince Edward Island's delegates to the convention, and Father of Confederation, Thomas Heath Haviland. He said: "Never was there such an important meeting as this held before in the history of British America; and it may yet be said that here, in little Prince Edward Island, was

that union formed which has produced one of the greatest nations on the face of God's earth."

I urge all members to support this motion.

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, it is an honour for me to speak to this motion of the hon. member for Hillsborough.

Most of us recognize the importance of the Charlottetown Conference. In our grade school history class we learned about the great deeds done by people like John Hamilton Gray, George Coles, and others. When Canadians like Sir John A. Macdonald and George Etienne Cartier landed at Peakes Wharf in Charlottetown, little did they know how important their actions were. Indeed many people could learn today from the example of Canada's founding fathers.

The Charlottetown Conference was originally intended to be a discussion on the form of Maritime Union but then the Canadians arrived and they never looked back. Dr. Francis Bolger, an authority on the Charlottetown Conference, said:

> The Charlottetown Conference was indeed a success. The 23 delegates reached an agreement on the desirability of Confederation and on the general outline of a future constitution. Perhaps more importantly, they dedicated themselves to the establishment of a new nation. Subsequent conferences in Quebec City and London, England, formalized, refined and systematized the constitutional principles agreed upon in Charlottetown, and in 1867 the Dominion of Canada was formed.

Despite the great importance that we place on the Charlottetown Conference there is no official recognition of Charlottetown as the birthplace of Confederation. What the motion does is encourage the House to designate, in law, that Charlottetown is indeed the birthplace of Confederation.

The city of Charlottetown, Prince Edward Island, is a beautiful city with a remarkable sense of history. There are plaques in front of Province House, the sight of the conference, commemorating those Islanders that participated in the Charlottetown Conference of 1864. The plaques list the many achievements of the men who helped found this great nation. The time has come for the federal government to recognize formally that Charlottetown is the birthplace of Confederation.

The federal government could play a special role in helping develop historical sights in and around the city related to the events of 1864. Using the resources of Environment Canada and the Department of Communications, much can be done in and around Charlottetown to help preserve, restore, and revive many of the places associated with the conference. Sights like Government House and Pope House have been restored to their original condition, allowing for a vivid recollection of the history. Much has been done recently around Peakes Wharf where the delegates to the conference landed, restoring old shops and the like. Such restorations have added much to the life of Charlottetown and attract many visitors.

Recognition of the historical role in Canadian history played by Charlottetown would help strengthen the local economy. Prince Edward Island relies more heavily on tourism as a supplier of money and employment than any other province. With careful promotion of Charlottetown as the birthplace of Confederation many more Canadians who have yet to enjoy the history and spirit of Prince Edward Island will come to visit the Island.

It must be remembered that a move to commemorate the Charlottetown Conference will not only affect the city itself, but it will have a lasting impact on the tourism industry on the whole Island.

As the 125th anniversary of Confederation approaches in 1992 Canadians should become more aware of the history surrounding the great event. It has been said that Canada was a "noble experiment", and nothing could be more true today. As we look around and see the tensions that have built up, we find a Canada in need of unifying symbols. Recognition of Charlottetown as the birthplace of Confederation would be such a symbol, and I encourage all members to support the motion of the hon. member for Hillsborough.

Before I end my remarks I would like to move an amendment to the motion to correct a minor error. Therefore I move:

> That, in the opinion of this House, the city of Charlottetown, Prince Edward Island should be designated as the "Birthplace of Confederation" to mark the one hundred and twenty-fifth anniversary of the 1864 Charlottetown Conference of the Fathers of Confederation.

• (1720)

[*Translation*]

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): After taking counsel, the Chair has come to the conclusion that the amendment is relevant.

On debate. The hon. Parliamentary Secretary to the Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship).

[*English*]

ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, let me congratulate you on your position in the chair here today. This is the first time I have had an opportunity to speak in the House when you have been in the chair, so I congratulate you on your appointment.

I am honoured to participate in this debate in the House of Commons today and to support the sentiments of my colleague from Hillsborough and thank him for putting forth his motion.

The motion before us today asks that we recognize the importance of a meeting that occurred in Charlottetown almost 126 years ago. The Charlottetown Conference in 1864 was indeed a pivotal event in the history of Canada. It saw the leaders of the emerging Dominion of Canada come together to propose the founding of a new country. That initial meeting led to Confederation and eventually to Canada as we know it—Canada from sea to sea and from the 49th parallel to the far-flung reaches of the Arctic.

Those leaders, the Fathers of Confederation, had a vision. It was a revolutionary vision, one of disparate colonies uniting to form a strong young nation with a great future. Above all, it was a vision of a new way of doing things.

Here were the representatives of two peoples from two homelands, England and France. They saw the opportunity to reach out to one another, to unite for mutual benefit, and to live together in peace and mutual respect. At Charlottetown, in 1864, the idea of a country of people who would stand together while embracing their differences was born.

Over the decades Canadians have enlarged and enriched this vision. In our way we are giving new meaning to that concept of partnership of all regions and citizens of this country.

There is no doubt that the Charlottetown Conference was a key step in our evolution as a nation. I want to agree with the hon. member for Hillsborough and also the hon. member for Cardigan who has moved am appropriate and accurate amendment to the motion to call Charlottetown the birthplace of Confederation rather than the birthplace of Canada. With the amendment to the motion I want to say that I endorse this motion whole-heartedly.

I was doing some research on who were some of the renowned persons born in Charlottetown. One of the Fathers of Confederation, George Coles, was born in Charlottetown. The son of one of the Fathers of Confederation, Sir Joseph Pope, was born in Charlottetown. The present Lieutenant-Governor, Marion Reid, was born in Charlottetown. Our friend, journalist Mike Duffy, has Charlottetown as his birthplace. The former environment minister in the previous Parliament, the hon. Tom McMillan, was born in Charlottetown. It is as well as the birthplace of the great story *Anne of Green Gables*.

Confederation is the heart and the soul of Canada. It was by no means an easy road that our forefathers had to take. It was the road of compromise, of accommodation, of seeking the middle ground. Those were the principles upon which this country was built. Those are the principles which still guide us and which we must still honour.

This is the fair, the decent, the Canadian way. This is the legacy that was born in Charlottetown in 1864.

When our forebears came together for the Charlottetown Conference and at a subsequent conference in Quebec City, they had to grapple with some very difficult issues. In those days there were only a few provinces that were involved in those discussions. There were delegates from the three maritime provinces, Nova Scotia, New Brunswick, Prince Edward Island, and there were representatives from Upper and Lower Canada which encompassed what is now Ontario and Quebec.

It was a much smaller geographical entity than Canada is today. Nevertheless, the Fathers of Confederation

under the leadership of Sir John A. Macdonald faced the task of bringing together small sparsely populated communities scattered over immense distances. These communities also were divided by different economic interests and by different cultural, linguistic, legal and educational traditions.

How could they form a union while still satisfying local and regional interests? How could they accommodate the aspirations of both French and English speaking peoples in one political entity?

To remain separate colonies was to risk being swallowed up by our neighbour in the south. To merge completely and to try to submerge our differences would have meant losing the diversity already of great significance in those early days.

There was only one acceptable answer: a federation, a union that gave us a strong central government and Parliament and an ample measure of self-government and autonomy for each of the federating provinces.

How did our ancestors work out the details of that alliance? It was by sitting down together, debating, negotiating, and compromising.

Let us remember that the British North America Act, our Confederation document, guaranteed certain language and education rights and Quebec's system of civil law. Subsequent generations would have to improve on these arrangements.

Confederation was not a one-time event. Indeed it is an ongoing, evolutionary process. The partnerships that Canadians formed with one another in the early days of our history had to be renegotiated, renewed, and refined over the years.

Canadian historian, Senator Eugene Forsey, put it this way in an article that he wrote in 1962:

> The Fathers wrought well, and laid our foundations deep and strong. But the building is still unfinished and parts of it have suffered some damage through the years. It does not need a bombing squad or a wrecking crew. But it does need alterations, repairs, additions, the expansion of certain rooms; and all of us must be made to feel at home in it.

Since 1867 we have seen many constitutional milestones. Each round of constitutional talks had its heartwrenching moments as Canadians confronted their differences and sought common ground in the complex maze of competing interests and priorities.

• (1730)

Yet the unifying vision prevailed. We Canadians maintained our faith in the process that our ancestors set in motion.

From those first dreams of our ancestors of a daring new national experiment, Canada has grown to become an ever more mature, fair, and caring society. Nations around the world admire us for our principles and traditions.

We are known as peace-loving, tolerant, generous. We were not born with these characteristics—we honed them through the process of learning to live together, of standing up for one another through the long haul.

In 1864, in Charlottetown, our ancestors conceived of the idea of Canada—one nation created out of a collection of colonies.

Mr. Speaker, I believe it is vital to celebrate the Charlottetown Conference of 1864, to acknowledge the role it played in the birth of Confederation. Looking back on those times helps us gain a better understanding of the constitutional processes that will continue for many years to come.

It is up to all Canadians to continue the work of reaching out to one another, of building a new climate of understanding that can be fulfilled by the faith and goodwill of every citizen of this country.

As we stand on the threshold of the 21st century, we continue to strive for a strong and prosperous Canada for all citizens, mindful of the first discussions and decisions made in Charlottetown, at the birthplace of our Confederation.

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, I wish to join this debate and congratulate the member of Parliament for Hillsborough who has tabled this bill for our discussion today.

I guess I should state at the outset my vested interest in seeing that this particular matter is proceeded with. It goes back many years to my grandfather, who was born in Charlottetown, and of course my dad, who was born in that great province as well. So I state at the outset my vested interest, but I do want to compliment the member of Parliament for Hillsborough as well as his colleague for Cardigan who has put forward an amendment which I am supporting, and I know other members on this side of

the House, as well as on the government side, have now indicated their support.

I would like to pay tribute particularly to the parliamentary secretary who has just spoken. I found her words both eloquent and timely, and very fitting. I am happy to see that a government representative has taken the time to participate in this very worth-while debate, in assuring that this particular measure can proceed and proceed with despatch.

The Charlottetown Conference, like many events in history, was the result of precedents and accidents, the outcome of which few could have foreseen. While the conference was held ostensibly to debate the possibilities of a maritime union, a greater purpose soon unfolded.

Two-thirds of the Canadian cabinet had boarded the Canadian government steamer *Queen Victoria* in late August and sailed from Quebec to Charlottetown. They carried with them far-reaching proposals for Confederation.

I would like to quote a passage which an author wrote with regard to the voyage to Charlottetown:

> From Gaspé our course was direct to Charlottetown, the little capital of little Prince Edward Island. I was up at four in the morning!—Thursday morning (September 1)—to see the sun rise and have a salt water bath. We had just reached the westerly point of Prince Edward and were running along the coast of as pretty a country as you ever put your eye upon—About noon we came to an inlet which we entered, and running up for some miles what appeared to be a river but was in fact but an inlet of the sea (Hillsborough Bay), amid most beautiful scenery, we came suddenly on the Capital City of the Island.

That describes clearly the voyage which took place from the Gaspé to Charlottetown. Twenty-three statesmen and three secretaries sat down at a massive mahogany table in the legislative council chamber in the graceful Georgian Province House.

John A. Macdonald and Cartier began by setting out the general arguments in favour of Confederation with a broad outline of the Canadian proposal. They sought to show that such a union of the provinces was indeed possible. Confederation promised something that Maritime union could not, a trans-continental country. Their purpose, shaped by a faith and the power of hope over adversity.

The Charlottetown Conference thus laid the foundation upon which Confederation was built. It was in Charlottetown that the grand plans of the statesmen who were to become known as the Fathers of Confederation were first given practical shape. Perhaps the most remarkable achievement of the whole conference was the conversion of a significant proportion of the Maritime delegates to the cause of Confederation. For the sake of Confederation not a few would put at stake their political careers and in some cases even their personal reputations.

The Charlottetown Conference gave the delegates a sense of common destiny and a devotion to a cause greater than their local loyalties.

It is, therefore, Mr. Speaker, fitting that this city, this great little city, which saw the high hopes and quiet labours of our political forbears develop into a great community of peoples be recognized as the "Birthplace of Confederation".

The challenges the Fathers of Confederation faced over a century ago are challenges that we in this Chamber and across this great land continue to confront. Nonetheless, we can draw from their example and from their example. The imagination, the determination, and, yes, the courage that distinguished their great effort 125 years ago is needed anew.

Surely the hope of our country lies, just as it did in Charlottetown in 1864, in the acceptance of our differences and, Mr. Speaker, as you will well know, our distinctiveness; and in the recognition of our common problems and our common purpose.

That is what Macdonald, Cartier, John Gray of Prince Edward Island, Tilley from New Brunswick, and, yes, a fellow Nova Scotian by the name of Tupper and other distinguished statesmen had in mind in Charlottetown in 1864, when beneath the old gas lamps in the Provincial Building they committed themselves to a new political arrangement of the British North American colonies.

Today the country these men dreamed of has matured into one of the great and to some extent untapped bountiful countries of the world. It is a country of talent and opportunity, a country civilized in its human relations, a country rich in culture and literature.

Canada is not just a few acres of snow, but a country of immensely varied beauty of landscape and season, of

people from a hundred worldly professions who now call Canada their home, of valued diversity and of rights and privileges envied throughout the world.

• (1740)

Apart from honouring Charlottetown as the "Cradle of Confederation", we ought, perhaps as a Chamber and as humble representatives, honour the efforts of our 19th century nation builders by demonstrating, as so ably put by the parliamentary secretary, that we have a vision of how Canada can grow and evolve in response to the different and difficult times ahead.

Considerations of the new agenda remain unfinished. It is up to all of us to propose solutions and to chart the new course. To be involved in that effort is to be involved with the same spirit that fired the imagination and efforts of the Fathers of Confederation at Charlottetown almost 125 years ago.

With great humility, it is my pleasure to participate in this debate and join with my colleagues, the four members of Parliament from Charlottetown, in supporting them and the government in their quest to have Charlottetown as the birthplace of Confederation of this great nation.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I too am very pleased to be able to speak today on this motion put forward by my colleague, the hon. member for Hillsborough, and amended by my colleague the hon. member for Cardigan, on designating Charlottetown as the birthplace of Confederation.

First I want to offer my congratulations to the hon. member for Hillsborough in taking the initiative in introducing this motion before the House. I feel that it is very appropriate that we are discussing the designation of Charlottetown as the birthplace of Confederation here on the floor of the House of Commons, for it is here that we plan for the future of our country. It is only fitting that it is here that we recognize where our country was planned.

In identifying Charlottetown as the birthplace of Confederation, it is both a recognition and an acceptance of the importance of our historical heritage. We have listened to colleagues this afternoon speak of the events of the Charlottetown Conference of 1864 and how those events have helped shape the future of the country. I congratulate each one of them for their comments.

There are numerous reasons why the official designation of Charlottetown as the birthplace of Confederation would be beneficial. Today in the time allotted to me I would like to deal with three of these reasons.

First, and most important, Canada needs to officially identify historical events. This identification will help all of us develop our national pride.

Second, at a time when our country has become somewhat divided, it is imperative that we concentrate and celebrate those events which bind us together as a nation.

Third, not only will this designation of Charlottetown contribute to the well-being of our country, but there is no doubt it will contribute to the well-being of my province of Prince Edward Island.

I believe that we can continue to learn a great deal from those early Fathers of Confederation who met for ten days in Charlottetown 126 years ago and found compromise among their differences.

It was the Charlottetown Conference that really set Confederation in motion. Maritime union had long been talked about in Nova Scotia, New Brunswick, and Prince Edward Island. In fact, in March of 1864, all three legislatures passed resolutions to have a conference to discuss it. Nothing happened until after the June, 1864 and the constitutional crisis of the province of Canada, when the Canadians asked to attend the conference to propose a union of all British North America.

The request at first rather staggered the Maritime governments, but then the place and date of the meeting were selected: Charlottetown, Prince Edward Island, September 1 to 9, 1864. It might be of interest to members of the House to know that at the time of the conference, Charlottetown was the eleventh largest city in British North America.

At the conference, Maritime union was virtually dropped and the delegates agreed on the outline of a scheme for a more general union. It was the Charlottetown Conference which produced the momentum which was so obvious at the Quebec conference in October and so necessary to carry Confederation.

Prince Edward Islanders have learned a great deal from their heritage and affiliation with the Fathers of Confederation. All Canadians should be able to commemorate the birthplace of Confederation and under-

stand the events, the players, and the location of the activities to comprehend fully our national heritage.

As Canadians, we have long sought after some pre-packaged identity, often disregarding the facts of our own history which contribute to our true make-up and, therefore, our identity. This past year of our nation's history has been one of conflict within our confederation. It is now more important than ever that we look to our past for strength and, in some cases, direction for the future.

We need to feel patriotic about our great country and Charlottetown has a moral obligation to help. It has the stage.

At times, we often look toward the United States, not for guidance but because of the simple fact that it seems to be able to produce patriotism on command. It has been pointed out that at different times within the year, Washington is packed with school children from all over the United States. They also travel to Philadelphia and come from everywhere in the United States. Canadian school children could travel to Charlottetown, to learn and to see where, what, and how Canada was conceived. In doing so, they would have a better grasp of our country's beginnings and a better grasp of their national heritage and identity.

As an Islander, I am proud of the beauty and historical importance of our provincial capital, Charlottetown. It is truly an exceptional city. The older part of the city includes our provincial legislature, known as Province House, where the meetings were held in 1864. It also includes stately mansions, refurbished shops, and commercial buildings dating from the last century which line the streets. It is possible to walk and see exactly where the Fathers of Confederation spent their time.

• (1750)

Charlottetown has received national recognition before. In 1964, people in Canada showed enough faith in their history that they built the Confederation Centre for the Arts in Charlottetown as a memorial to the founding of Canada. This concrete and glass complex comprises a theatre, a splendid gallery, and the provincial archives. Each year, as part of the much acclaimed Charlottetown Festival, the flexible 1,000 seat theatre holds a revival of the musical based on the island novel, *Anne of Green Gables*.

There is no question that the designation of Charlottetown will help improve our provincial economy. It is distinctive among Canadian cities as being the birthplace of Confederation and that represents an important tourism resource whose development has the potential for bringing benefits to the entire province.

I realize that you are telling me, Mr. Speaker, that my time is up. I just want to close by once again commending the hon. member for Hillsborough in his initiative on this issue. I am proud and honoured to have the opportunity to address and support the designation of Charlottetown as the birthplace of Confederation.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I am pleased to rise today in debate on my colleague's motion. I am an islander as well, but I am not from Prince Edward Island. I am from another island called Cape Breton Island. Those islands in the east have had great historical significance in the development of the northern part of North America.

As anybody who has visited Prince Edward Island knows—and it is not that far from Cape Breton Island—the people there are among the finest in this great nation. That little town of Charlottetown is something unique. There is a special ambience that is there. I am not quite sure how one would properly describe it.

When one looks at the island itself, the island of Prince Edward Island, it truly is like a rolling pillow of lush green in the summertime, with the surf that pounds in on its miles of sandy coastline being like a braid that defines it. The capital city of Charlottetown is like an emerald on the coastline.

It is little wonder that when men and women of vision over 125 years ago pulled into that harbour that something took over their spirit. My colleague from Cape Breton—East Richmond read a passage which I think was very appropriate. They stopped talking about what could not be done and started to dream the impossible. At that time, the impossible was a nation called Canada.

For some reason, Charlottetown has perhaps hallowed soil. Maybe it has always had a destiny. I do not know. Some people believe in that. For some strange reason, the political divisions and the difficulty of geography we still face today—think of it. This was 126 years ago.

Today, we talk about how vast the country is. Today, we talk about the problems between our regions. Today, we talk about the problems between our languages. This was 126 years ago. There were no airplanes, no telephones, and no cars. There were boats, horses, and wagons. There were great distances. For some reason, Charlottetown pulled all those positive energies together and let those men and women dream the impossible, put aside their differences, and forge the great nation that is Canada.

I have had many opportunities to go to Charlottetown and Prince Edward Island and I go back as often as I can. These are times of great trouble in our land with the great divisions politically, economically, and linguistically across the country. Once we get this motion through and the designation comes for Charlottetown as the birthplace of Confederation, maybe for every future constitutional conference, when everybody does their agenda, they want to do their horse-trading, and they want to make sure that their needs are at the top of the agenda, maybe we should make it compulsory that our leaders from across Canada take a little trip to Charlottetown. They should walk the streets, go into the buildings where those meetings took place, and think about the history that was created. Men and women 126 years ago put their differences aside and stopped talking about what could not be done and started to talk about what could be done.

Maybe, just maybe, they should do the same thing and go to L'Anse-au-Meadow in Newfoundland where the first people landed. Then maybe they should go to the Citadel in Quebec so that when they all get together that infectious spirit, that special something, that little bit of magic that Charlottetown has caused for all Canadians, will be a little infectious.

I am very proud that my colleague, the member for Hillsborough, has had the foresight to put this motion together, and I am so pleased to see the support on both sides of the House. Maybe once again Charlottetown is weaving its magic, because I cannot recall the day, at least recently, when we have had members from all sides of the House getting up and speaking from the heart, and speaking eloquently and positively about a motion that is on the floor and before the Chair of the House of Commons.

I cannot think of any time since I was elected when we have had an hour in which people sat down and put their differences aside, and with the very eloquent remarks of the hon. parliamentary secretary. It gives me reason to feel kind of good.

Maybe, Mr. Speaker, just maybe, that special ambience, that special something that the hon. member for Hillsborough is trying to recognize in this motion, has once again touched this place.

The history of Canada is a history we should all be proud of. But it is a history that many times we forget. It is a history perhaps that we learn in grade school, but it is not one that we carry with us.

There has been mention of the importance of having symbols of national unity and that is important. It is important to remember the positive reasons why we are a nation and why we are together. I cannot think of a more fitting symbol, more pleasant symbol, or a more appropriate symbol of national unity than the city of Charlottetown, that city nestled on the harbour on the east coast of Canada that drew all that energy and drew all those people together.

It would do well for each and every one of us in the House tonight, after we vote in a positive way to proceed with this motion as quickly as we can, to make a commitment that maybe, just maybe, the next time we get a break—and goodness knows, that might be sooner than later—that maybe what we should do is go down to that beautiful city of Charlottetown, the birthplace of Confederation, and have a little walk around. Then maybe the next time we come back and meet in the House, we will get on, not to dismantling and damaging this nation as we are all a little guilty of in some of our partisan comments, but to furthering the cause and building this great nation, Canada.

It gives me a great deal of pleasure to support the motion that is before the Chair today.

• (1800)

The Acting Speaker (Mr. DeBlois): The time provided for the consideration of Private Members' Business has now expired.

[*Translation*]

In accordance with Standing Order 93, the item is dropped to the bottom of the order of precedence in the *Order Paper*.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

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

THE BUDGET

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I appreciate the opportunity at this time of adjournment to discuss a question which I put in the House on February 23 last in which I asked the Secretary of State about the cuts that took place to native programs in the Secretary of State department. The House will remember that in the budget this year, the Secretary of State made substantial cuts to native representative organizations. In fact, they were cut in many cases by 100 per cent. Cuts were made to native communications programs and, in many cases as well, those native communications programs and native newspapers received cuts of up to 100 per cent, and the same thing happened in native broadcasting.

As usual, the minister gave an unsatisfactory answer to my question. He simply indicated that everybody had to take cuts during a time of budget cutting in order to curb the deficit. But, in this case, he made substantial cuts for a group of people in this country who have not been fairly treated by the Government of Canada and by the people of Canada, and yet seem to be bearing or are being forced by this government to bear the deepest cuts in their programs and, as a result, substantial damage and difficulty was created for the native people of this country. For example, as Mr. Speaker will know, native newspapers have been forced to shut down. One of the most recent shutdowns was at the *Micmac News*, a newspaper in Atlantic Canada that communicates both between Micmac people and Canadians as a whole. You will know, Mr. Speaker, that that newspaper was the one that was responsible for pressing the case of Donald Marshall, Jr., who was unjustly imprisoned in Nova Scotia for 10 or 11 years for a crime which he did not commit. It was the *Micmac News* that pressed that case and made the Micmac people and the people of Canada aware of that case and, as a result, a royal commission was struck in Nova Scotia. It found that the justice system in Nova Scotia was in error, an appeal took place and Donald Marshall was, of course, released from jail.

I think what is even worse is that the cuts to the native programs in the Secretary of State department created some serious difficulties in the relationship between native people in Canada and the Government of Canada and non-natives in Canada. Poor relations during this last summer broke into virtual open civil disobedience and conflict with the people of Canada at Kanesatake and at Kahnawake in the province of Quebec. I think, as a result of those conflicts, the federal government ended up spending tens of millions of dollars, some people have suggested over $100 million, to deal with that conflict through the armed forces and the police forces of Canada and Quebec.

It does not make sense for this government to be constantly attacking native programs and to be constantly cutting native programs even though native people are not the people who are responsible for the huge deficit that this government has sustained. As a result of cutting a few million dollars out of the Secretary of State programs for native people, we ended up destroying good relations between the native people of Canada and the Government of Canada and the non-native people of Canada. As a result, we spent tens of millions of dollars and perhaps over $100 million to send the military into places like Kahnawake and Kanesatake. It simply does not make sense.

It is not good sense from the point of view of economics; it is not good sense from the point of view of cutting the deficit; and it is certainly not good sense from the point of view of maintaining good relations between the native people of Canada, the Government of Canada and non-natives in this country. It is extremely unfortunate that the Secretary of State does not realize that and that the Secretary of State earlier than this did not take steps to restore those programs, native broadcasting, native newspapers and funding for the aboriginal representative organizations that assist in communications between native people and non-native people in this country so that we can have a productive relationship.

• (1805)

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I am pleased to respond to the question by the hon. member

for Comox—Alberni that he asked the minister on February 23, 1990, quite some time ago.

I would like to state a few of the facts, and I am pleased we have an opportunity to give some of the facts today to show that native groups and women's groups, which are part of the question asked in February, are not being neglected by the government.

In regard to native groups first. There is a budget of over $30 million dedicated to the enhancement of languages and communications, and a transitional fund of $1 million to assist native communications societies in becoming more financially self-sufficient. The decrease in the funding, which the hon. member refers to, does not indicate in any way a lack of commitment on the part of the government.

I would like to remind him that in the budget of 1990, the over-all government funding for native peoples has been increased rather dramatically, a $77 million increase for social services, a $59 million increase for education, and a $35 million increase for health services. I would hope that the hon. member for Comox—Alberni, who has done some significant work with native groups, would be assured that these priorities of health, education and social services are priorities which I am sure he would endorse as the priorities of spending money.

With regard to women's groups, the Secretary of State reaffirmed that they would receive transitional funding for 1990–91. We are working with women's groups on an ongoing basis across the country to ensure that the resources will be available beyond 1990–91.

When budget cuts are made, it is because of the serious deficit problem we all know about. I want to assure the member that this government continues to be committed to aboriginal peoples and to women's groups.

LABOUR

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, I rise this evening with regard to a matter that I have been raising consistently on the floor of the House of Commons since 1985.

More recently, I had put a question to the Minister of Labour concerning the Program for Older Workers Adjustment. It just so happens that there are a good number of these individuals in my constituency of Cape Breton—East Richmond who have been attempting since 1985 to become part and parcel of the Program for Older Workers Adjustment.

In 1985, the Minister of Finance announced approximately $200 million to be set aside for a program for older workers adjustment. Thereafter, negotiations were entered into by the provincial and federal governments respectfully, and they came to an understanding whereby individuals would get certain benefits under that program.

Individuals in my constituency, particularly construction workers, have not been able to come within the meaning of these agreements. As a result, as good Canadians that they are, they are being denied the benefits of that particular program. I find it unacceptable that the Government of Canada would deny these individuals the benefits of a program which are supposed to go to older workers. The reality is that on the island of Cape Breton, unemployment is at an all time high. The prospects for employment in the construction industry are as likely as an individual going to go out and win the million dollar lottery. There are no jobs. The prospects of jobs in the very near future are just not there.

• (1810)

There is a body of individuals who are 50 years of age, 55 and some older who would like to retire with some sense of dignity. Seventy-five per cent of construction workers on Cape Breton Island are unemployed, 75 per cent. There is a need for the Government of Canada to take positive, affirmative action in order to address that particular problem. The Government of Canada blames the province, the province blames the federal government. It happens to be two Tory governments.

Nevertheless, who are the victims? Who are the individuals without these benefits? They are individuals who have paid their taxes to help build our schools, they have built our churches. Now, when they do not have the wherewithal, they seek dignity from the Government of Canada which has said at every turn: "No, no, no".

If they had not put those eight illegal people in the other place, they would have had the money to amend the program for older workers adjustment and to include

the construction workers in Cape Breton. They convinced individuals and have convinced the provincial government of their need. The provincial government is now willing to amend the program for older workers adjustment, but the federal government is not prepared to assist in any way.

I want the parliamentary secretary to the minister involved to stand in his place and show some real signs, demonstrable proof that he has compassion, that his government has compassion and understanding for those individuals who have been without the assistance of the program for older workers adjustment.

I raised this issue in 1985, 1986, 1987, 1988, 1989 and 1990 on several different occasions during that time frame. The construction industry itself, the union representatives and others have made repeated representations to the minister involved, as well as some of the other cabinet colleagues who sit around the table.

We are not seeking a billion dollars in new taxes or income for this particular program. We are talking of men and women, perhaps the age of the hon. member opposite, who have children in university and have mortgages to pay. I would ask him, as the parliamentary secretary, for fairness, for compassion, for understanding and for a positive decision to give to those men and to those women in the construction industry a chance to continue their lives with their families and friends and loved ones and to be able to do it with a sense of dignity and pride, knowing that the Government of Canada does care and is prepared to do something about it.

I ask, Mr. Speaker through you, to the parliamentary secretary if he would respond in a positive way.

Mr. Ken James (Parliamentary Secretary to Minister of Labour and Minister of State (Transport)): Mr. Speaker, I would like to thank the hon. member for Cape Breton—East Richmond for presenting his question. I know he has deep concern about the older workers in his area.

He is concerned about an amendment that we could possibly make to the agreement between the Government of Canada and, as he says, the province of Nova Scotia in order to include construction workers of Cape Breton under the program of older workers adjustment.

• (1815)

As the member is aware, POWA is designed to help long service older workers—that is the way it was set up—who had been permanently laid off and had little or no prospects for employment. As he mentioned, maybe I do fall in that category because it was for the 55-year olds and over.

Mr. Dingwall: But you still look young.

Mr. James: Thank you. Lay-offs that occur in all private sector industries and commercial Crown corporations, including the construction sector, are eligible under POWA. The criteria are to be applied consistently, as the member knows, to all lay-offs across the country.

I would stress, however, that the program for older workers adjustment remains a program really of last resort to be applied after all other adjustment measures had been considered. That is the way it was set up with the provinces.

With regard to the member's request that the agreement be amended in order to include Cape Breton construction workers, I believe it is a bit difficult to be changed at this time. After all, the adjustment program was implemented after extensive consultations. As he knows and as the member for Hillsborough sitting next to him knows—he also has a great interest in all this—it has only been operating for one year.

I would like to reassure the member that the federal government does recognize the contribution that older workers have made. I think we have to take into consideration the presentation that he has made and his great concern for the older workers in the construction industry in Cape Breton.

I believe in his presentation last June the member for Cape Breton—East Richmond asked if the minister would meet with the union people in Cape Breton. The minister did meet with representatives of the Cape Breton Island Building and Construction Association Trades Council to discuss the issue. He has taken up that matter with them.

The minister has also met with the minister responsible for the Atlantic Canada Opportunities Agency and the Minister of Employment and Immigration. He has further consulted with his Nova Scotia counterpart, the honourable Ronald Russell and has received information

from the department of industry, trade and technology on the construction industry in the province.

Based upon these discussions and the information received, he believes that a number of alternatives are now being considered for presentation to his federal and provincial colleagues so that a decision can be made.

I see Mr. Speaker indicating that I should finish my presentation, but I would like to tell the member that the minister has taken to heart his presentation. Hopefully, if we are not able to amend the current program for older workers immediately, there may be some other measures that can be taken to construction workers in Cape Breton.

AGRICULTURE

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, on June 4 of this year, I asked a question of the Minister of Agriculture regarding the difficult situation faced by dairy farmers not only in British Columbia but virtually right across Canada.

The difficulty concerns the growing loss of revenue, particularly in those communities that are close to the U.S. border. About $72 million in gross sales, for example, have been lost to the British Columbia dairy industry due to B.C. consumers purchasing cheap fluid milk and milk products south of the border.

Three of the five major crossings in B.C. have actually become known as milk and gas runs. Over 13,000 B.C. residents cross into Washington's border communities each day from B.C. often, I might add, for periods of less than half an hour basically just to fill up with gas, to purchase milk and dairy products, and then to return. I must point out that nobody can blame the residents of B.C. or anywhere across Canada for that matter, for trying to save a buck, particularly in a period of escalating gasoline prices and a weakening economy.

• (1820)

I would like to look at the consequences of what is happening with that haemorrhaging of money out of the provinces and down to the United States. In B.C. there is the loss of some $72 million is gross sales to British Columbia's dairy industry, some $30 million lost in provincial revenue from gasoline and transit taxes and $28 million lost in annual federal revenues. It can only be called a haemorrhaging of dollars from our economy. It is kneecapping the British Columbia economy. It is helping to put people out of work.

This economic haemorrhage to the U.S. markets very clearly continues to grow, as the Canadian dollar has continued to be artifically elevated to accommodate the implementation of the Canada–U.S. Free Trade Agreement. Canada's economy is still tied to an artificially strong dollar.

I might add that when one looks back from 1986 to 1989, the Canadian dollar rose 16 per cent against the U.S. dollar, making Canadian purchases of U.S. products increasingly attractive. This is the essence of the problem. What has resulted is an astounding 54 per cent increase in the number of Canadians travelling to the United States on same–day visits, presumably one would assume, to purchase cheaper U.S. goods. Of course, that would include dairy products.

I would like to point out that this correlation of a high Canadian dollar to this surging exodus of Canadian consumers is not coincidence. It is, I reiterate, an accelerating haemorrhage from our economy due to the fiscal policies of this government. It is hurting all economic sectors, particularly our dairy industry.

On June 27 I wrote to the minister again to press this issue further. The minister confirmed in his reply that studies done both in British Columbia and New Brunswick verify that up to 7.6 per cent of B.C. milk sales, and some 4.5 per cent of New Brunswick milk sales come from the United States. In other words, it is milk coming in from south of the border.

The recent attempt by the federal government to control this consumer import of dairy products, according to the dairy industry in B.C., has largely failed. Dairy farmers across Canada have asked the minister to consider the amendment of general import order No. 1, under the Export Import Control Act, to possibly include a provision for a minimum 48–hour stay or time allocation of some sort, so that one can use an import permit to control those dairy products coming across the border.

At the time of the original question in June, I asked the minister what steps he was prepared to take to curtail this loss to the economy in general, but in particular, to the dairy industry in British Columbia and elsewhere.

The minister at that time said that he was studying the situation and assured the House that once the data was gathered, he would sit down with the industry to consider an action plan. Five months have passed and I would like to know whether or not the study is completed and whether or not the minister and his associates have sat down with the dairy industry to work out a possible solution.

Does the minister have a solution to the problem at this time? I am not suggesting that we punish Canadian consumers by imposing stringent restraints. I am not suggesting that they be forced to endure large border line-ups by having customs officials process virtually every litre of milk that comes across the border into Canada. I am suggesting that we consider the provision of a time allocation for duty-free status and have a look at that option.

We should be looking at some mechanism to get the word out to Canadians throughout the provinces that every dollar that goes south of the border for U.S. purchase of milk, dairy products, gasoline and other products costs jobs in Canada. Essentially, it is a drain and a haemorrhaging of our national economy.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I welcome the chance to discuss this government's concern over the purchase of U.S. dairy products by Canadian consumers.

Purchasers of dairy products are allowed if their value does not exceed $20 and are for personal use. In particular, they are allowed under general permit No. 1, issued by the Minister for International Trade. These imports are also subject to duty.

Agriculture Canada has undertaken surveys in co-operation with customs and excise officials at border crossing points in British Columbia, New Brunswick and northern Ontario. The survey involves the use of statistical sampling techniques to estimate the extent of milk and cheese imports.

In 1988, at five border crossings in British Columbia, it was estimated that imports amounted to 7.6 per cent of fresh milk sales and 4.5 per cent of cheese sales. The survey also showed that retail prices of milk were from 36 to 60 per cent higher in British Columbia than in Washington state.

Retail prices for cheddar cheese were from 40 to 80 per cent higher on the Canadian side of the border. The results of that survey and a similar survey conducted in New Brunswick have both been published, and the results of a survey covering some border crossings in northern Ontario are also expected to be published by mid-November.

This issue has been raised on numerous occasions with dairy farmers, processors and retailers. When all the data is available, the Minister of Agriculture as well as the Minister for International Trade will sit down with the industry to see what steps can be taken to address this very serious issue.

However, I would like to point out that the regulation of fluid milk including pricing falls under provincial and not federal jurisdiction.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The motion to adjourn the House is now deemed to have been adopted. The House therefore stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.27 p.m.

HOUSE OF COMMONS

Friday, October 12, 1990

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

HUMAN RIGHTS AND STATUS OF DISABLED PERSONS

AUTHORIZATION FOR STANDING COMMITTEE TO TRAVEL

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, just before we move to Orders of the Day, I want to bring to the attention of the House a motion, and I believe there is unanimous consent for it. It flows out of the work of the committee of the House of Commons on Human Rights and the Status of Disabled Persons. I think there is unanimous consent for this motion:

> That the Chairman of the Standing Committee on Human Rights and the Status of Disabled Persons travel to Cologne, Germany, from October 13 to October 18 1990, to study the Federal Republic of Germany's progressive accident prevention and rehabilitation programs.

Mr. Speaker: The House has heard the motion. Is there agreement?

Some hon. members: Agreed.

Motion agreed to.

GOVERNMENT ORDERS

[*English*]

CANADIAN HERITAGE LANGUAGES INSTITUTE

MEASURE TO ENACT

Hon. Otto Jelinek (for the Secretary of State) moved that Bill C–37, an act to establish the Canadian Heritage Languages Institute, be read the third time and passed.

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

Some hon. members: No.

The Acting Speaker (Mr. Paproski): Debate. The hon. member for Saint-Laurent—Cartierville. On a point of order, the hon. opposition Whip.

Mr. Dingwall: Mr. Speaker, I clearly understood that the parliamentary secretary to the very distinguished government House leader would take the opportunity to explain this. I believe we were to be proceeding with Bill C–74, the Fisheries Act, on second reading, and not Bill C–37. If there is another change in the agenda, I would hope that the parliamentary secretary to the government House leader would want to clarify these changes. They seem to have more dekes than Bobby Orr, Mr. Speaker.

Mr. Cooper: Mr. Speaker, I think a better analogy might be Wayne Gretzky, something more current.

Mr. Speaker, there obviously is a misunderstanding. It was our intention to call Bill C–74 and then Bill C–73, followed by Bill C–37. So it should have been Bill C–74 that was called first. If we could perhaps, by consent, go back to that and call Bill C–74.

The Acting Speaker (Mr. Paproski): Do we have consent?

Some hon. members: Agreed.

• (1010)

FISHERIES ACT

MEASURE TO AMEND

The House resumed from Tuesday, October 2, consideration of the motion of Mr. Valcourt that Bill C-74, an act to amend the Fisheries Act and to amend the Criminal Code in consequence thereof, be read the second time and referred to a legislative committee.

Hon. Roger C. Simmons (Burin—St. George's): Good morning, Mr. Speaker. I just had to take a moment to get organized.

Mr. Friesen: It will take more than a moment.

Mr. Simmons: The member for Surrey—White Rock—South Langley needs a new writer at the very least.

Mr. Speaker, I just wanted to take a minute to get myself organized because with that confusion about whether we were on Bill C-37—

Mr. Friesen: It will take more than a moment.

Mr. Simmons: For a bunch of people who are at 15 per cent in the poll, they are in marvellously good humour this morning. I must say that for them.

Mr. Jelinek: Excellent humour because there is no election this morning.

Mr. Simmons: As we were saying, Bill C-74 is a very important piece of legislation. It is important for all the reasons that my colleague at that time—he is temporarily not my colleague—Mr. Robichaud from New Brunswick. I can now say his name because he is not currently a member of this House.

An hon. member: A very fine member.

Mr. Simmons: That will change with the next election, but my colleague at that time who led off the debate on the bill in June when we started second reading on this bill, did a very good job at that particular time.

I have to give credit to my friend for St. John's East. This is another example of how he and I, to quote a mutual friend, are cheek to cheek on so many issues.

An hon. member: Two peas in a pod.

Mr. Simmons: He promised me this morning that he would say that my friend, Fernand Robichaud, did a good job when he introduced for the opposition this bill at second reading. He laid out very well many of the reasons why we are in support of this good piece of legislation.

Perhaps before we go to the substance of this particular bill, we ought just to pause for a moment to reflect on what I just said. We believe this is a good piece of legislation.

So often we get flayed in this House by the government for always being against everything. The public is getting the message that we will be against it if we have reason to believe it is not good for the country. That is why we are so unalterably opposed to Bill C-21, the Unemployment Insurance Act, and why we voted against it and will do so again if the government brings it before the House again. That is why we are unalterably opposed to the goods and services tax legislation.

It is also, by the same token, why we are for the bill now before us here, Bill C-74. It addresses a number of the issues that the industry has been asking for, that fishermen have been asking for, for a long, long time. Indeed, perhaps the only question is why it has taken so long to get the legislative proposals to the stage they are today. But better late than never. At least we are now going to beef up the penalties for polluters, people who go out and dump in the ocean. We are going to see to it that if they insist on dumping harmful substances in our oceans, they are going to have to pay the price for it.

Pollution of fish habitat is unconscionable in the first instance and it can no longer be allowed to happen. There is a bunch of people, a bunch of cowards, who in the dead of night are emptying their bilge tanks and dumping crude. They are messing up the habitat there. They are messing up my front yard, in effect. Don Jamieson, one of my predecessors in this particular seat, the Burin—St. George's seat, put it so well many years ago when he was talking about the geographic confines of Burin—St. George's. He said that it must be the only electoral riding in the world which is 1,800 miles long, referring to the coast line, and a quarter of a mile wide. That is true. The only qualification I would make on Don Jamieson's statement is that it is now 2,500 miles long and a quarter of a mile wide because they have added Stephenville and the Port au Port peninsula since Don's time.

The point I make stands. It is that the people who live in Burin—St. George's, like the people who live in all but a handful of communities in Newfoundland and Labrador, live within gunshot, within view of the ocean. It is their front yard; it is their doorstep. They almost step in the water when they step out their front door. The whole history of Newfoundland, the whole history of the settlement of Newfoundland, was that people selected a spot near to the fishing ground. That was the prime parameter, the main reason that communities like François in my riding, like Grey River, and like Rencontre East. They were not selected for the reasons that Carleton Place down here a few miles from us was selected. I suppose one of the reasons had to do with the fact that it was on or near a good highway network. The people who settled in those communities in the 1600s and the 1700s did not know what a highway looked like. Their highway was the ocean. Their bread and butter was the ocean.

To this day in 1990 the bread and butter for the people who live in Garnish, for the people who live in McCallum, for the people who live in Grand Bruit is the ocean. Their highway still is first and foremost the ocean. It is true that one of those communities I just mentioned, Garnish, also happens to be hooked up to the Burin peninsula highway. That allows them to get to education facilities, to hospital facilities, and to shopping facilities; but the highway that allows them to get their bread and butter is still by and large the ocean, particularly for the fishermen who live in Garnish and other communities along that coast. It is their highway. It is their breadbasket. It is their front yard. For all those reasons we do not take a very kind view of people, of cowards in the night, who empty their bilge tanks in our front yard, who mess up our breadbasket, and who strew our highway, our ocean, with their leavings or their waste products.

I salute the minister of fisheries. I salute his parliamentary secretary, the gentleman from St. John's East. I salute those who take—

Mr. Dingwall: Who? Really?

Mr. Simmons: Yes, I salute the gentleman from St. John's East.

Mr. Nunziata: Isn't he a Conservative?

Mr. Simmons: Now the question comes up: "Isn't he a Conservative?" That question is asked all the time in Newfoundland. Is he a member of the Conservative Party? The answer is yes. Is he at heart a Liberal? I will let him answer that question. I can only tell you that I have seen him sometimes when he thinks nobody is looking doing very liberal things.

Mr. Nunziata: Such as?

Mr. Simmons: Such as bringing in this kind of legislation. Let's give the man from St. John's East credit where credit is due. I would put it the other way around. I would say to him that he is modest and all that, but I would submit to the House that the parliamentary secretary is one of the reasons why we have this piece of legislation here today.

Mr. Nunziata: Did you vote for him?

Mr. Simmons: One of the problems with my good friend here just off to my right, philosophically and otherwise—

Mr. Nunziata: No, just otherwise.

Mr. Simmons: One of the problems with my friend from York South—Weston, Toronto, is that sometimes he takes a particular example and generalizes. Because I happen to believe that the gentleman from St. John's West is supporting here a good piece of legislation, the kind of legislation that a Liberal government would write were it in office at the moment, that does not mean that I am going to get carried away and suggest that all the things he does needs to be embraced.

• (1020)

For example, he opposes the variable entrance requirement. He voted against it twice in this House.

Mr. Nunziata: Does he support the GST?

Mr. Simmons: He supports the GST.

Mr. Nunziata: Shocking.

Mr. Simmons: There are differences between the member for St. John's East and us, but that does not mean that we cannot pool our resources when it comes to something as important to our respective ridings as this particular bill. That is what we are doing in this particular instance.

I say to my friend from York—South Weston that when I went to university in Boston some years ago—and they had universities in those days—

Mr. Nunziata: Did you graduate?

Mr. Simmons: That is another question. When I went to university in those days in Boston I had a professor who when using the example that was current at the time said: "All Indians walk in single file. At least the one I saw did." Of course he was making a very important point, that we ought not to overgeneralize from one particular instance.

I am just encouraged that the hon. member for St. John's East is onside on this particular bill, but I am not going to get overly excited that he is about to cross the floor to join us, because that would create a whole set of problems on its own.

The bill is a good bill because it is going to chase down those cowards in the night, those people who when nobody is looking dump their waste in my front yard, in the ocean off Newfoundland. That has got to stop, and I believe this bill goes a long way toward helping to put an end to that kind of cowardice.

If we want to get into one or two details, the very first amendment in this bill would increase the fines for general fishing violations. Quite apart from the pollution issue that I have spent a few moments on, this bill would also increase fines for general fishing violations.

At the moment offenders are liable to a $5,000 fine or a 12-month prison sentence. The new bill increases that fine to a maximum of $100,000. As my good friend and the former premier of Newfoundland would have said, "not $10,000, $20,000, $30,000 or $50,000, but $100,000 all the way up from $5,000".

I commend the drafters of the bill and the people in this House who are responsible for increasing that fine all the way from $5,000 to $100,000 in the case of a summary conviction and $500,000 on indictment, as the maximum for the indictable offence. That is exactly as it should be, and we on this side have no difficulty supporting the bill.

We come to a third point which this bill addresses. We talked so far about the question of pollution of the fish habitat. We talked about the bill's intention to bring in heftier penalties. There is another issue of course, and that is the question of adequate surveillance.

We happen to believe over here—and we have said so many times—that if the government is failing the fishermen, the fish plant workers, and the fishing industry on a number of counts—I could go into that, but let me stick with a particular item—it is failing them most miserably in the area of surveillance or, more to the point, the lack of adequate surveillance.

I could take you, Mr. Speaker, to a community in my riding called Seal Cove in Fortune Bay. I remember one time last winter when I was there just over the Christmas season. It was seven o'clock or eight o'clock at night and it was dark. I was sitting at a kitchen table having a bit of saltfish and so on with one of my friends, and we looked out the window.

Mr. Malone: What is saltfish and so on?

Mr. Simmons: He wants to know about the so on. We had saltfish. It is a good question. He wants to know what we had for supper. We had boiled saltfish, we had boiled potatoes, and we had what we call drawn butter. We had a few onions. It was a good combination.

While we were having our bit of saltfish and potatoes and drawn butter, I looked out the window into the darkness and I saw those lights. They are almost up there. I say to my host: "I thought I knew the harbour. There are no houses in that direction. What are the lights doing out there? There should only be water out there". He said: "Yes, that is all there is. That is the harbour, of course". He said: "These are not lights from a house in Seal Cove. These are lights from the foreign boats". I said: "They must be right on top of the wharf". He said: "Yes, just about".

They are supposed to be off 12 miles somewhere. They are so close that, as you look out this guy's kitchen window, you have to stare up to see the light on the mast because they are right in on the shoreline. Why are they in there? Because those foreign ships and the captains on those foreign, be they Spanish or Portuguese— in this case they happen to have been French—know that surveillance in Canada is an eight to four job. It is basically an eight to four, Monday to Friday job. You don't push your luck if you are the captain on one of those boats between those hours. After four o'clock, particularly after dark, you have a free run of it. It is the equivalent in urban terms, to use an example that maybe people in more urban centres might identify with, of saying that the cops are only going to police the streets at certain hours of the day.

Guess what happens at the other hours. Guess what the irresponsible people do. Guess what the drunken driver does. Guess what people who would breach the law do. They obviously time their actions to ensure that they are not breaking the law when the cops are policing. That is basically what is happening in another context. That is what is happening right there off Seal Cove, Fortune Bay in my example and off all those communities.

The ocean cops, the people who are supposed to be providing surveillance, I do not blame them. They have not been given the person-years, the manpower, the womanpower, or the boats and facilities to do their job. They are prepared to have additional numbers out there. It is not their problem. It is the problem of a political decision that has been taken, that in the interest of scrounging a few bucks we are going to sacrifice an entire fishery. That is what is happening out there.

In my example, off Seal Cove that night, here were French draggers within literally a thousand feet of the shore where the law said they ought to be 12 miles off.

That does not happen one night. That happens literally every night of the year during the appropriate fishing season. It happens every single night without exception.

The authorities have been told many times. They say "we know", and then throw up their hands and ask: "What can we do about it?" If they provide surveillance at night, they will have none during the day because they are locked into a very tight schedule in terms of what kinds of resources they can expend on providing surveillance.

If there is one weakness in this bill, it is that it does not do any more than pay lip service to that important question of surveillance. That is a big term for what we saw that night out of the kitchen window in Seal Cove. That is what Newfoundlanders all along that 2,500 miles of coastline in my riding see. It is what people along the coastline in the riding of the member for St. John's East see every night. They see people raping their fish stocks, and they see it being done blatantly though in the dead of night. They are allowed to do it for a very particular reason, because they know all too well that the Government of Canada does not have either the political will or the resources, as the case may be, to get out and protect our fisheries. That is sad, but it is true.

• (1030)

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, I find myself in a very difficult position because I want so much to comment on some of the things that my colleague has said, but first I want to thank him for his very kind words, and for his support in a number of areas of the fisheries.

Yes, he and I agree on some matters. He voted against the variable entrance requirement last November when we passed Bill C-21. We disagree certainly on the goods and services tax, which will create jobs in my province and his as well. But we certainly agree on things like overfishing and some of the actions that should be taken there.

I want to express in this House my appreciation for his very active, vocal and visible support in the activities and the undertakings of a number of people to draw the attention of the world to this tragic problem.

I also want to congratulate him on his clearly different approach to this piece of legislation than of his colleagues. I have been stunned by the attitude of some of his colleagues which was based on the assumption that everybody in the fishery would be subject to the provisions of the Fisheries Act because everybody in the fishery was committing an offence.

The real approach, and the approach of my friend opposite, is that this Fisheries Act with its $100,000, $500,000 and in some cases much larger fines is for those that a breaking the law. It is those who are jeopardizing the fishery and putting at risk the resource for the 99 per cent of the fishermen who obey the law, who have conservation on their minds. I appreciate his approach because it is very different from what we head the other day. I think it is an important distinction.

However, I would like to comment very briefly on the question of surveillance. I remind my friend opposite that observers will be on all foreign vessels fishing inside 200 miles. They will have new powers given to them by the Minister of Fisheries and will play much less of a monitoring role and much more of a role of imposing law. We have seen dramatically increased air surveillance out of St. John's and the other Atlantic provinces.

For about the same amount of money the number of hours have been increased to well over 3,500, which have been provided by the—

Mr. Dingwall: Is this debate or comment?

Mr. Reid: This is questions and comments.

I also remind him that we have new vessels in the gulf to support the surveillance opportunities.

My colleague made a very good speech, a very flattering speech for the government. I thank him for all he has done. I think he is right in recognizing that surveillance is absolutely critical. I just want to remind him that we have moved very quickly and very dramatically over the last 18 months to address exactly that question.

Mr. Simmons: Mr. Speaker, my friend mentioned the GST in passing. If he genuinely believes that the GST is going to create jobs in Newfoundland, he must be making an announcement that the centre that was going to Summerside is going to Newfoundland because the only jobs that are going to be created by the GST are those jobs done in Summerside and an appalling lot here in Ottawa, appalling lot in terms of numbers, not the quality of the people hired, mind you—

Mr. Reid: Don't be so sure.

Mr. Simmons: So outside of Ottawa, unless he is moving the capital to Newfoundland, which is not a bad idea, unless he is moving the tax centre from Summerside to Newfoundland which is not a bad idea in Newfoundland terms but a lousy idea in Summerside terms, unless one or two of the above, then I would say that he is not being very candid on this issue.

Let us come to the issue of surveillance. The member says that there are going to be observers on all the boats within the 200 mile limit. Is he telling us that the government is now reneging or otherwise abrogating the treaty, the last agreement between Canada and France?

Mr. Reid: I note what you are saying.

Mr. Simmons: Exactly. Because, Mr. Speaker, in the last 24 months his other cheek-to-cheek friend, the member for St. John's West, went out and signed one of the more crazy documents ever. Basically the agreement with France says, "From now on if you want to rape our fish stock you have got to give us notice." That is what the document said. France may say it differently, Mr. Speaker. Under the agreement, signed in 1988 I believe, Canada has to say to France, "We want to board your ship. We want to board this particular ship." We, Canada, have agreed in writing to give notice that the day we come to check on them we are going to give them lead time so they can get ready.

Well, let's think that one through. What do you think will happen if we say to France next week that we are going to put an observer on its boat? Do you think France will be stunned enough, stupid enough, on that particular trip to commit any violations? That is what we have locked ourselves into with respect to the Canada-France agreement of 1988.

If the member for St. John's West tells the House that we are going to have observers on all the foreign boats within the 200-mile limit, I say to him that, in principle, it is a great idea but he is wrong at least in one important respect that comes to mind without having benefit of checking my notes. I can tell him right off the top of my head that he is wrong in so far as the Canada-France agreement is concerned because under that agreement, as he well knows, we have to give prior notice to the French that we want to put an observer on board the boat.

That is like saying to me, "Simmons, drive down the highway at 150 miles an hour for 10 miles, but after 10 miles there are cops." Now what do you think I am going to do when I get to the 150-mile mark? That is exactly what the French fishermen are doing. They have been given notice in the agreement. They have it in writing that they will be given notice if they are going to be raided. Well, if I were them I would be on my best behaviour during the raid.

The member and I agree that we have observers on the vessels by prior arrangement. They know in all cases before the fact that there are going to be observers aboard. But more to the point—here's the point that I think my friend from St. John's East misses; I will say it in a sentence and then I will sit down—it is not important to know which boats the observers are on. If you are out to break the law it is more important to know which ones they are not on. They also know that, too.

Mr. Dave Dingwall (Cape Breton—East Richmond): The member for Burin—St. George's has given a very good speech with regard to Bill C-74 and it shows beyond a shadow of doubt that the expertise with regard

to fisheries related matters is certainly on this side of the House.

I wonder if he would care to comment with regard to other issues of surveillance. It is fine to have provisions under the act in order to increase the various penalties and sanctions. Could the hon. member indicate to the House whether or not, as a result of Bill C–74, additional individuals will be retained by the Government of Canada in order to facilitate the enforcement of those new laws. It is my understanding and that of some other colleagues that the Government of Canada is not intending to proceed with the hiring of additional individuals in order to assist with the enforcement of these new standards.

Mr. Simmons: I thank my friend for Cape Breton—East Richmond. This is my first opportunity to congratulate him publicly on his latest achievement, having been designated by our leader, Jean Chrétien, the next member for Beauséjour, as the chief Whip of the Liberal Party. I want to congratulate my friend.

Mr. Speaker, I see your signal that I am out of time so I will be very quick and to the point. He asked a question and then he answers it. Are there going to be additional enforcement personnel? Of course he answered the question because it is blatantly obvious to the whole world that this government is going to bring in some marvellous legislation, legislation that we can support. But it is a case again that this government does not put its money where its mouth is. It says fine words, and nobody can knock this piece of legislation.

What it can knock and what it does knock, and what the gentleman for Cape Breton—East Richmond just knocked in effect, is the appalling fact that this government is going to create the mandate for extra surveillance and then fail to provide the resources, the manpower, the womanpower, the person-years to follow up to enforce that surveillance. That is the tragedy.

• (1040)

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, I too wish to participate in this debate on Bill C–74, amendments to the Fisheries Act. I want to join with colleagues on this side in giving just due to the Parliamentary Secretary to the Minister of Fisheries and Oceans who I know has some understanding.

Mr. Nunziata: Don't get carried away.

Mr. Dingwall: I am being very liberal, Mr. Speaker, when I say some understanding of some of the concerns of individuals in Atlantic Canada.

The substance of this bill, has received the support of many of my colleagues on this side. I know that the parliamentary secretary has had a fair amount to do in making certain that this bill has come forward.

I want to put on the record, though, that by increasing summary conviction fines up to $100,000 for general fisheries offences, and then indictable offences up to $500,000 with options for imprisonment of one or two years, I can concur with that. I fully understand, as my colleague has said, the importance of increasing those fines.

There is another part to the equation. It is well and good to have sanctions under a statute, but if those sanctions cannot be enforced by the Crown, it is all for nought. Members can argue, and argue correctly, that this is a signal to those who wish to breach the Fisheries Act that there will be substantial fines against them.

On the other side of the coin, there is no reasonable guarantee that fisheries officers and the Crown will supply the individuals to do the enforcing. Therefore, one has to question the bill both from an intellectual perspective as well as from a practical perspective. It is great to have a sanction, but if one cannot enforce that sanction, it is just window dressing.

There are fines of up to $300,000 on summary conviction for the alteration of fish habitat. On an indictment, it is $1 million. The Crown in a criminal case has the option to proceed on summary conviction or it has the option to proceed on indictable offence, depending upon the value of the product which is in question.

I have great confidence in our judiciary system, but what the act fails to state is what is a minimum fine. I know members opposite and perhaps members on this side would agree that the judiciary has to have some latitude in the exercising of its role in the adjudication of different cases. But there is a big difference on summary conviction when you talk of a hundred bucks versus $300,000. A substantial difference.

Likewise, if you proceed under the indictable, there is quite a difference between $301,000 and $1 million. I would have thought that somewhere within the Department of Fisheries and Oceans, and to use a phrase—aided and abetted—by the Department of Justice, the bureaucracy in the minister's office would have wanted to try to clarify for us what the minimum fine is going to be. I am afraid that some of these fines will not have a minimum, but in fact will end up being very, very, low, thereby defeating the purpose or the purposes of the act.

Again, where are the practical aspects of the act? Have we heard from ministers of the Crown that additional individuals will be retained? Have we heard that various enforcement agencies are going to be utilized to enforce these sanctions? We have not heard that. We have heard the opposite. In point of fact, no additional individuals will be retained in order to enforce the sanctions under that particular statute.

The same sanctions under Bill C–74 have to do with the pollution of fish habitat. The Harris report, the Haché report, and, I believe, under the auspices of the Atlantic Fisheries Adjustment Program, all alluded to greater sanctions under the Fisheries Act, and I think the parliamentary secretary, who is nodding his head, would concur with me on that.

There is a bit of a concern, and I just flag it. I do not think it is an overwhelming omission, but I think it has to be put on the record, and it is this. Is this new law and these new sanctions, under the Fisheries Act, discriminatory in this sense? Many individuals, in the Atlantic fisheries particularly, believe the sanctions are earmarked for the inshore fishermen.

I hope the parliamentary secretary would avail himself, when it is his turn to speak, to inform the House in greater detail. But there is that concern. These sanctions are in place and, if they are to be enforced, they will be enforced on one sector of our fishery, namely, the inshore fishery.

The policies opposite and the made-in-Canada recession, or as the Prime Minister says, the slowdown or the shutdown—whichever one you wish to pick—have had an overwhelmingly negative impact on inshore fishermen in Atlantic Canada. Members on this side, my colleagues, the hon. members for Cardigan and Cape Breton Highlands—Canso, have brought to the attention of the House on several occasions our attempts to provide a variable entrance rate, to assist fishermen. But the government, for whatever reason, refuses to put that into play in order to assist our fishermen and our inshore fishermen, in particular.

There is legitimate concern out there because of the recession and because fishermen are not obtaining the benefits of the variable entrance rate which was in place for 14 years. It was brought in annually by the respective governments opposite as well as this party. The governing party does not wish to go along with that at the present time. And, of course, there is the fact of fish stocks. All of those, collectively, have played very negatively on our inshore fishermen and now the sanctions of Bill C–74 seem to suggest that it is discriminatory against the inshore fishermen.

Why would I say that on the floor of the House. I say that, Mr. Speaker, because there are some groups who have not had meaningful consultations or who feel that the consultations that they did have have not been meaningful. In particular, they have been organizations in the inshore fishery.

• (1050)

I would hope that when the bill is referred to a legislative committee that it will make a concerted effort to seek out those groups who have expressed legitimate concern about the discriminatory aspects of Bill C–74 and, as they say, clear the air by having that rectified.

The industry has generally supported the provisions of Bill C–74. But I want to flip from the inshore to the offshore. I hope the parliamentary secretary, when he gets up to speak later, will be able to outline in spades for members of the House as to what the Government of Canada is going to do to enforce the sanctions under Bill C–74 with regard to the corporate sector.

Before the hon. member rises and alludes to the fact that members on this side are perhaps against corporations, that is not the case at all. We are very supportive of businesses and free enterprise, but there has to be a measure of fairness. Under the provisions of Bill C–74, are we going to charge an inshore fisherman $250,000 because he has a general offence against the Fisheries Act? Then National Sea Products, bailed out by banks and governments, will get a fine of $150. That is the fairness, but there is no minimum. There is wide latitude, and we know what happens. We have clear evidence before us. We see it all the time where inshore fishermen are sustaining the worst, while in other instances individuals do not share their fair burden. I

would hope the parliamentary secretary would want to address himself to that.

There are several other points I want to raise because I think they are germane to the debate. The parliamentary secretary knows that the Maritime Fishermen's Union is questioning, as I have questioned here this morning, whether or not the purposes of Bill C-74 are directed against the right people. Who are we talking about? Are we talking about an inshore fisherman who has a wife, a family, a mortgage, and a business loan, and who is mortgaged to the hilt at the bank and the fisheries loan board? Or are we talking about those who deliberately, intentionally, consistently, and repeatedly go out and breach the act? I think we are talking about all of them. But, again, I come back to the measure of fairness, and the bill lacks fairness.

The parliamentary secretary is shaking his head. He is a reasonable individual at times, for fleeting moments in the dark, in the night. I can tell him that individuals who are gainfully involved in the inshore fisheries believe that this act has been put in place in order to hit them. I hope he can dispute and clarify for all members as to whether or not that aspect of what I have raised here this morning is on point.

My final point has to do with the over-all issue of surveillance generally.

Canadians on the Atlantic coast, the Pacific coast, or wherever they may be, are sick and tired of governments allowing individuals to pollute our waters for whatever reasons. They ought to feel the full effect of Canadian law.

If we are concerned about the environment as has been alluded to by the minister now responsible for environment, by the Prime Minister, by members of the cabinet opposite, it is just not satisfactory to have provisions within a federal statute of increasing the fines without having the human resources to put them into effect. I made that argument with regard to fisheries, and now I am making it with regard to the environment. Either one is serious or one is not serious. The lack of a financial commitment by the Government of Canada to see to it that these sanctions will be enforced has caused not only great concern among fisher people—persons in the fisheries—but great difficulty for Canadians who live in urban centres as well that our environment is not being protected. The likelihood of it being protected is not very good.

The track record of the government opposite demonstrates to most reasonable Canadians that its report card is at about 22 per cent, 7 percentage points higher than what it is in the polls. That is not very good. Just recently we saw an example in Saskatchewan with regard to an environmental project.

I say to you, Sir, and to the parliamentary secretary, to whom I am going to listen when he has the opportunity to stand in his place and try to defend the indefensible, I will listen.

Mr. Reid: You shouldn't prejudge.

Mr. Dingwall: That is right. I should not prejudge.

Hopefully, the parliamentary secretary will take to heart the omissions in the federal statute, will want to clarify the discriminatory aspects of Bill C-74, will want to engage actively and enthusiastically such organizations as the Maritimes Fishermen's Union, the various co-ops, the fishermen's organizations in all of Canada and will listen to them. It should provide recourse so that they do not feel or are under the impression at any time that Bill C-74 is discriminatory.

The comments that I have made in this debate, I hope will be taken seriously because they are offered in a serious way. They have to do with criminal law, the enforcement, the human resource aspect—a failure by the Government of Canada—and, of course, the environmental concerns that all Canadians share from coast to coast.

More important than the parliamentary secretary is the Minister of Fisheries and Oceans. He is the one who has to enforce this bill and in whose name it is. He is the one who must show some leadership. He must come to the Commons and to the committee and tell us all the new moneys he will provide for enforcing the sanctions under Bill C-74. That is what he should do. He should come to the committee and talk about the human resources. He will come to the committee and give us provisions with regard to minimum fines. Maybe the minister—

The Acting Speaker (Mr. Paproski): It being 11 o'clock, pursuant to Standing Order 35, the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

CANADA POST

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, Canada Post has cancelled Saturday rural mail delivery in Prince Edward Island, the country's most rural province, effective October 15. This decision was made without the consultation of those whom the decision most affects, the people of Prince Edward Island.

I have written several times to the minister responsible for Canada Post, asking for a reversal of this decision, or at the very least, a six month extension. This six month period would allow for proper review and consultation to take place.

I am also concerned with Canada Post's recent cuts to the hours of service of rural post offices throughout Prince Edward Island. Today, in the House of Commons, I am requesting the minister responsible for Canada Post to grant a six month extension and demonstrate to rural Prince Edward Island that this government is interested in supporting rural life, not dismantling it.

* * *

THE ECONOMY

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, despite all evidence to the contrary, this government refuses to face the truth and admit that we are in a recession. It refused all week to consider alternatives that would help Canadians survive the hard times.

This week fish workers from the west and east coast tried to get the government to listen. Instead, they found bull-headed Tories who cannot or will not grasp the fact that there is a crisis. I want to point out to the Minister of Employment and Immigration that her government can do something right now for the fish workers in Canada and re-introduce variable entrance requirements to unemployment insurance. It would be a step in the right direction.

THE ENVIRONMENT

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, the Western Diversification Office recently provided a $3.3 million repayable contribution to assist in the installation of a flue-gas desulphurization demonstration unit at the Poplar River Power Station near Coronach, Saskatchewan.

The LIFAC process, which involves limestone injection in furnace and calcium oxide activation, should reduce by 90 per cent the sulphur dioxide released from coal fired power stations.

Sulphur dioxide is one of the leading causes of acid rain. This new LIFAC technology will provide a cost effective means for assisting in meeting the goal of reducing acid rain causing emissions by 50 per cent by 1994.

I congratulate Western Diversification for its initiative in this partnership with SaskPower and Tampella Ltd., a partnership which could have far reaching environmental benefits for all of North America.

* * *

MULTICULTURALISM

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, the most pressing mission now before us is to rekindle our visions for a united country.

I would like to speak for a moment about our commitment to multiculturalism. Multiculturalism is going to be a difficult concept to initiate and establish in Canada. Many of my citizens talk about the melting pot philosophy in the United States and how it appears to work well for that country.

I would like to say that we in Canada have always stated very clearly, and did so in the free trade debate, that we are not Americans, we are Canadians. That difference, and as our French citizens would say, *vive la différence*, is multiculturalism. The differences, variety and diversity it brings to our country will make us stronger and will make us great. It is a concept that I support completely.

CANADA POST

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, on July 12, 1990, officials from Canada Post announced the elimination of Saturday rural mail delivery in Prince Edward Island. Since that time I have written to the minister responsible numerous times and I have been pushed off.

The minister must know that the people of Prince Edward Island are outraged. There was no consultation with the public or members of Parliament from the island. Indeed, officials from Canada Post have admitted to me that the decision makes no economic sense.

On Wednesday, I presented hundreds of petitions protesting this decision. The people of Prince Edward Island want Saturday mail delivery. On Monday, Saturday rural mail delivery will be no more because of the attitude of this government. The people of Prince Edward Island will not forget what this government has done to them and this unnecessary action will be remembered when the people go to the polls.

I urge the minister to listen to the people of Prince Edward Island and maintain this customary service.

* * *

NATIONAL SCIENCE AND TECHNOLOGY WEEK

Mr. Brian O'Kurley (Elk Island): Mr. Speaker, today marks the beginning of the first ever National Science and Technology Week in Canada.

In our ever-changing world, Canadians need science to succeed. Technology is advancing at an extraordinary pace and in order to compete in a global market, Canadians must continue to be on the cutting edge of new technology.

In our riding of Elk Island, there are some exciting new initiatives. In Fort Saskatchewan we have Westaim, a world class research and development centre for advanced industrial materials. In Strathcona County a Canada-Finland joint venture will produce MTBE, an octane booster to replace lead in gasoline, and at the Beaumont High School, a pioneering high tech curriculum program designed and taught by instructor Paul Wozny will enable his students to encounter high technology applications in their science studies.

Let us work together to make National Science and Technology Week a success. Let us all work together to build a stronger Canada.

* * *

GOODS AND SERVICES TAX

Mr. Rex Crawford (Kent): Mr. Speaker, the Minister of Finance claimed yesterday that the Canadian Federation of Agriculture was in complete and utter support of the GST, but reading their brief of June 28 to the Senate shows something completely different.

"The federation worries that the tax will have a negative effect on households. Net farm income will be extremely affected." That is a quote from their brief. Farmers worry about the visibility of the tax, and the paper burden. Farmers wonder if the 7 per cent rate will be raised in the future. It is likely. The current sales tax was raised 50 per cent by the Tories.

The federation wants an independent body with real power to monitor consumer complaints, not the toothless, feeble watchdog recently set up. I quote: "The usual response to the first whiff of inflation is to raise interest rates. Farmers don't need higher interest rates on top of tax increases."

Farmers know that the GST is the wrong tax at the wrong time. Farmers across the nation are part of the 85 per cent of Canadians who say loudly and clearly: Axe the tax.

* * *

THE ENVIRONMENT

Mr. Ross Stevenson (Durham): Mr. Speaker, ethanol blended gasoline has been declared an environmental choice product by Environment Canada. The environmental choice program and the Canadian ecologo is a program involving environmental advocates, consumers, business and the scientific community, and is designed to provide reliable independent information to consumers so that they can make wise environmental choices.

Ethanol blended gasoline becomes the only transportation fuel which has been determined to result in a more positive effect on the environment. The blend

reduces carbon monoxide and benzene exhaust emissions. In addition, the production of ethanol would provide an excellent market for lower grade grains.

I urge the cabinet to produce the financial stimulus with which the production and utilization of ethanol blended gasoline could expand.

* * *

[*Translation*]

TRIBUTE TO PASCAL PITRE

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, I welcome this opportunity to draw the attention of the House to the remarkable bravery of one of my constituents in Petit-Rocher, fifteen-year-old Pascal Pitre.

On August 5 last summer, on Kelly's Beach in Kouchibouguac Park, New Brunswick, Pascal Pitre saved the life of a seven-year-old child.

The child had apparently lost consciousness in water two metres deep, because of a strong current and high winds. Pascal bravely dived into the water and saved the little boy. If Pascal had not acted at the right time, the child would have died. I think that what Pascal did deserves our recognition and applause.

And I would also like to take this opportunity to pay tribute to the heroism of all Canadians who have acted similarly. In fact, Mr. Speaker, there is no greater act of bravery or heroism than to save the life of another human being.

* * *

AGRICULTURE

Mr. Jean-Guy Guilbault (Drummond): The Government of Canada, through the Department of Agriculture, has announced a new agricultural training program. Young farmers and future farmers from Eastern Quebec, thanks to a training program that has received federal assistance totalling $650,000, will be able to upgrade their technical skills and develop their ability to use new procedures, while improving and diversifying their practical experience and training. This program is part of the Canada-Quebec subsidiary agreement on the economic development of Quebec's regions.

Thanks to the involvement of the Canadian government, many future farmers will be able to develop their skills and gain valuable experience.

Mr. Speaker, this is one more initiative by the Conservative government that will ensure our regions have a future in the agricultural industry.

* * *

• (1110)

[*English*]

THE ECONOMY

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, throughout British Columbia lumber mills are closing and people in the forestry industry are being thrown out of work because of a made in Canada recession brought about by this government's policies.

Recent closures at Tolko Industries at Heffley Creek have thrown 120 people out of work. At Valemont, B.C., there is a temporary closure of Slocan Forest Products, throwing more workers out.

In Kelowna and Armstrong, Fletcher Challenge is reducing operations 20 per cent. Since May 1989, the company has eliminated 1,114 workers throughout the province.

Weldwood Canada is cutting production by 30 per cent in Williams Lake and Quesnel. At Vavenby, Weyerhauser is reducing operations, cutting 60 more jobs.

In the Okanagan—Shuswap, the future of up to 200 more jobs are on the line as mills consider further lay-offs, their only option.

The New Westminster IWA Local has lost over 1,000 members in the last few months and throughout British Columbia, 5,000 forestry workers have been sidelined this year.

When will this government wake up and smell the coffee? It's blind allegiance to an artificially high dollar, it's outrageous high interest policy and it's capitulation to U.S. interests to enshrine the 15 per cent export tariffs—

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

* * *

THE SENATE

Mr. Bob Corbett (Fundy—Royal): Mr. Speaker, in their attempt to undermine the legislative agenda of the legitimate elected government of this country, the Liber-

al senators are clearly displaying their contempt for democracy.

Perhaps the Liberal senators are unaware of the practical implications of their irresponsibility. The people of Canada can only stand and watch as an unelected body holds up the passage of important pieces of legislation in the name of partisan politics. No group is paying a higher price for the delays associated with the Liberal antics in the Senate than the people of Atlantic Canada.

Bill C-44, an act respecting the Hibernia Development Project, as passed in the House of Commons on October 4, 1990, is a tremendous opportunity for economic development in Newfoundland, Labrador and throughout the Atlantic region. In delaying the final passage of this bill in the Senate, the Liberals are saying no to the immediate undertaking of a project which will mean increased prosperity for Atlantic Canada.

I therefore call upon the Liberal senators to end their self-interested manipulation of the rules of the Senate. I call upon them to let consideration for the interests of those who eagerly await the passage of this key piece of legislation prevail over the narrow-minded partisan politics which have up until now determined their actions.

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ATOMIC ENERGY OF CANADA LIMITED

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, Atomic Energy of Canada Limited has won a prestigious R and D 100 award in an international competition sponsored by the American journal *R & D* magazine. These awards recognize innovators and organizations for outstanding practical development of significant new technical products.

The product IMPELA is the world's most powerful high energy industrial accelerator. Its development is based on work carried out at Chalk River in the 1970s and 1980s as part of its fundamental science program.

IMPELA will provide an economic source of electrons for use in the manufacture and high speed processing of plastics, rubbers and other materials, the sterilization of medical products, the disinfestation of export commodities and the processing of wastes to enable re-use or recycling. Industrial applications include strengthening plastics in the automotive and construction industries, treating sewage wastes, treating hospital and airport wastes and treating rubber products.

This award underlines the importance of how continued support for AECL's research programs can result in innovative products for all kinds of industries, and we congratulate them.

* * *

JUSTICE

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, the Minister of Justice has two functions. In the second function, as Attorney General of Canada, she is responsible for federal criminal prosecutions, such as drugs, taxation or immigration cases, for examples.

The Law Reform Commission of Canada has just pointed out that this puts the minister in a potential conflict of interest situation. The best example is in my home province of British Columbia where there was an alleged fraud by the tourism minister, Bill Reid, allocating Loto grants to friends.

The then attorney general, Bud Smith, decided not to prosecute. If I can put it charitably, this was a controversial decision and caused an uproar in B.C. politics.

I believe the solution is to appoint a director of public prosecution, both federally and provincially, appointed by cabinet but responsible to the House. The new office would increase the independence of Crown counsel, lessen the apparent conflict of interest and, by placing control in the hands of a person with security of tenure, provide greater continuity to the prosecution service.

I advocate the Government of Canada do just that.

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BILL C-21

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, yesterday I heard from a constituent caught in the system: a woman 49 years of age, unable to find work, lacking skills required to find a decent job. She found hope in a course available in a Calgary college, but that hope was dashed when she found her only subsistence, a UI cheque, would be stopped if by going back to school she stopped looking for work. Catch-22, trapped on the welfare treadmill.

This woman suffers needlessly because this House passed amendments to correct that inequity. The elected members of Parliament passed amendments to the UI act to support retraining on November 6, 1989. Those amendments have been held up by the Senate, by Liberal senators, for 11 months. This poor woman suffers while MacEachen plays petty politics.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance.

Yesterday both he and the Prime Minister lacked the courage to use what is for them the dreaded *r* word, recession, even though every other Canadian knows it is a fact that we are in a recession. But the Prime Minister made some progress. He used the *s* word, slowdown. Yesterday he told reporters in Montreal:

> —we have induced a slowdown. Mr. Wilson said as much in his budget of February. Look at the budget. It's as clear as spring water.

Those are the exact words of the Prime Minister.

Well, yesterday and earlier this week, more than 5,000 Canadians were told that they were being induced out of their jobs by this government's planned slowdown. I want to ask the Minister of Finance: How many more thousands of Canadians are going to be induced out of their jobs next week? What is the government's plan for next week?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me get back to this point that the hon. member is referring to about his cute little expression, the *r* word.

I have been quite forthright with Canadians in explaining what is the government's policy, what is happening in the markets and what is happening in the economy, but as Minister of Finance I have to base my comments on facts. What I have said in a very clear way—and I go back to a speech that I made September 17 of this year—"I now expect that the second half of this year will see little or no growth, with the possibility of a further decline in output in the current quarter".

If there is that decline in output in the current quarter then we would have a technical recession. When we see the data and the end of November this year then I will be prepared to use whatever words are appropriate to describe that.

If the hon. member is asking whether we are in a recession as defined by Alan Greenspan as follows: "a period in which business activity not only slumped but dropped significantly enough so that the downturn feeds on itself", that is not what is going on in the economy today. I do not know of any economist who is saying that that is going on in the economy today. If that is what the hon. Leader of the Opposition is trying to imply, he is exaggerating the situation.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, Canadians will be surprised that Alan Greenspan, the head of the Federal Reserve Board of the United States, knows more about the Canadian economy than Canadian economists at the Conference Board of Canada.

Why does the minister not listen to the economists of the Conference Board of Canada who say that we are in a recession, the first made-in-Canada recession?

Why does the minister insist that what is going on is only technical? To the thousands of Canadians who are losing their jobs due to this government's policies, it is not technical. It is serious. It is damaging. To the thousands of people who are losing their businesses due to this government's policies, it is not technical. It is a fact. It is damaging. Will the minister change his plan from one that is creating recession, inducing the loss of jobs? Why does he insist on making this recession more and more bad and harmful for this economy?

• (1120)

Hon. Michael Wilson (Minister of Finance): The type of recession we are trying to avoid, Mr. Speaker, is the type of recession that my hon. friend was directly associated with and directly implicated in, in 1981-82. It was that type of recession that was induced by the policies followed by the government he was involved with that let inflation get out of hand, that let inflation move to 13 per cent, and that allowed interest rates to go to 20 to 25 per cent.

To stop the inflation that was getting totally out of hand at that time, we have been trying to restrain that inflation and have been reasonably successful at doing so. Now we have been able to reduce interest rates, as we have done over the last three and a half months, by one

and one-half percentage points and will be able to continue that process as we see the progress in the economy continue.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Conference Board of Canada said we are in a recession, the first made in Canada recession, as a result of the policies of this minister and his government.

I want to ask the minister why, if he is so worried about inflation, he insists on introducing his GST policy which, according to the Conference Board of Canada and all the experts, will create even more inflation. Why doesn't the minister withdraw his GST, if he really wants to fight inflation?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I note that my hon. friend has omitted referring to some of the experts that the media have referred to in the last day or so where they talk about the importance of getting the GST—the Business Council on National Issues, the Canadian Manufacturers' Association, the Chamber of Commerce. Each one has said that it is important, in the interests of the economy and the progress we can make in strengthening our economy, to bring in the goods and services tax.

Why is it on the one hand the Leader of the Opposition can get up on his hind feet and say "do something about the economy" and, on the other hand, he condones this activity in the Senate where the senators are holding back on a principal piece of legislation that is very important for the health of this economy, as endorsed by many of the experts to which he likes to refer?

It is this piece of advice that the Conference Board is saying is right for the economy. It is this piece of advice that the Economic Council is saying is right for the economy. The only reason why this is being held up is pure partisan opportunism.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Finance.

Yesterday, in response to the government's aversion for the *r* word, the Prime Minister said that this is not a recession, that this is, and I quote, "a planned slowdown".

How many more planned bankruptcies has the Minister of Finance in store for small businesses in this country? How many more planned lay-offs and mortgage foreclosures? How much more planned misery does he have in store for the Canadian public before he recognizes the bankruptcies of his own economic policies?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I am very much aware of what is going on in the economy. I have had widespread discussions and consultations with people who have told me of the difficulties they are going through in the economy today. I understand that. I have said on many occasions I take no pleasure in that.

What I do know is that if we had gone the other way, taken the alternative of letting the inflation get out of control, letting the party go on even further, the problems to the economy would be far more severe and the people that my hon. friend is concerned about would be far more disadvantaged by the problems which would result from that.

This is what we are trying to do: demonstrate some leadership, look ahead, try to anticipate these problems, snuff the problems out before they become a real problem, and in that way get on to a path of non-inflationary strong growth in the future at an early stage.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my supplementary question is for the same minister.

At the same time as this government's economic policy has wrung the neck of the Canadian economy, this government spends over $1.5 million in the production of comic books and now cartoons in newspapers across the country to sell the unsaleable, the GST Consumer Information Office.

When is the minister going to stop providing comic relief for Canadians and start providing some economic relief to this government caused made-in-Canada recession?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me refer again to these business leaders who came out yesterday somewhat critical of the Government of Canada where they—

An hon. member: Somewhat?

Mr. Wilson (Etobicoke Centre): Let me refer my hon. friend to Mr. D'Aquino says: "Mr. Wilson's performance in this area has been better than that of all the provinces. In fact this problem includes all of us. We are all part of the problem. We are not pointing the finger at Mr. Wilson".

The point that these organizations were making is that they want to see interest rates come down. I want to see them come down. Their message is: get the deficit down faster and further and that will help take the pressure off interest rates and allow us to get interest rates down.

I have been Minister of Finance for six years and, in those six years of time, every time we have brought out a measure to reduce a deficit, every time we have brought out a measure to reduce government spending, the Liberal Party opposite has opposed us every inch of the way. Now that we have this goods and services tax proposal, which is designed to stabilize the fiscal position of the Government of Canada, what do we have from the people opposite? We have them supporting the unelected Senate, supporting it in thwarting the democratic process.

* * *

THE ENVIRONMENT

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, my question is for the Minister of the Environment.

Yesterday the independent panel studying the Alameda-Rafferty Dam project suspended its operations in disgust and frustration over the blatant disregard by the Government of Saskatchewan for an agreement signed last January with the federal government.

The agreement was signed to comply with a Federal Court order which stated that an independent environmental assessment be conducted on this megaproject. The court indicated that if there was no panel inquiry the licence should be immediately revoked.

Now that the panel has suspended its inquiry, will the minister comply with the court order and revoke the licence today?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, in answer to that question I would like to give a bit of the history. This has been a very contentious issue for quite a while.

In July I toured the site. I met with residents. I met with the premier. I met with environmental groups. I met with the governor of North Dakota. Since that time I have tried to reach or to find a reasonable situation where on one hand the interests of the review panel, Saskatchewan, the environment, and the economy could be met.

I have had numerous conversations with both the Government of Saskatchewan and members of the review panel. I must say that common ground could not be found and that led to the decision yesterday by the panel of suspending their operations until a more reasonable situation could be developed. I respect their decision. We are trying to meet the questions they have raised in their letters that I received this Tuesday.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, my supplementary question is for the same minister.

Yesterday Premier Devine claimed that he and the federal environment minister struck a secret agreement on September 5, which dramatically changed the scope of the panel and allowed Saskatchewan to go full speed ahead on the construction.

Did the minister sign such an agreement? Does such an agreement comply with the court order?

• (1130)

Did the minister inform the panel? Why did he not inform the public? If there is such an agreement, will he table that agreement right now in the House?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, my hon. colleague has raised five questions. The answers are no, no, no, no and no. There was no such agreement so it was not communicated to anybody. There is no secret agreement in this deal.

There is one agreement with Saskatchewan. It is an agreement that was signed between the Government of Canada and that of Saskatchewan in early 1990. That

agreement is the one that is signed. It is the one that is in force at the moment. That agreement calls for a number of measures on both sides.

We expect to honour our side of the agreement. Saskatchewan should agree to honour its side of the agreement. If that compliance with the agreement is not met, I can only say that the federal government will take all possible actions to make sure that that agreement is honoured.

Mr. Simon de Jong (Regina—Qu'Appelle): My supplementary question is for the same minister, Mr. Speaker.

We have heard that answer before. We have heard that answer continuously, even from the previous minister. In the meantime, the Saskatchewan government continues with its construction.

Canadians are watching this new minister and this government very closely. They are judging what real commitment it has to the environment.

Here we have a province which continues to defy three court orders and a premier who is thumbing his nose at the laws of the land. The minister's support for this lawless behaviour by another Conservative government is undermining our institutions, in this case, the courts.

Who is in charge here? Is the minister going to allow Premier Grant Devine to violate the court order, or will he put a stop to it right now and revoke the licence?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, since this controversy came to light publicly yesterday, I immediately instructed my officials that, under the agreement and until we are satisfied that both parties are living up to it, no further payments be made to Saskatchewan.

That has been done, so that the payment for October has been suspended. The payment for November is frozen, and it is really frozen.

Also this morning I asked for further legal advice on the enforcement potential which the government has with regard to the January agreement, which I still consider to be the agreement under which we are currently operating. I want the project to have a full and complete review. I want to make sure that the interests that were protected under the court order are respected.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have a question for the same minister.

It is very clear that the Premier of Saskatchewan is flouting the federal jurisdiction. He is challenging the right of the federal government to exercise its constitutional powers to protect the environment, and the minister is not prepared to take the necessary action.

I want to ask him this. Under the International Rivers Improvement Act, the federal government clearly has the power to revoke the licence to stop the construction. Why will the minister not go forward and use the powers that are clearly his, rather than the kind of obfuscation and delay he is talking about today?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, I do not know how my hon. colleague defines delay. I acted immediately, as soon as the news release was put out by the Government of Saskatchewan last night. There is no delay there.

On the other hand, I am sure that my hon. colleague would grant me the possibility of receiving legal advice on the matter before initiating any further measures. I said very clearly that further compensation payments to Saskatchewan had been frozen, that we, as a government, are extremely disturbed by this turn of events. We understand why it has come about.

Before going further, I want to consult with legal experts to know exactly the scope of the means of intervention we have in this whole case. But we are acting, and there certainly is no delay.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, the delay is not taking place in Saskatchewan where the government is starting the bulldozers. It is starting to expropriate land while this government dithers.

He has clear powers under the International Rivers Improvement Act. He does not need that kind of legal advice. What we are concerned about is that the past collusion between this government and the Government of Saskatchewan will be repeated again.

Why will the minister not issue an order today under this act to revoke the licence, to stop the destruction

until there is a proper environmental assessment? This is the real test of where this government is—

Mr. Speaker: The question has been put. The hon. minister.

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, it might be helpful if my hon. colleague opposite checked his facts. Nothing is going on than what has already been decided and for a very simple reason. The government of Saskatchewan cannot proceed with Alameda because they do not have the land.

Mr. Axworthy (Winnipeg South Centre): They are expropriating, that is what they are doing.

Mr. de Cotret: They have not even started expropriating. Not only do they not have the land, they have not started the expropriation process, and that will take quite a while. All I am suggesting is that we act reasonably, firmly, but with full legal advice. Given that this has happened over the last 12 hours, I think I should be given until the end of the day to get that legal advice before I move on it.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is for the Minister of the Environment. The minister will know that one of the federal government's first responsibilities is to ensure that each province and each territory is treated fairly and equitably. Why in this particular instance is the Minister of the Environment allowing the Prime Minister to bail out his friend, Grant Devine, at the expense of the people of Manitoba? When will he ensure that everyone is treated equitably and fairly?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, I can assure my colleague that everybody is being treated equally and equitably in each province, each territory throughout the country. Our policy is very clear. We want to do what is right for the environment, we want to do what is right for the economy. We believe that the environment and the economy can work hand in hand. We have policies designed to do that and we are implementing them.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my supplementary is directed to the same minister. This decision by the Minister of the Environment appears to ignore the environmental assessment process and federal environmental policy. What is he prepared to do for the environment, aside from his million-dollar advertising campaigns? What does the minister intend to do to restore the confidence of Canadians in this government's commitment to the environment?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, in the case we are talking about today, the government's position is that we want a complete environmental assessment of the project. That is what the courts ruled and that is the way I intend to go. The Government of Saskatchewan issued a press release last night, which said basically it was in favour of going ahead with the project before the assessment was done. I immediately pointed out that compensation payments to the Government of Saskatchewan for the requisite waiting period would be frozen until the committee's report was released. There will be no more payments. We will also try to talk to the parties concerned, including members of the project assessment committee and members of the Saskatchewan government, to try and reach a compromise. However, Mr. Speaker, I can assure the House that this project will undergo a complete assessment, as ruled by the courts.

* * *

[*English*]

THE ECONOMY

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, this week has shown clearly that the finance minister has lost the confidence of the country. Major business groups attached his policies yesterday. Important think tanks say he is wrong. Provinces representing over half the population of this country are taking him to court to try to stop the GST.

I ask the finance minister what his government is going to do to change its policies to win some confidence from people and to stop this economic decline.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I do not know how the hon. member has drawn that conclusion. It says here clearly: "Mr. Thibault says our message is not directed only to Mr. Wilson. It is a problem we have as a country on a federal, local and provincial level. We are not just talking here about the federal government or the provincial government. We are talking about Canada and the Canadian people."

What these people are pointing out is that we have a national problem. It needs a national response.

• (1140)

They have gone on to say: "Mr. Wilson's performance in the area of government spending has been better than all of the provinces."

We have a major problem and the rhetoric which the hon. member uses is not helpful in dealing with the problem. What would be helpful from the hon. member is how he feels we could get the deficit down, as is the objective of these business leaders, as was the objective of the Economic Council of Canada, as was the objective of most knowledgeable and intelligent observers of the political scene.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, let me suggest that the minister is very selectively quoting from business leaders who yesterday said things such as "bankruptcies among small and mid-size companies are soaring. Business confidence has dropped to levels not seen since the 1981-82 recession".

They talked about "the damage caused by Canada's dismal fiscal policy". I want to ask the finance minister about this. He has described this slowdown as a healthy thing for the economy. Is that his only answer to the thousands of people who are being thrown out of work across this country? Is that his only answer to governments that are facing vastly increased deficits at the provincial level? Is that his only answer or is his answer cartoons in newspapers to try to prop up the GST?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member should reflect back to the number of statements I have made in this House on many occasions over the last six years as Minister of Finance. I have taken great pleasure in seeing business activity strong, people having good jobs and taking advantage of the opportunities that are there.

I recognized some two years ago that we had a problem that was derived directly from the inflationary pressures that were in the economy and if we did not get those inflationary pressures under control, we were going to get back to the type of recession we had in 1981-82. I would like to avoid that.

I want to do everything I can to ensure that we get on a path of non-inflationary strong growth in the future. That requires us to go through this temporary period where we have a slowdown in the economy, so that we can get those inflationary pressures under control. As we get the inflationary pressures under control, we will be able to get interest rates down. The benefits of that will seep into every nook and cranny of the economy. That is the best thing we can do to get the economy moving again.

* * *

TRADE

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Minister of Finance.

I am speaking on behalf of thousands of Canadians who got their walking papers this week, in particular the 550 employees who were told last month that they were surplus to operational requirements of the Tridon Corporation in Burlington.

The minister will know that at the same time he is leading Canadian workers in a made-in-Canada recession, he is permitting the export of taxpayer-financed technology to the United States.

I would like to ask the minister a very specific question. Given that it was government financing that permitted the development of two new products that are going to be creating thousands of jobs in a cheaper labour market in the southern United States right now, is he prepared today to order his colleague, the Minister for Industry, Science and Technology, to put a lien on all Canadian technology and all equipment at the Tridon plant in Canada so that they cannot spirit more Canadian jobs south as a result of his fiscal, monetary and trade policies?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the situation at Tridon has been made clear to the hon. member for a number of weeks.

The company has clear obligations to the Government of Canada which they will be kept to. They have to obtain our consent to transfer any kind of technical data, inventions, methods or processes resulting from the project financing that they received from the federal government.

They also have to consult with us, if during the term of the agreement, they decide for sound business reasons not to proceed with the project or the subsequent production and marketing.

Officials of the Minister of Industry, Science and Technology are meeting with them next week. This particular company knows its obligations and we will keep it to it.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the member for Burlington said today that the company has met its obligations. Quite clearly the minister, in cahoots with his government's backbenches, is planning to allow Tridon to take those jobs to the southern United States. I am speaking on behalf of the workers in Oakville who have nobody to speak for them, as well as the workers in Burlington, Hamilton, and area.

Will the Minister put a lien on all technology so that none of the technology developed by Canadian taxpayers' money will contribute to making jobs in the southern United States at the loss of Canadian jobs?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, whether or not a lien should be put on these properties is a question for the minister to decide, but I would remind my hon. friend that she better be careful in the advice she gives. There has been a great transfer of jobs, of course, from the United States to Canada—

Some hon. members: Where?

Mr. Hockin: —we do not want them putting liens on their operations.

The hon. member asked what has happened. There have been, for example, Ford Motor Company, a $500 million investment in the last year; CAMI, $500 million investment, 2,400 jobs; GM of Canada in St. Therese, $450 million; Ford Motor Company, $64 million; Goodyear, $200 million; Freight Liner, $30 million; and Defasco in Cambridge just announced two days ago another $30 million.

There is a tremendous amount of industrial activity in Canada and the hon. member would like the Americans to put a lien on all of that to make sure that it could not move to Canada.

GOODS AND SERVICES TAX

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, my question is directed to the Minister of Finance and it is very simple. Many individuals and families in northern Canada order their basic groceries directly from southern Canadian suppliers. These groceries are shipped to them by air or by sealift and, of course, there are freight charges.

Will these northern families have to pay the goods and services tax on the freight cost of their groceries?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, there is no goods and services tax on the freight cost. That is credited out of the cost of all food in any part of the country. That is particularly important to people in northern Canada. There will be no goods and services tax in the price of food after January 1, 1991, whereas today, there is federal sales tax on the transportation costs and also on other costs of food that we consume. It amounts to some one to two percentage points.

Mr. Andre: Northerners will be better off.

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, my supplementary question is directed to the same minister. Of course, businesses get tax credits on the freight, but individuals do not.

I have a letter in my hand from a major Canadian air carrier that states: "The vast majority of shipments destined to northern communities usually contain a mix of various commodities, that would make it quite difficult for our front-line staff to manage should a tax waiver be implemented for specific types of cargo". They have not been instructed by the government to exempt food shipments from the goods and services tax, nor do they have the staff to isolate taxable and non-taxable commodities.

Will the minister now admit that certain Canadians, namely northern Canadians, will be taxed on their food?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I would be interested in receiving the information that the hon. member has read out. It sounds to me from what is said in the document that he read from that there is a misunderstanding on how the tax on the food today will be changed as a result of the GST.

The simple fact is that all federal sales tax today, whether it is on transportation, packaging, computers, cash registers, or building materials to build stores, will be backed out of the system so that under the GST there will be no tax on the cost of food. As I indicated in my earlier response, that amounts to some one to two percentage points of the cost of food. This will ensure that all food that is consumed by northerners will be removed from tax and will be cheaper.

* * *

• (1150)

BILL C-43

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, my question is directed to the Minister of Justice. A survey of Canadian obstetricians and gynaecologists, the physicians who provide 95 per cent of the abortion services in Canada, showed that 59 per cent will discontinue this service if Bill C-43 becomes law.

The minister has said to the media, and in a letter to the Canadian Medical Association, that she would not proclaim the bill unless the doctors were ready. The doctors are not ready.

Will the minister keep her promise to the doctors of Canada, to the women of Canada, and will she guarantee today in the House not to proclaim this regressive, criminal legislation?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I have been working very closely with the Society of Obstetricians and Gynaecologists of Canada to deal with the concerns that its members have expressed. I am very hopeful that that consultation will be successful in alleviating many of the doctors' concerns.

In my discussions, both with the executive of the organization and with doctors across the country—and my consultations are ongoing—I find that their concerns are based on a misunderstanding of the legislation. It is a labour-intensive process to try to get that message across and to explain how the bill works. There is a lot of misunderstanding. As I have said before, doctors are not lawyers. I have committed myself to doing that because I think it is very, very important for the doctors' well being and for the well being of the women of Canada. I will keep to my commitment that the bill will not be proclaimed until that process is complete.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I hope that what the minister means is that she will not proclaim the bill as long as doctors are in opposition to the bill. The minister has been very patronizing, thinking that she can explain the bill to doctors and to women and that they will agree that there is not a devastating effect on access for women.

Tomorrow thousands of women will be on the streets of Canada demonstrating against this bill. Will the Minister commit herself to ensure these women and doctors that the bill will not be proclaimed?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, there is nothing that I say about the implications of Bill C-43 that is not supported by independent experts in criminal law. I certainly accept the right of people to protest on either side of the abortion issue, as they will do tomorrow, and as it happens every day on the other side of the issue outside this building.

I would like to caution the hon. member that, in the process of people arguing their political views on this particular issue, a distortion of the implications of Bill C-43 is not, in my view, a legitimate tactic. Much of the misinformation that doctors have about Bill C-43 and how it works does not come from the Department of Justice, does not come from the Government of Canada, and does not come from people who understand it. It comes from irresponsible statements made by people in pursuing their particular policy goals.

I would like to see from the hon. member a commitment to fight the battle on fair grounds, not to distort Bill C-43, and not to create fears that are unfounded. Doctors have nothing to fear from this legislation. To create these kinds of fears is to play very high stakes politics, which I think is unconscionable for anyone on this sensitive issue.

* * *

ENERGY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources.

The World Climate Conference in Geneva at the end of this month will undoubtedly be setting demanding goals to control global warming and particularly to bring about reductions in carbon dioxide emissions. We are

told in the environment committee that one of the major areas for reducing these emissions will be alternative sources of energy and alternative fuels for the production of energy.

What initiatives for increasing and accelerating Canada's research into alternative energy sources are on the board presently, including nuclear power?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, as I have mentioned before in the House, the Department of Energy is working with our colleagues with respect to the Green Plan and the insertion of alternate energy fuels as part of the reduction of CO_2 and greenhouse gases.

The hon. member knows that a number of times in the House I have mentioned the research and co-operation of the government, whether with methanol as we had yesterday, for example, in front of this building, with a Clean Across Canada drive, or the work that has been done in ethanol, propane, and natural gas.

Specifically, in respect to nuclear energy, which the hon. member is probably interested in, the federal government has conveyed a proposal to the Government of New Brunswick and particularly to New Brunswick Power respecting Lepreau II and in reference to the reduction of CO_2. The nuclear option obviously has a great advantage in the reduction of CO_2.

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[*Translation*]

AGRICULTURE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Minister of State (Agriculture). Yesterday, the Minister for International Trade confirmed our worst fears when he said his government would have to play down its attempts to protect Canada's supply management of farm products at the GATT talks.

I would like to ask the Minister of Agriculture why the government intends to sacrifice our quota system in this country and why it wants to sacrifice the jobs of our farmers. When is the minister going to stand up for Canadian farmers?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, as the hon. member can see, I am on my feet, and I will explain what we have done.

Last March, the Canadian government maintained its position that it would defend our marketing boards. However, I may remind the hon. member that during the past two or three years, people involved in the marketing board sector across the country have been consulted regularly in committee about their concerns. In fact, it is because of their concerns—they did not agree we could maintain the status quo—that we are going to submit proposals next Monday that will respond to the needs of Canadian farmers in both eastern and western Canada, so that Canadian farmers will be able to face the future with confidence. These proposals will reflect our respect for the agricultural industry in this country. I have no worries on that score.

[*English*]

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, my question is directed to the part-time Minister of Agriculture—

Some hon. members: Oh, oh.

Mr. Speller: Well, Mr. Speaker, there are three or four of them.

I remind the minister of his words in the House in November. He said:

> —the position of the federal government taken by the Minister of Agriculture and the Minister for International Trade at the MTN negotiations is to strengthen—Article 11—

Why then did the Minister for International Trade say last night that Canada might have to give in on supply management? Will the minister give a commitment in the House today that while in Geneva he will not sign any GATT agreement that weakens supply management and further puts Canadian farmers on the unemployment lines?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the position of the Government of Canada has been clearly stated with respect to the strengthening and clarification of Article 11 and we stand by that.

REFUGEES

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, in Ontario alone there is presently a backlog of 44,220 English-speaking refugees waiting to be processed. The Toronto office alone is facing 22,000 such cases.

Under this minister's direction the Ontario offices are dealing with only English-speaking cases, and I quote: "The non-English cases are put on the back burner."

Why has the Minister engaged in this unfair and discriminatory practice?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, it is an insult to this House to think our system is racist. Agreed, we have a lot of catching up to do as far as the actual processing is concerned. The Minister responsible for Immigration is in touch and is working with all parties concerned. I cannot agree that racist attitudes and approaches are at work here. Our approach is humanitarian. It is a case-by-case approach, and it is professional. We are trying to do the best we can.

[*English*]

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, the Toronto office will be able to handle only 7,000 hearings over the next year. The Minister's officials are overworked. Many are forced to work overtime, weekends, and holidays.

What does the government intend to do to solve this inhumane and unacceptable situation?

• (1200)

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, I have taken note of the hon. member's question, and if it is appropriate to give the hon. member additional information, I will ask my colleague who is responsible for immigration for this information.

[*English*]

CANADA POST

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, this week we heard through the media of disturbing goings-on at Canada Post.

First, we heard that customers' signatures had most probably been forged in order to keep up with the claims of fast delivery despite massive contracting out and downsizing.

Then we heard through the media that the independent audit puts Canada Post in a most favourable light and shows only part of the picture, because Canada Post can withhold what can make it look bad.

I can substantiate that with documents. My question very clearly and very simply is this. Will the minister responsible for Canada Post ensure that he will launch a special inquiry and ensure the immunity of reprisals to any person who would want to testify? Will he also ensure that all of the audit reports are made public so that Canadians can get a real picture of what is going on at Canada Post?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am not sure why the hon. member would cast aspersions on this national and, indeed, international auditing firm.

The Auditor General is also an auditor of the Canada Post Corporation. If he has any complaints, he should take them to the Auditor General.

Mr. Speaker: I have a point of order from the hon. leader of the government. There is also a question of privilege. I wonder if the member for Calgary West would stand down for just a moment while we deal with the point of order.

* * *

BUSINESS OF THE HOUSE

Mr. Andre: Mr. Speaker, I would like to designate next Monday as an allotted day, and indicate that discussions are going on with the opposition parties with respect to Motion No. 16 having to do with the Iraq situation to see

if appropriate accommodations could be made to pursue that motion at the earliest opportunity, hopefully on Tuesday.

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PRIVILEGE

HOUSE LEADER OF THE NEW DEMOCRATIC PARTY

Mr. Jim Hawkes (Calgary West): Mr. Speaker, it is with a sense of sadness really more than anything else that I rise in the House today.

Mr. Milliken: Crocodile tears.

Mr. Hawkes: Somebody said crocodile tears. They are not crocodile tears.

I spent close to 11 years of my life in intense activity related to this Chamber. I respect the Chamber, and I think all Canadians should respect the Chamber. They should respect the nature of what it is that we do in this Chamber, in committees and in the other proceedings of this Chamber.

Today I rise, and I have given you notice, because I feel compelled on the basis of information available and given to me this morning for the most part as to what the House leader of the New Democratic Party as a special officer of this House is saying within his riding and to the national press about the operations and conclusions of a committee of this House which has been struggling with a very difficult problem for some time.

I find the behaviour of the NDP House leader on this occasion to be consistent with two or three other occasions in recent history, which I found very disturbing for the continued effectiveness of this place.

Mr. Marchi: Touchy, aren't we?

Mr. Hawkes: Let's see.

Mr. Axworthy (Saskatoon—Clark's Crossing): On a point of order, Mr. Speaker, the member of whom the government Whip is talking clearly is not in the House today.

I think the member speaking knew that. It is not appropriate to cast those sorts of aspersions when the member who is being criticized is not here.

In any case, I think the member for Kamloops was well within his rights to inform Canadians about what was taking place. I know it is a difficult issue, but we are quite clear on our position on it. We do not think MPs should be treated—

Mr. Speaker: We are not into argument yet.

The hon. member has risen on behalf of the New Democratic Party, pointing out that the hon. member for Kamloops is not here today. I have to hear enough of this to find out the basis of the complaint. The hon. member for Calgary West might assist the Chair.

Mr. Hawkes: Mr. Speaker, I will, and I will try to be as brief as I can.

This is the first time in 11 years that I rose to complain or to suggest that a question of privilege was involved in the relationship to the behaviour of another member where I have not notified the member and where I have not asked the Speaker to delay until the member was present. I think that is the nature of the place.

For this particular member, no notice was given to the rest of us on any of the occasions which bother me. What the member has been doing the last 48 hours is talking to the media in his riding and other places about a committee report which has not yet been presented to the House, which has not yet been reprinted and for which the transcripts are not yet available. He says things that are simply not true.

There is a reference in one article and I have it in front of me. It is an article that came out of the paper yesterday about the government having a majority on the committee. The government does not.

An hon. member: Shocking news.

Mr. Hawkes: Shocking news says the NDP. People who are not supporters of the government represent four votes on the committee and supporters of the government represent three.

In terms of the voting pattern which was evident in the committee on Wednesday, there are a great many things I would like to be in a position to tell the House, and I suggest people might want to read the transcript about the difficulty the committee has been having over a period of time.

In his riding, the New Democratic House leader said he was not surprised that the Bloc Quebecois voted with the Tories, noting most of the MPs currently under investigation by the RCMP—

Mr. Speaker: I hesitate to interrupt. The hon. member for Burnaby—Kingsway on a point of order.

Mr. Robinson: Mr. Speaker, the hon. member is clearly entering into debate on this question of a particular decision that was made by a committee. It is a matter which is very much on the public record.

I would ask that the Speaker urge the hon. member to come to his alleged point of order very quickly or engage in debate and try to defend this indefensible policy which he in his party, and one independent, a former Conservative member of Parliament, are attempting to foist on the Canadian people.

Mr. Hawkes: Mr. Speaker, surely it must be a principle on all members in this House but in particular, people who hold special responsibilities in this House, that they cannot say outside the Chamber things that they would not be allowed to say inside the Chamber. That is point number one. The member is shaking his head. He thinks outside the Chamber one should be able to cast aspersions on the conduct—

Mr. Speaker: It may well be that it is going to be necessary for me to hear considerable debate on this. It probably will be necessary to hear further debate when the hon. member for Kamloops returns.

I wonder if the hon. member could put succinctly the point of privilege.

Mr. Hawkes: Mr. Speaker, in this particular article today from *The Kamloops Daily News*, the member says things about the motivation of members who cast a ballot in committee of this House on Wednesday. It says: "Riis said he wasn't surprised that the Bloc Quebecois voted with the Tories, noting most of the MPs currently under investigation by the RCMP are from Quebec."

In terms of the Tory votes, he said: "Now the Tories want one law for MPs—"

Mr. Speaker: I am sorry. This is a point of privilege.

The hon. member, who is a very experienced member, feels very strongly about this, and I can understand that. Nonetheless, I need some assistance from the hon. member as to what the point of privilege is. He may or may not have said all kinds of things. Where has the hon. member's ability to carry on his duties as a member of the House of Commons been infringed by anything that somebody else has done? That is what I need to know.

Mr. Hawkes: Mr. Speaker, I direct you to Maingot, page 192. He says: "Any action by anybody" is the implication, "which obstructs or impedes either House in the performance of its functions or which obstructs or impedes any member or officer of the House and the discharge of his duty may be treated as a contempt even though there is no precedent."

• (1210)

The member for Kamloops is talking about a committee report. It is a special committee of this House formed to look at the Parliament of Canada Act to see whether or not the institution would be well served by a set of amendments. That committee reported in May of this year to this House with a unanimous report, New Democratic members included, with proposed amendments to the act.

In subsequent discussions, some of those were watered down and the bill was brought forward to the House for second reading and referred to committee. It was a decision of the Board of Internal Economy, subsequently approved by the House leaders, that the committee be formed. It was a decision to use officers of the House, the Whips of the three parties as members of that committee.

For the member for Kamloops to be out and about inpugning the motivation of the members of this committee, the officers of the House, is a dastardly deed. When you give an interview that leads to a headline "Riis outraged by despicable bill," that "it is outrageous, it is disgusting, it is despicable," when in fact that is a committee report of the House, Mr. Speaker, the conduct that is outrageous, despicable and disgusting is the conduct of the House leader of the New Democratic Party. It is not the seven members of the committee.

I am quite prepared to read other pieces of this member's press into the public record from the CFJC–CIFM news in Kamloops. He says: "This bill would set them apart from regular citizens, would require the RCMP to seek permission before an investigation of an MP could occur". That is absolute bloody nonsense. That is not what the piece of legislation is intended to do or does do. It does not restrict the RCMP in any way, shape or form from—

Mr. Speaker: I am having difficulty with this. If the hon. member for Kamloops said these things or did not say them, how does it affect the hon. member's ability to carry on his duties as a member of Parliament? I accept

the quote that the hon. member has given to me on the question of privilege. I accept it. I think it is good law. But I am having some difficulty in determining how what the hon. member has said is necessarily a contempt of the House or infringes on the privileges of the hon. member.

Mr. Hawkes: Mr. Speaker, I have been asked to participate at a variety of levels in arranging the affairs of this House. One of the new responsibilities that came to me as a Whip, and has come successively to two different members of the Official Opposition during my time, is to sit on the Board of Internal Economy. I was asked, because of my role as a Whip, to serve this House on this special committee.

A fellow officer who sits on similar bodies is out there in public making comments like this about the motivation of the members, of the other officers of the House. I have watched the member for Kamloops. I have been present when we reached a collective decision about protests on Parliament Hill and that member immediately with the press abandoned the decision he was a part of—

Mr. Speaker: The hon. member for Windsor—Lake St. Clair on a point of order.

Mr. McCurdy: Mr. Speaker, it must be clear that the member has not responded to your request for a clear statement of what his question of privilege is, nor is there any indication that he intends to respond to you, Sir. In order to continue the business of this House, I plead that this be brought to an end right now.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Right from the beginning, Mr. Speaker, I have been an assiduous member of that special committee of the House. I would ask the Chair to defer the debate so as to allow the hon. member for Kamloops to return to the House and provide an explanation. Mr. Speaker, I too am a little mad at him because I was the one who first suggested that clause 52.8 be removed or eliminated from the bill. There were no comments made after that. I took that initiative aimed at doing away with clause 52.8 which the member for Kamloops does not like. Mr. Speaker, I am prepared to debate the issue in the House in a democratic manner, but I would want the hon. member for Kamloops to be present when we do that.

[*English*]

Mr. Speaker: I am having difficulty with this. The hon. member for Calgary West has raised a matter and has considerable argument to give. He has already made some argument. It may or may not be, on the basis of what he has revealed to the House or what he has stated to the House and what he may state, that there is a question of privilege. I do not see it yet, but it may very well be there.

However, I am wondering if the hon. member for Calgary West would agree to adjourn this matter to Monday, when the hon. member for Kamloops returns. At that point I would be very pleased to let the hon. member for Calgary West continue with his point.

There is a very firm tradition in this House along that line. A question of privilege of course belongs to the member and I would have to ask his indulgence in this. I point out that on a number of occasions when similar situations have arisen, certainly when members of the opposition have been raising a question of privilege with respect to one of the ministers, I have always suggested that it be put over, after perhaps some introductory remarks, until the minister could be in the Chamber, and that has always met with the approval of the House. It is not a rule of the House, but it is a courtesy. The hon. member for Ottawa—Vanier has expressed that point of view, as has the hon. member for Saskatoon—Clark's Crossing. I would ask the hon. member for Calgary West if it might not be appropriate—the hon. member has put certainly some of the basis of his concern to the House—to adjourn it until Monday, when we could continue.

Mr. Hawkes: Mr. Speaker, you said "Monday" but I would assume you mean until the member returns. That is what would make sense.

Mr. Speaker: I stand corrected. I was assuming something perhaps I do not know.

Mr. Hawkes: Mr. Speaker, I have no difficulty with the notion that the matter cannot be adequately determined until the member is present in the House and has a chance to respond. I think that would have been my preference from the beginning. That is the way the place should operate. But the difficulty for us as House

officers charged with very difficult responsibilities from time to time is that when another House officer holds all of us in this kind of contempt, we cannot sit around—

Mr. Speaker: I wish the hon. member would consider the point that I am making. I am trying very hard not to decide, perhaps too early in the game, whether or not there is a question of privilege, but I am being forced rapidly into making that decision.

There is something basically unfair about an attack on one member, no matter how appropriate within the rules that attack is, in this Chamber on a question of privilege when the other member is not here. It may be that the other member has done all kinds of terrible things, but it is fundamental to justice that the accused should be able to face the accuser.

The hon. member has certainly put enough forward so that there is a pretty good idea of what the complaint is. Whether or not it is a question of privilege, I do not want to be forced into deciding at this moment. I ask the hon. member for Calgary West, on the basis of our tradition in this place, would it not be appropriate to put this matter over until the hon. member for Kamloops returns? The hon. member has laid at least a base for his argument, but it does not seem to me fair to continue going after another member when the other member is not in the Chamber.

• (1220)

What the other member did outside the House may or may not be a contempt. The further outside the House it is, the harder it is to fit it within privilege.

I understand perfectly well that the hon. member for Calgary West has a grievance which may turn out to be a breach of privilege or a contempt of the House. It seems to me that, given the issue, it would be proper to put this matter over until the hon. member for Kamloops can return.

Mr. Hawkes: Mr. Speaker, your logic as usual is impeccable. Your grace is impeccable. The principle is that we should be able to face our accuser. The difficulty is the accusations about the Quebec caucus, about myself, about members of the committee—

Some hon. members: Oh, oh.

Mr. Hawkes: —have been made when we were not present. I go along with you, Mr. Speaker, 100 per cent, but I want the record to show that on behalf of my colleagues on the committee—and I believe even the New Democratic members, but I cannot speak for them—we deny completely the accusations made by the NDP House leader as to our motivation or the consequences of our actions.

We would appreciate it if as a senior officer of this Chamber he has accusations of that kind to make about the Quebec members, members of the Tory government, about officers of the House, about committee members, that he make—

Some hon. members: Oh, oh.

Mr. Speaker: There is a fundamental issue here. I have not heard all of the interventions in this, and I will not be able to hear them all until the hon. member for Kamloops returns.

Apart from what my concern may eventually be about what the hon. member for Kamloops did or did not do, my concern at the moment is that to have a debate like this going on when the person who is accused is not here just runs contrary to fundamental justice in our system.

I am asking the hon. member for Calgary West who complimented the Speaker on his immaculate logic, if he would agree with the Speaker to adjourn it until the hon. member for Kamloops comes back. The hon. member has certainly made a point, a sufficient point perhaps to last for several days, but it does not seem appropriate to continue in the absence of the person who is the subject matter of the complaint.

Mr. Gauthier: Mr. Speaker, just on a point of information and interest, my office has been trying to get some copies of the articles which the member has been reading from *The Kamloops Daily News*. The reading room tells us we cannot get those.

I just wondered if he could make them available to some of us during the course of the day.

Mr. Speaker: I hope very much that another issue does not get in the way of the hon. member for Calgary West who I know has a very serious point. I am wondering if at this point the hon. member for Calgary West would agree to put the matter over.

Mr. Hawkes: Mr. Speaker, I would be quite happy to do that. To answer my colleague from across the way, I would be happy to give the pages copies of this and ask them to make them available to the hon. member.

Mr. Speaker: I would like to say to the acting House leader of the New Democratic Party that this is a serious matter that has been raised. I know that he will commu-

nicate with the hon. member for Kamloops. I would like him to get back to me as soon as possible to give me some indication as to when this matter can be proceeded with.

I want to thank the hon. member for Calgary West. I know he feels very strongly about this, but I want to thank him for his courtesy.

An hon. member: The logic was impeccable but certainly not dependable.

Mr. Speaker: A very great friend of mine over there is being very rude to me.

* * *

PRESENCE IN GALLERY

Mr. Speaker: I say to our distinguished guests that this may seem a little late in the day, but it takes nothing away from our sincerity.

I wish to draw to the attention of members the presence in the ladies' gallery of the Heads of Delegation to the Third Meeting of Commonwealth Ministers Responsible for Women's Affairs.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*English*]

DEPARTMENT OF VETERANS AFFAIRS ACT

MEASURE TO AMEND

Hon. Gerry Weiner (for the Minister of Veterans Affairs) moved for leave to introduce Bill C-87, an act to amend the statute law in relation to war veterans.

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

* * *

AUTOMOTIVE POLLUTION REDUCTION ACT

MEASURE TO ENACT

Hon. Ralph Ferguson (Lambton—Middlesex) moved for leave to introduce Bill C-333, an act to reduce automotive pollution.

He said: Mr. Speaker, this bill provides the means to reduce automotive pollution by requiring that automotive gasoline contains at least 3.2 per cent oxygen.

This content will cause a dramatic reduction in carbon monoxide emissions and will also eliminate the use of the additive MMT which is currently replacing lead in gasoline. MMT is itself a pollutant that is not even allowed in the United States but is being used in Canada.

The 3.2 per cent oxygen content can be achieved through the use of 10 per cent ethanol added to the gasoline. This bill is not only environmentally friendly but will also provide a market for millions of tonnes of grain that are currently backed up on farms and elevators across this nation.

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

* * *

CANADIAN HUMAN RIGHTS ACT

MEASURE TO AMEND

Mr. Peter Milliken (Kingston and the Islands) moved for leave to introduce Bill C-334, an act to amend the Canadian Human Rights Act.

He said: Mr. Speaker, this bill is an act to amend the Human Rights Act. Incorporated in it is a series of amendments recommended by the Canadian Human Rights Commission in its 1989 annual report to Parliament.

The recommendations for change in the report have been embodied in statutory language as far as possible. There are two recommendations that are not in this bill that may be dealt with later. I thought the House might be interested in dealing expeditiously to incorporate the changes recommended by the Human Rights Commissioner in his report.

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

CANADA ELECTIONS ACT

MEASURE TO AMEND

Mr. Peter Milliken (Kingston and the Islands) moved for leave to introduce Bill C-335, an act to amend the Canadian Elections Act and other acts in relation thereto.

He said: Mr. Speaker, this bill is a little larger than usual. It is a 164-page bill and is a redraft of Bill C-79 which died on the Order Paper at the end of the last Parliament, with a few changes to try to make it more palatable to all hon. members.

• (1230)

I hope that this bill can be considered by the House on an expeditious basis so that we can effect changes to the Canada Elections Act before the next election comes around. I am aware that there is a royal commission investigating the Canada elections law. Because its report is not expected until September 1991, I am not optimistic that the changes it may recommend will be in effect before the next election.

I believe it is imperative that we change the law and make it effective before that time. Accordingly, I have prepared this bill. It is a substantial bill and I hope it will find favour with all members when it gets to committee where it could be amended to suit the wishes of all members of this House. I commit it to the House.

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

* * *

PETITIONS

AGRICULTURE

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I rise today under Standing Order 36 to present a petition signed by 80 Canadians who object to the intent of the government to increase minimum import levels of poultry and poultry products as now being discussed at GATT and any proposals of tarrification of a supply managed product.

These citizens avail themselves of their ancient and undoubted right to present a grievance common to your petitioners in the certain assurance that your honourable House will provide a remedy.

Mr. Speaker, these persons are from Brussels, Ontario, Drayton, Trenton, Paris, Middlesex County, Waterloo, and a lot of other communities. It shows the fear and trepidation that is being caused among the producers by government actions in GATT and particularly the statement by the Minister for International Trade yesterday, which was carried in the local newspaper.

GOODS AND SERVICES TAX

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I rise to present a number of petitions involving people from across Canada, including the province of Manitoba, seeking the elimination of the goods and services tax on books and other reading materials.

The petitioners point out that there has never been a tax in this country on books and reading materials. They also accentuate the importance of reading and related activities as a cornerstone of democracy and of our economic, social and cultural development.

The petitioners ask that there be zero tax on books, and that perhaps the tax be eliminated totally.

[*Translation*]

Mr. Guy H. Arseneault (Restigouche—Chaleur): Pursuant to Standing Order 36, Mr. Speaker, I am honoured to present these petitions on the proposed goods and services tax.

Your petitioners strongly denounce this new tax on goods and services, for it is tantamount to an unprecedented assault against Canadian taxpayers. Not only will it force them to pay more taxes, but it will also confront them with rising inflation, interest rates and unemployment levels. They urge us to reject this new tax on goods and services.

[*English*]

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, I rise today to present petitions on behalf of many Canadians. They object to the proposed goods and services tax on reading material, books and magazines. This has not been done before.

The petitioners feel very strongly that this will be a penalty on those, whether young or old, who wish to increase their knowledge. It will cost them more to do so. We have not done it in the past, and I ask on behalf of these people that the government reconsider if it is still bound and bent to have this unfair tax anyway.

[*Translation*]

QUESTIONS ON THE ORDER PAPER

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

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

FISHERIES ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Valcourt that Bill C-74, an act to amend the Fisheries Act and to amend the Criminal Code in consequence thereof be read the second time and referred to a legislative committee.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, it is a pleasure to participate in this debate on amendments to the Fisheries Act, Bill C-74, and to join my colleagues from Burin—St. George's and Cape Breton—East Richmond in supporting the broad thrust of this legislation, which is to increase the fines and penalties for violations of the Fisheries Act and related offences.

In addition, we also have mentioned that we have certain reservations concerning the bill and with the policies of the government. Amendments need to be put in place to accompany the bill and I will speak to those a little later. Before I do, I would like to begin with a digression.

It would be remiss of me as the member for Cape Breton Highlands—Canso, a riding that experienced in December of last year the loss of one of its major fish plants. I initiated an emergency debate to address the serious crisis in the Atlantic fishery which was manifested no less dramatically than by the situation facing the people of the town of Canso when their fish plant closed. I wish to acknowledge favourably the work that has been done over the summer by the minister of fisheries and by the department of fisheries in seeking a solution to that very difficult situation facing the people of Canso and the people of Burgeo who are part of the solution worked out by the minister of fisheries in conjunction with participants from industry.

The plan known as the Seafreez deal which creates this new corporation operating out of Burgeo and Canso will involve a rather complicated arrangement of bartering and exchange of fish between Canada and the Soviet Union. The transfer of quota is a complicated and controversial arrangement and there has been some concern within the industry about various aspects of this deal.

I realize that the jury is still out as to whether or not the minister violated certain customary practices in arriving at this arrangement, and also whether or not he consulted widely enough before putting the deal together. We do not know whether in fact the arrangement is going to work. I certainly hope it does.

The promise has been made to secure the employment of some 500 plant workers in Canso for the indefinite future. It is essential that these be year-round jobs to ensure that the trawler fleet of Canso and Burgeo continues to fish. I cannot be blind to that effort and certainly want to support and encourage the successful resolution of that arrangement if it produces the promised results, which I hope it does.

This is an opportunity for me to say in this House that I am certainly supportive of the Seafreez deal, to the extent that it produces employment in a community that is vitally dependent on this industry. I will be participating in and evaluating very closely the broader policy aspects which are associated with the putting together of this deal. I am very familiar with the controversy that surrounds it and expect that the minister of fisheries will be sensitive to the broader industry implications of this deal. However, we will be able to debate that at some further point.

• (1240)

That is by means of a digression but I believe an important one, since I happen to represent the community of Canso which has been such a symbol of the crisis facing the fishing industry in Atlantic Canada over the last year.

I will now return to the debate. As I said earlier, Bill C–74 stiffens the fines to fishing companies, fishermen, and other persons who violate various aspects of the Fisheries Act. It provides for a dramatic increase in fines for general fisheries offences, for overfishing, for discarding of fish at sea, for obstructing fisheries officers in the performance of their duties and for harassing them when they are trying to administer the Fisheries Act, and for other offences that are fisheries related.

We in the Liberal Party cannot but support those fines. The fines that were already in place in the Fisheries Act were laughable. They were no deterrents at all, particularly to the large companies that were really able to pay those fines, as the minister has said, as a cost of doing business. So clearly, the increase in fines was drastically overdue. I guess our main objection to this bill and to the measures which are in it is why has it not been introduced earlier?

We have other problems with the legislation. First of all, as was mentioned very eloquently by my colleague, the hon. member for Cape Breton—East Richmond this morning, there is more to administering and to enforcing the Fisheries Act and preventing overfishing and pollution in our coastal waters than simply increasing the level of fines that fishing vessels, companies, and other interests, must pay. We have to increase the policing and surveillance of our coastal waters to ensure that those fines can actually be levied.

Unfortunately this has just not accompanied the legislation to a sufficient degree to enable, we believe, those much more realistic penalties to be enforced. And that is essential, if we are going to get under control the kinds of overfishing and discarding at sea which we have heard about over the last years. We have discussed this deepening fishing crisis and it has been reported to us through various task forces as being one of the fundamental problems underlying a severe resource crisis in many parts of Atlantic Canada today.

Mr. Speaker, we can increase the levels of fines, we can increase the protection provided fisheries officers but we have to put into place measures to increase surveillance, enforcement, and policing, so that the penalties will actually stick and so that they will actually be a deterrent to those who would commit fisheries violations. That is the first point, and it has been made by others. I want to add to it by emphasizing that concern.

The other aspect of this legislation which I do not think has been mentioned, at least in the debate on second reading that I have read so far, is with respect to the particular concerns associated with the violations of fish habitat, pollution and destruction of the fish habitat.

The fines that have been imposed in this legislation for violations of fish habitat, and I will quote here from the information package which accompanies the bill, involve raising the fines from initially $5,000 on summary conviction to $300,000 on summary conviction, and from $10,000 for second and subsequent offences, to up to $1 million on indictment. There are court options of up to six months imprisonment or up to three years on indictment.

The same goes for pollution of fisheries habitat, the deposit of deleterious substances by individuals who pollute the fisheries habitat. Again, those fines have been dramatically increased. That, again, is overdue and very much necessary.

However, when the minister was describing this particular aspect of violations he was focusing on the problem of individuals or private companies for example who, in the process of building a bridge over a river or a brook, pollute that river or brook or the harbour near there. Another example would be the companies which build a facility close to a coastline or a river, thereby polluting that body of water and, in the process, destroying the fish resource. That practice has to be stopped. It requires stringent legislation to prevent that from occurring and also it should be backed up by strong enforcement mechanisms. It is also consistent with the new concern that we have for the environment, in particular our coastal waters and coastal environment.

However, there is something missing in this particular aspect of fisheries habitat control and management. It is the point that I would like to bring to this debate on Bill C–74. The Minister of Fisheries, when speaking on second reading in June, referred to the government's Green Plan proposals and told the House that this legislation fitted into the government's proposals with respect to the environment. He said it was a way of strengthening such laws as the coastal waters protection and the environmental protection legislation and a way

of increasing the enforcement of our environmental legislation and I agree that that needs to be done.

However, there are other aspects of the pollution of fisheries habitat which have been ignored in this legislation and I suggest are not readily dealt with by simply increasing the fines to polluters. I refer to a problem which is in my constituency and a problem which has lasted for a long time.

• (1250)

In the Bras d'Or Lakes in Cape Breton, which is in my constituency, we have an oyster resource located near the community of Whycocomagh. For many years, Whycocomagh has not had a proper sewer and water system. It has not had the wherewithal to finance that sewer and water system because of the lack of a municipal tax base.

The persistent neglect of providing a mechanism for that community to install a sewer and water system, which would control and treat the sewage that now ends up in the Bras d'Or Lakes and in the bay near Whycocomagh, results in the contamination of the oyster population. Essentially, a local industry that could have employed many people in the surrounding areas at least for part of the year has been destroyed. That industry, in effect, has been decimated around the community of Whycocomagh. It has been one of the casualties of the lack of action, despite repeated requests by myself and others, to assist and support the creation of a municipal sewer and water system in that community.

There are other areas in my own constituency such as coastal waters, small harbours, and river mounts where communities are still polluting those enclosed bodies of water and adding to a pollution problem which they are powerless to control. They would not be able to stop what they are doing if they were fined $1 million or $500,000, short of packing up and leaving the community. That solution requires support and not punishment by the government.

In the months ahead the government is going to be introducing measures and legislation to deal with various problems concerning the environment. I suggest that support for municipal infrastructure is one area in which assistance by the federal government is urgently needed for environmental reasons and for the reasons I have just mentioned. It is something that we in the Liberal Party have advocated for several years and we continue to advocate. We hope the government will see fit to adopt that as a way of dealing with one source of coastal pollution which is not readily addressed by simply imposing stricter fines, notwithstanding the fact that stricter fines are essential given the nominal levels of penalties which had existed in the Fisheries Act before.

I wanted to make that point related to the legislation. I admit that it will not necessarily find its way directly into the Fisheries Act. but the government should not pat itself on the back by saying: "Look, we have increased the fines for people polluting our coastal waters and we have increased the fines for people spoiling our fish habitat. We have done our job." It has not done its job. That is only one part of the solution.

Another part of the solution is to provide support so that municipal governments and local communities can have the wherewithal to clean up their own back yards. This will allow commercial and recreational fishermen to have a resource to exploit that has not been allowed to be contaminated by years of pollution and untreated sewage. That is only one dimension of that particular problem. I submit that it is a serious one. It is one that should not be overlooked. I believe it is related to the measures that are in the Fisheries Act amendments. It is a subject that needs to be given more serious weight by the government.

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, I probably will focus more on comments than on questions.

I want to address a couple of things that the hon. member for Cape Breton—East Richmond mentioned earlier and was not given an opportunity to respond to, despite his great admonitions that I should.

First, I refer to what my friend from Cape Breton—Highlands—Canso has said. The moving ahead of this legislation has come after considerable consultation with a great number of groups. I will just mention a few groups that DFO officials talked to: all provinces and territories, as well as a variety of advisory groups to the minister, including ARC, PARC and the Atlantic Council of Fisheries Ministers, in particular. They have supported that.

This legislation is being brought forward because of the determination of the current Minister of Fisheries and Oceans, and of his predecessor, both of whom feel very strongly that one of the important ways to address some of the inequities, not only in the legislation, but in the application of the law, is to impose higher fines and to bring in new sources of information.

Both of my colleagues has asked: What is the point of having new legislation if it cannot be enforced? Under the Atlantic Fisheries Adjustment Program, there has been $52 million over five years in addition provided for surveillance and enforcement. Offshore patrols have been increased. Inshore patrols across the Atlantic will be increased. There will be more intensive use of DFO vessels for patrolling and enforcing the law. There is more money for increased armed boarding, a practice that I do not particularly like but sometimes is necessary, and increased funds for prosecution. Of course, I need not mention the agreement that we reached with the Americans that will hopefully ensure that people cannot come and go across borders unprotected.

Another thing that has been protected is the fact that there is no minimum fine. My colleague across the way referred to the level of fines. First, I should point out that the level of penalty is consistent. The Canadian Environmental Protection Act, the Hazardous Products Act, the Transportation of Dangerous Goods Act, the National Parks Act, the Railway Safety Act and the Canadian Agricultural Products Act all have no minimum fine. It allows leeway for the courts.

Do not forget, with triple, and in some cases five times, the amount of fine, a clear message is being sent to the judiciary that we are very serious and the the judiciary is forced to respond to that.

In terms of inshore versus offshore, very clearly this act allows penalties to be applied in all ways. There is a perception, and I understand it, that we are applying it purely to the inshore. I should point out, though, that as we increase the observer coverage on the offshore vessels, as we work more and more to avoid discards, culling and highgrading, we will see more and more charges laid in the offshore than ever in the inshore.

Then, the question comes: How is there corporate accountability and responsibility? This act ensures that it is not just the person aboard ship who ends up in court. Licence holders can be held liable for offences. Under the new act, officers and directors of corporations can be held accountable, which is a substantial change and an important change.

There is more to come, but I wanted to take this opportunity to comment on the remarks of both my friends from Cape Breton. I appreciate their support. Sometimes I wonder if that support is consistently there. One member says that the opposition is all for it and that it is gung ho, and another seems to be a little less sure. I hope we can depend on the support of the Liberal Party of Canada for this legislation at this time.

Mr. LeBlanc (Cape Breton—Highlands—Canso): Mr. Speaker, I say to my friend across the way that he can always depend on our support of legislation which we say we will support, just as he can always depend on our opposition to legislation which we oppose, sometimes quite vigorously.

To clarify what we said earlier, I might say that our support for this legislation is qualified. We, of course, advocate higher fines, stiffer penalties for fisheries violations. We have said that they have been long overdue. We are concerned that the means of enforcing those stiffer fines are not in place. We will be looking to see if the government is really committed to prosecuting and enforcing the higher fines and penalties that it has put in place.

• (1300)

The Acting Speaker (Mr. Paproski): Are there any further questions or comments? The hon. member for Cardigan on a question or comment.

Mr. MacAulay: Mr. Speaker, I would like to thank and congratulate my colleague for Cape Breton Highlands—Canso. It is certainly obvious that he understands the problem in the fishing industry.

I think my problem with Bill C-74 is what it does not contain. We have problems in Gaspereaux, Georgetown and Savage Harbour. For example, in Savage Harbour we needed a small amount of funding for the black wall or the breakwater in that area and the funding did not come. It has now been two years. With ice and a couple of winters, it is just about destroyed. If we do not get

some funding for things like this, the sand will move in and we will need more dredging. Of course, dredging again is a major problem. Dredging needs to be on an ongoing basis. The bill just does not seem to answer the questions for the fishermen in the Cardigan riding.

With regard to lobster, which is one of our main fisheries, fishermen are asked to go out and fish for $1.25 a pound. Well, for a delicacy, it is impossible to survive at $1.25 a pound. The problem that we have is that Bill C–74 does not address the problems for our fishery in Cardigan and Prince Edward Island.

I would like to ask my hon. colleague how he feels the barter and the catches affect plant closures, and were the catches fairly allotted to the plants?

Mr. LeBlanc (Cape Breton Highlands—Canso): I thank my hon. colleague for his question. I agree with him that there is much that has been excluded from this piece of legislation. We will be looking from the government for constructive action on small craft harbour improvements. He listed some needed improvements in his area. I have similar improvements that are required in my area as well, including dredging, breakwater and wharf repairs.

As far as the bartering of fish, this is a very complex area in which I would not want to get into with the small amount of time that is available.

With respect to the Seafreez deal, there are a lot of questions which need to be asked from a policy point of view as to the legitimacy of the actions of the government. It will have to be looked at over a period of time as to what are the underlying principles of bartering of fish and probably setting up some rules that are agreeable to everybody about whether or not this practice—whatever it is, because we are not sure exactly what is taking place—can be regulated or allowed to continue in a fair and equitable manner.

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, it gives me an honour and a pleasure to speak today on Bill C–74. First of all, I was listening to my colleague for Cape Breton Highlands—Canso and some of the questions and comments that were made at the end of his speech. I was also listening to the comments made by the member for St. John's East. He was sort of questioning whether the Liberal Party would be supporting Bill C–74.

I say to the hon. member that the Liberal Party has always had a habit of supporting bills that are good for Canadians in general, but more so for the common person, such as fishermen. Bill C–74 has my support and will have my support when it comes time for the vote. It does not solve all the problems in the fishery. We know, and you know, Mr. Speaker, that over the last year or so the fisheries have been in a state of crisis. The right hon. Prime Minister did not seem to realize that at one point in time. I think he has come back to reality and has finally realized that there are problems in the fisheries, not only in Atlantic Canada but also on the west coast. I was very surprised that we did not hear any mention today from our colleagues who sit a little farther down from me, but there are problems on the west coast as well, and some very serious problems. I was hoping to hear from them as well.

We know there are problems in Atlantic Canada. We have heard the hon. member for Cape Breton Highlands—Canso many times in this House try to point out some of the problems that exist in Atlantic Canada. Let me tell you that he is doing a wonderful job for his riding and deserves a lot of credit.

The reason we support Bill C–74 in general is that it increases the penalties and fines for persons who break the Fisheries Act. I should clarify the position of our party, and I am sure the position of everyone in this House. Hon. members here feel that fishermen are basically honest and hard working individuals. There are a few out there with whom there are problems. No doubt about it. Some are foreigners. Some of them are our own. But there are a few, a very few. I would have to say 99.9 per cent of fishermen are honest, hard working people who are there to try and have gainful employment, to support their families, to support ultimately their country. Not being on the social assistance payroll is a benefit in itself to our country.

The bill tabled on June 6, 1990, will bring about higher fines and penalties through the Fisheries Act. There will be higher fines and penalties for general offences, up to $100,000 on summary conviction and up to $500,000 on indictment. That same type of penalty will be for the obstruction of fisheries officers. We know that has been a problem previously.

We will also see increased fines and penalties in relation to the pollution of fish habitat. We know that has been a problem, not only the throwing overboard of

excess fish or dying fish, but oil leakage and things of that nature. That will also be included in the act. That is one of the reasons why we support such an act. It will penalize those who are not responsible enough to see what their actions are doing to the fisheries environment. It will also provide penalties and fines to anyone who fails to provide habitat information. It will require fishermen and processors to keep more detailed records.

This is an area where the bill could be improved. It might be a little difficult at this stage to judge the effect of this part of it on fishermen. It may become a little more complicated and a little too bureaucratic. Maybe that is something that should be looked at by the government.

I am glad to see that the government has looked at the Harris report and the Hache report. I am glad to see that those reports, in their wisdom, also suggested increased penalties and fines. In this case, we are glad to see that the government is listening, once and for all, to certain recommendations that will help the fisheries. We are very pleased with that.

No doubt, as an opposition member, there are always a few things that we are not pleased with. We always say the government does not go far enough. We feel that there are not enough resources put in to enforcing these new regulations and fines. I have some doubts as to how we are going to handle the Americans. I know there is a new agreement and it looks promising, but if we look at past actions of our government and foreigners fishing in what we claim to be our waters, we see that we tend to be very tough on foreign vessels, as long as they do not come from the United States. I am sure the government will treat all of these foreigners who are overfishing or breaking some of these regulations adequately and in the same way.

• (1310)

Also, it should be pointed out that many of the provisions and resources are going toward the inshore sector. I think there should be more effort put in the offshore sector as well. I am sure the government is aware of that. I am sure the government realizes it has problems financially. It has a major problem. It has created a Canadian recession, so to speak. We have seen examples of that this week by the experts. It is going to have to get its act together on its economic plan as soon as possible. Once that is in place, hopefully it will see fit to provide more resources to the offshore sector as well and add to the inshore.

The hon. member for St. John's East mentioned the consultations that took place in the fishing industry. I am led to believe that there was not as much consultation with fishermen's associations. Yes, other groups were consulted, and I know some of the fishing associations were, but maybe there should be more consultation in regard to the final form of the legislation. I know it is not always possible, but I think it is important that the fishermen feel that this is their bill as well as the government's and that it will help the fishing industry.

Another aspect of the bill that should be questioned is the bookkeeping. I mentioned that earlier. Are we going to force fishermen to become bookkeepers and are we going to force fishermen to hire other people? As we know, with the situation as it exists in the fishing industry, a lot of them are family operations and it is very difficult for them to keep that type of information in some cases.

It was mentioned earlier that one of the other major problems, and I think it is a problem with Bill C-74, is what the bill does not contain. We have many problems in the fishing industry. One of them is a problem that is going to be addressed with this bill, we hope. We hope it will solve that problem, but there are other problems. The concern of many fishermen at this time is the absence of the government introducing a variable entrance requirement bill. I know when I mention this people get a little upset and some people who are very partisan tend to blame the Senate for holding back Bill C-21.

Yes, Bill C-21 is still in the Senate being analysed. Since 1977, the governments of the day, Conservative and Liberal, introduced a short bill every year for variable entrance requirements and it passed very quickly. That is what should have been done while Bill C-21 was being studied in the Senate, to prevent damage to workers who are unemployed, especially fishermen at this stage of the game. We know that the fishing industry has been hurt quite severely.

In defence of the Senate, I must say that—

[*Translation*]

To give credit where credit is due, Mr. Speaker, the senators tried to remedy this situation and restore the variable entrance requirement when they sent Bill S-12 to the House of Commons on December 19, 1989. This year in June, Liberal members in this House tried once again to deal with the problems facing Canadian workers by tabling a motion from the Senate and the House of

Commons that would restore the variable entrance requirement. The motion was rejected by the government.

[*English*]

As I was saying, we tried to introduce those motions to lower the entrance requirements, especially in the rural areas. In my area of Restigouche—Chaleur the unemployment rate hovers around 17 per cent. The entrance requirements for unemployment insurance are now at 14 per cent, the same as Toronto, Vancouver, and all over Canada. If the Conservative government had passed the variable entrance requirement law as every other government had done since 1977, the variable entrance requirement to get unemployment insurance in my riding would have been at 10 per cent. It is not necessarily the senators' fault, because every other government has passed that.

There are other problems. This government has many problems. When we look at the government's monetary policy, we find that it has affected the fishing communities in Atlantic Canada and not only the fishing communities because the fishing communities have a spin-off effect. They supply the rest of the economy. The city of Halifax has concern about the fishing problems as well, because where do fishermen buy their supplies, where do they go shopping? Obviously that is going to have an effect.

I spoke the other day about the monetary policy of this government. I talked about the high interest rates, the high dollar, the cuts in regional development, the GST and the effect it will have on Atlantic Canada and on rural Canada. Actually the economy is in a mess. This government has lost credibility because this was the government that was supposed to solve the economic problems of Canada. As we have seen this week, many associations, many groups, and economic think-tanks have suggested that it is out of control. We know who to blame for that.

In conclusion, I would like to come back to the bill at hand. I am sorry that I digressed a bit, but I could not help it. We have to get a little partisan now and then. I could not help it. To come back to the bill at hand, Bill C-74, I must say that the government is moving in the right direction. It remains to be seen, though, whether this is the right solution for the problem. We do not know whether it is going to work. We will see if there are enough resources committed to enforce the regulations. I hope there are.

The hon. member for St. John's East seems to imply that there will be resources there. I am glad to hear that. I would like to say that we are moving in the right direction and hopefully some of these problems will be solved in the very near future.

I am very surprised that this government took so long to react. We have had problems over the last year or so in Atlantic Canada. I am surprised that the government did not react quicker. I am disappointed that there is no plan in place for some of these other problems. I would urge the minister responsible, who happens to be from my home province, to get on with the job. We want action, less talk and more action.

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, I rise on a comment. I take quite well a couple of the suggestions which have been made by my friend, the hon. member for Restigouche—Chaleur, particularly as they involve the information systems and the gathering of information.

There is a recognition that while Dr. Harris has told us that we need more information, particularly information from the inshore—not that we do not from the offshore—it is important that the way we go about it is consistent with fishermen and the needs of fishermen. There is a program that is very effective in New Brunswick which involves the use of information gathered by fishermen, where the fishermen work with fisheries officers to put the information together. It is something that is an honour to participate in and it is something that has worked extremely well.

• (1320)

I think he knows as well as I that there cannot be an efficient program if the co-operation is not there. In my own province, where I think in the past it would be fair to say that there has not been the level of co-operation that has been essential, we are beginning to see that now with fishermen and scientists getting together.

With regard to the lack of resources, I think my friend knows that one of the criticisms of the $584 million Atlantic Fisheries Adjustment Program as the response to the crisis that we face, is that there is too much money

in there for bureaucrats and not enough for programming.

It is like the rock and the hard place. On the one hand we get criticized because we are not putting enough programming in place and, on the other, because we do not have the resources to enforce the laws and the regulations. We are trying to find the balance between the scientists and the enforcement officers. We need money going into programming so that we can develop other species with, test new gear and that sort of thing, but an important point has been made.

As for not being tough enough on Americans, I think my friend recognizes that it is an easier place to run away to than perhaps Portugal or Spain. I think it is fair to say that we have made great progress with colleagues of my friend opposite in reducing the European overfishing which started in 1972. In the last year we have seen less overfishing than we have seen perhaps in the last eight or nine years. I think there is progress because there has been a multi-faceted approach or a multi-targeted approach in dealing with some of the problems.

One will find that more of the efforts are going offshore in terms of implementation and enforcing regulations as we move to more observers, as we change the observers' status, as we do more gear testing, as we collect more information, and as we get more co-operation between the scientists and the large companies.

My hon. friend has a weakness that we all have; he freely admitted that he diverged a bit. I think it important that we put a couple of facts on the floor of this House.

Since 1977 the governments have moved a variable entrance requirement bill year by year. In 1989 this government, in recognition of the critical importance of the variable entrance requirement, instituted variable entrance requirements as part of the law. It did not need temporary implementation every year. It was institutionalized in the law. The majority of the members of this House and I voted for that legislation in November of last year. It has been sitting down the hall since then. In 1981, when the government opposite changed the regulations on unemployment insurance by moving from eight to ten weeks, it did not get stuck down there two seconds.

I do not want to hear any more piety from my friends across the way about variable entrance requirements or anything else. They should tell the people in my constituency who want to get trained about the Senate and the variable entrance requirements. I voted for it and I expect the people down the way who are not elected or accountable to vote for it as well.

Mr. Arseneault: Mr. Speaker, my colleague from St. John's East had a few comments to make. I would like to reply to some of them.

The bill that he is referring to, Bill C-21, has not become law. In the meantime, if he was thinking of the good of his constituents and the rest of Canadians, he would have asked his government to pass the variable entrance requirements. There are some problems with Bill C-21. Maybe the hon. member is becoming too partisan. When $2.7 billion is removed from the unemployment insurance fund by this government, who is it going to hurt? Employers and employees are going to have to pay the shot from here on in.

Let us talk about training. All the training in the world does not necessarily produce jobs. Where are the jobs? Training for what? It is fine and dandy to say there is training money there. We are not going to stoop to passing a bill just for the sake of getting some training money. There is no guarantee that that training money is going to be there long term. There is no guarantee that after that training money comes into place we are going to have jobs.

The unemployment rate in the Atlantic provinces is in the high teens and in some places in the twenties. Training is not going to guarantee that there are jobs. They are cutting back regional development grants. They are cutting back CAP. They are cutting back left and right. That is all they do is cut, cut, cut, and the money that they get is transferred from one to another. They talk about an access centre for youth—

Some hon. members: Oh, oh.

Mr. Boyer: Have faith in the people.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, for a while I thought we were debating Bill C–21, even though the issue is one that deals with fish and deals with an act to protect the fishing stock.

An hon. member: Oh, oh.

Mr. Harb: I hear the parliamentary secretary shouting from the other side. For a while I thought he might have some sort of difficulty breathing. Living in a democracy, however, I think it is only fair that when one member on one side of the House is speaking the other member on the other side of the House sits and listens. When he or she has a question, he or she will have the time to ask it.

First let me congratulate the parliamentary secretary as well as his minister on this wonderful initiative to move forward with legislation that will protect ultimately the fishing stock in Atlantic Canada. The people of Atlantic Canada can become the beneficiaries as a result of that.

Having said this, there are certain aspects of the bill that I think the parliamentary secretary as well as the minister responsible should take note of. One of them is the issue of enforcement. Any law that we put in place will not work unless it is properly enforced. Enforcement has to apply to those who are in big industry and those who are in small industry. It has to apply to the big, small and medium sized industry.

Unfortunately, as it is right now there is fear in the industry that the small fisherman might be fined and, if he has to pay a fine, that it might mean the end of that particular fisherman, whereas a big corporation that is fishing illegally or is intruding in the industry might be in a position to pay the bill and move on and do it again. That is one of the concerns of members of the community in Atlantic Canada *vis–à–vis* the present bill.

Another concern which I think is fairly important to take note of is the bookkeeping requirement. Unfortunately, according to Bill C–74, section 61(2) states that fishermen and processors may be required to keep records of the number, sex, size, weight, species, product form or other particulars of any fish caught. These requirements might put a tremendous amount of pressure on a small businessman or a small fisherman in the industry. I for one do not know whether a fish is a male or female. I do not know whether any of my colleagues on this side of the House would know how to identify a female fish from a male fish. There are some who have indicated that they probably would know. This kind of requirement might put some pressure on the small businessman. It might increase the cost involved. Other concerns are the resources and personnel needed to enforce the present act, which I have already indicated, and that is yet to be seen.

More important than anything is the minister's own admission that the new act will be a part of the solution to many of the fishery's present problems. He then concedes that more must be done for the conservation of stocks. He clearly indicated that surveillance is a step in the right direction but that it is not the answer to all of the problems in the fishery today. I agree with the minister. I think it is a very sensible statement on his part. I think we have to do more for the fishing industry.

• (1330)

But I think what has to be done in Atlantic Canada is that the economy has to be diversified. We have to start providing alternatives to the fishermen, alternatives to the people of Atlantic Canada. The people of Atlantic Canada are not interested in handouts. The people of Atlantic Canada are interested in jobs, job creation and opportunities. They want to be considered as equals to the rest of Canada.

To that extent, my colleague from New Brunswick a little earlier made a statement about the need of infrastructure in Atlantic Canada. I want to reiterate that there is a definite need for infrastructure in Atlantic Canada. There is no point in talking about preserving the fishing stock because as you know, Mr. Speaker, there is nothing there that will stay forever. If the fishing stocks are not depleted today, tomorrow or the day after, they might be. What needs to be done is to provide alternatives.

Infrastructure is one of those options that is available to the government in order to move in and provide the services required. Then we will stop seeing raw sewage being dumped right in the ocean.

For instance, in Newfoundland there are 40,000 homes that do not even have proper pipelines for water, proper water, proper water treatment facilities and so on. Those are the kinds of things that the government can do today at a time when we are facing a difficult economic

situation. It can provide alternatives to the people of Atlantic Canada.

I am shifting away from the main topic a little bit but I just could not help it. I have visited many parts of Atlantic Canada. I came to the conclusion that the only way we can deal with the difficult economic situations in Atlantic Canada is through diversification of the economy, through proper job creation by providing the tools to the people so that they can deal with the issues effectively.

Those tools are the infrastructure. The infrastructre is missing there. Until such time as we deal with the heart of the problem, which is to provide them with the proper infrastructure required, they are going to be handicapped in the area of employment.

I want to conclude on a quick note by saying that those are the kinds of initiatives we would like to see taking place. I would like to commend my colleagues from Atlantic Canada who came in full force to speak in support of the bill. That is what it is all about. When something good is being done by the government, tell the government it is good and give them the credit for it. I was very happy to see my colleagues doing just that. There is much more that needs to be done. This is not the answer to an ongoing problem. This is the beginning of the solution.

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, I just wanted to make two very quick comments. First of all, I am delighted to see my member of Parliament stand up and speak about the Atlantic fishery.

Mr. MacAulay: You're lucky to have such a good member.

Mr. Reid: You are very right.

Mr. Simmons: You're lucky to have such a good constituent.

Mr. Reid: I am sorry La Pointe is not in his riding, but I am very pleased that our central Canadian members are prepared to stand and speak on this issue.

We all recognize that it is not an Atlantic issue. The fishery is a national issue. If we have been able to accomplish anything over the last couple of years in terms of overfishing or in terms of the crisis we face, is that we have allowed all Canadians to see this Atlantic issue as a national issue. The fact that the member for Ottawa Centre and others stand and speak is important.

I want to comment very briefly on the question of tools. He is right when he talks about the Atlantic future being in the diversification of the economy, partly based on what we have now and what is there.

What Newfoundlanders want are opportunities. They are asking us to provide them with the opportunities and the tools. One of the most important tools we can provide to anyone in the world is an education, training and technical capability because without it there can be nothing. Without something to build on, there can be nothing. If there is anything that Bill C-21 does, it provides Atlantic Canadians with that tool. One of the most adventuresome projects that the Government of Canada and the Government of Newfoundland and Labrador share is one called the youth strategy. My friend from Burin—St. George's is familiar with it. One of the unusual things the government did was that it did not go into this program with preconceived notions. It had a mass consultation and talked to 600 groups that serve young people. It held consultations with young people across the province.

One of the things that came out of those six meetings, and I participated in one in Goose Bay, was that the young people said: "We know that you can't necessarily provide us with a job. It's not the job we want from you, it is the opportunity and the tools, because we will either find the job or we will create the job". Bill C-21 does exactly that. I thank my friend for mentioning that and giving me the opportunity to point out how important that piece of legislation is for the future of the Newfoundland economy and fishery.

Mr. Harb: Mr. Speaker, most of the hon. member's comments are well put, and I see my colleague from Newfoundland pointing across the floor. There is a lot of enthusiasm on both sides of the issue, but there is one point which I think is extremely important.

The parliamentary secretary has stated the need for education, especially in Atlantic Canada. Forty per cent of the youth do not finish high school.

That moves me to the second statement, that there is a need for an overhaul of the education system. I would like to enlist the support of the parliamentary secretary later this fall when I introduce a private members' bill in the House which will ask for a national standard for education so children in Newfoundland will have the same kind of education that children in British Columbia

receive. In that way we will have equality in education, so our school system will provide the tools for our youth, and older people who wish to go back to school.

There is no doubt in my mind that the only way we can deal with the issue of full employment is through a proper education system going back to the grass roots level, the source of the problem, and teach the youth from age five and provide them with the proper tools.

I am very happy to see many of my colleagues on all sides of the House speak a little more about the issue of education. I think it is important and timely, especially when we talk about 1990 being the international year of illiteracy. I know the minister of multiculturalism has done quite a bit in that field, and I am sure he will do more next week and the week after.

It is extremely important for us as a nation to be able to compete internationally. As we head into the 21st century, we must prepare our kids and provide them with the tools they need. We must prepare a proper national strategy that deals with education and provide a national standard for education.

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, I would like to thank my colleague for Ottawa Centre for taking an interest in a very valuable Canadian resource such as the fishery.

The variable entrance requirements have been passed in this House since 1977, and if they had been enacted people in Atlantic Canada would not have suffered as much as they have.

An hon. member: Shame, shame.

Mr. MacAulay: Whatever House it is in, people are suffering.

With this new bill, we will have fishermen keeping books on the size, weight, sex of fish. All of that information will cause the fishermen a lot more problems.

Mr. Karygiannis: Do you think they can tell them apart?

Mr. Simmons: Good question.

Mr. MacAulay: Well, it is questionable if they can tell them apart or not.

We also have a problem in the fishery, as the government indicates, and it will crack down on the fishermen.

Mr. Karygiannis: Are you going to hit them over the head with a hammer?

Mr. MacAulay: When the American scallop draggers come into our waters, we have a destroyer there. All that happens is that the scallop dragger rams our Canadian destroyer and runs back home. Is this what we call taking care of our resource? I would like to ask my hon. colleague if he believes there is enough enforcement in the fishery to take care of our waters and our valuable resource?

• (1340)

Mr. Harb: Mr. Speaker, I would like to thank the hon. member for his question. He comes from the wonderful island of Prince Edward Island. I do not know about the amount of fish that exists around the island.

One of the concerns I mentioned a little earlier was that the enforcement mechanism had to be put in place. We can talk about all the laws and all the rules we want, but unless we have a proper enforcement mechanism those laws will remain on the books. I totally agree that there is a need for a proper enforcement mechanism. The government should and I am sure will take note of that.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, first of all I congratulate my friend and colleague from Ottawa Centre for his depth of understanding of the fisheries issues which he so clearly demonstrated.

Also, on my own behalf and I believe on behalf of my good friend from St. John's East I want to express tongue in cheek a little horror at his earlier statement about the fact that there will be a national standard for education. Does this mean that we in Newfoundland are going to be delimited by the standards that they have in Ontario on this matter? Is that what he is saying?

Mr. Reid: No, no. Does that mean we have to talk like them?

Mr. Simmons: There are some things that Newfoundlanders will never accept, I say to him.

An hon. member: You are not going to let him get away with that.

Mr. Simmons: I believe the Ontario caucus has awakened.

Mr. Nunziata: On a point of order, Mr. Speaker.

The Acting Speaker (Mr. Paproski): I will accept the point of order from the hon. member for York South—Weston since it is Friday afternoon.

Mr. Nunziata: Mr. Speaker, I am not quite certain whether you have been following what my good friend and colleague has been suggesting, but he has suggested in the last few moments that those members who represent Ontario ridings and who were educated in Ontario somehow are less intelligent than other members in this House, or their level of education might be suspect.

I would ask the hon. member to indicate clearly to Canadians generally that he in no way intended to insult and offend people educated in Ontario.

Mr. Simmons: Could I speak to the point of order, sir?

The Acting Speaker (Mr. Paproski): I do not think it is a point of order, but I will allow the hon. member to finish his comment and question to the hon. member for Ottawa Centre.

Mr. Simmons: Mr. Speaker, the hon. member for York South—Weston misunderstood. I was not pointing to a problem. I was offering a solution, that is to adopt the Newfoundland standard as the national standard.

On the matter of variable entrance requirements which continues—

An hon. member: You are giving us a higher standard.

Mr. Simmons: Is it not self-evident that it is a higher standard?

On the matter of variable entrance requirements which seems to be sneaking into every aspect of this debate, I have to say to my friend from St. John's East that he can say as often as he wants to: "I voted for." The record shows that he voted agin. In December 1989 there was an amendment in this House and he stood and voted against it. I sat here and watched him vote against the VER, I say to him eyeball to eyeball. In June 1990, I say to him eyeball to eyeball, he voted against it.

The Acting Speaker (Mr. Paproski): The hon. member should refer to the speech of the hon. member for Ottawa Centre and not the other member. It was not his debate; it was the debate of the hon. member for Ottawa Centre.

It is Friday afternoon, but I would hope that hon. members would stick to the rules a little.

Mr. Simmons: It is a challenge, Mr. Speaker, but we will try to be equal to it. I apologize. I should be speaking to the gentleman from Ottawa Centre, who is the member of Parliament for the gentleman from St. John's East.

I want to say to him that his constituent, who also sits in this Chamber, has been misrepresenting unwittingly, I say to him, a situation. He has been alleging that he, the constituent of the hon. member for Ottawa Centre, has been going around and saying that he voted for the VER. I can testify and I can get about 84 affidavits to back me up when I say that he actually voted twice against putting an end to the misery of thousands of people in my riding who would like to be able to draw their benefits after 10 weeks.

Finally, Sir, on this mini sentence, his constituent is equally right that we have finally achieved national recognition for an important national issue called the fishery. Only one thing remains, and I wonder if he agrees with this. The only attention we have yet to get is the attention of the Prime Minister on this national fisheries issue.

Mr. Harb: Mr. Speaker, it is quite encouraging. I might add I am also the member of Parliament for my colleagues from Newfoundland on this side of the House. As you know, Mr. Speaker, every member of the House actually works in my riding and at times I wonder whether I want some of those members to be working in my riding. Unfortunately, living in a democracy we have to hear all the opinions.

I want to congratulate the hon. member on his hard work on behalf of his constituents. I would also like to congratulate the parliamentary secretary on having a big heart and being able and willing to take the criticism and the question from the hon. member on this side.

I will not be in a position to answer the question, since it was not put to me *per se*. It was really put through me

to the hon. member on the other side of the House. I hope that at the next possible opportunity that hon. member will answer the question so we can straighten up the issue on both sides of the House.

The Acting Speaker (Mr. Paproski): The hon. member for Ottawa Centre has the ability of being a very good speaker. One day, he will become the Speaker of the House of Commons—

Some hon. members: Hear, hear.

The Acting Speaker (Mr. Paproski): —the way he handled that question.

On that basis questions and comments are now terminated. Debate, the hon. member for York South—Weston.

Mr. John Nunziata (York South—Weston): Mr. Speaker, I can assure you that your boots will be very difficult to fill, given the immense amount of experience that you have in the House and your ability to be fair to all members on both sides of the House.

I appreciate the opportunity to speak to Bill C-74 and note that it is 13 or 14 minutes before two o'clock and unfortunately I will not be able to conclude my remarks today. I look forward to concluding them next time that the government calls Bill C-74.

You are probably wondering, Mr. Speaker, why a member of Parliament from Toronto is standing to speak to Bill C-74, which is entitled an act to amend the Fisheries Act and to amend the Criminal Code in consequence thereof. My constituents in the riding of York South—Weston who are watching this afternoon are probably asking themselves what does our member of Parliament know about fish and the fishery.

Mr. Simmons: A lot.

Mr. Nunziata: Well, my friend from Burin—St. George's says a lot, but I would never ever know as much as he does about the fishery and the problems of Atlantic fishermen.

The western boundary of my riding is the Humber River and I know—

An hon. member: It's full of fish.

An hon. member: It's polluted.

Mr. Nunziata: It's polluted. It is polluted because of the actions of a previous Conservative government in the province of Ontario and because of the neglect and incompetence of that particular government. I do not want to see the waters off the coast of our Atlantic provinces end up like the Humber River that bounds the riding of York South—Weston.

The parliamentary secretary did indicate, seriously speaking, that he was pleased that other members are standing to speak to this important piece of legislation because he believes, as I believe, the fishery is a national issue. All too often members in the House defer to members from Atlantic Canada or from British Columbia on issues involving the fishery. Whether they represent urban ridings or rural ridings, or ridings that have a significant number of fishermen as constituents, the time has come for all members to participate and involve themselves in what is happening in the Canadian fishery. It is a significant part of the economy of a number of provinces, the Atlantic provinces, British Columbia, and other provinces of course. The economies of other provinces are affected by the fishery.

The Liberal Party is in general support of this particular bill, Bill C-74. The former member for Beauséjour, Fernand Robichaud, spoke on this bill on June 19, 1990. Mr. Robichaud has since vacated his seat—in order to permit Jean Chrétien to have the opportunity to run, to be elected, and to represent the Liberal Party here in the House of Commons—but he gave an excellent speech. I certainly commend it to all members who are concerned about this particular issue and members who might want to read about the concerns of a former member who has worked extremely hard to deal with the problems associated with the fishery.

• (1350)

The government introduced this bill on June 6, 1990 and it was given first reading on that date. It is now October 12 and second reading is still not complete. One of the concerns expressed by Mr. Robichaud and others in the Liberal Party is in respect of the delay in processing this particular piece of legislation.

After we conclude second reading, this bill will be sent to a legislative committee which will consider the provisions in this piece of proposed legislation. The legislative committee will have the opportunity to call forward witnesses. It will have the opportunity to ask questions of the minister. It will have the opportunity to review this bill clause by clause to ensure that, in fact, it is a perfect

piece of legislation. The bill, in its present form, is imperfect in respect of some of its provisions.

Mr. Boyer: How so?

Mr. Nunziata: My friend and colleague, across the way, asks, how so. I simply ask him to be patient. I know that one of the boundaries of his riding is the Humber River—

Mr. Boyer: I'm on the west bank.

Mr. Nunziata: —the west bank of the Humber River and also Lake Ontario, as I understand it. He, too, is much chagrined by the policies of the previous Conservative government in Ontario and how the policies affected the cleanliness of that particular body of water. I know the member for Etobicoke—Lakeshore will be speaking to this bill when it is called again, presumably some time next week.

In any event to get back to Bill C-74, the legislative committee will have the opportunity to examine, very closely, this particular bill which we support in principle. I want to make it abundantly clear that the Liberal Party does, in fact, support Bill C-74 in principle. But we would like to see the bill improved.

As you know, Mr. Speaker, this bill provides for significantly stiffer fines and penalties for fisheries violations and damage to fish habitat under the Fisheries Act. The government states that such higher fines and penalties will bring the Fisheries Act in line with the deterrents contained in the Coastal Fisheries Protection Act and the Canadian Environmental Protection Act. The new proposed schedule of fines provide for significant penalties. There is no question about that. We are looking at summary conviction offences that could result in fines of up to $100,000 upon conviction and $500,000 for prosecutions that proceed by way of indictment. The prosecution would have the alternative, under this legislation, to proceed either by way of summary conviction or, the more serious route, by indictment. Presumably, when dealing with individuals, the prosecutors will proceed by way of summary conviction and when dealing with persistent offenders and when dealing with corporations that wilfully, consistently, and persistently breach the provisions of this act, the prosecutors will proceed by way of indictment. That could result, in certain cases, in fines of up to $500,000.

I would very much like to know whether the government considered minimum fines. There are no minimum fines provided for under Bill C-74. There are other offences in the Criminal Code of Canada and other federal legislation that provide for minimum penalties. If the government is serious in terms of the sanctions, and it appears to be serious given that, for example, for the obstruction of a fisheries officer there is the possibility of a maximum fine of $1 million if the prosecutors proceed by way of indictment.

Presumably the government is serious about the sanctions that appear here. These are the maximum penalties that the court can hand out. It can also hand out prison sentences. If the government is serious about telling Canadians and the foreign pirates who have been pirating our fish stocks that we are serious about this particular legislation, then the government will consider and implement minimum fines so that upon conviction, there will be a minimum fine.

Under the bill now, a discharge, whether it be an absolute discharge or a conditional discharge, could be the result of an infraction under the act. That is not acceptable. When we talk about some of the offences that could result under this act, whether it be general fisheries offences, obstruction of a fishery officer, or pollution of fish habitat, we want to ensure that the proper messages are sent out and that this law acts as a deterrent for those who pollute the fish habitat. The Government of Canada will not tolerate the deliberate pollution of the fish habitat. I would ask that the parliamentary secretary consult with his minister and consider minimum fines when this bill is sent to committee.

The Liberal Party has articulated a number of concerns that we have with respect to this bill. The parliamentary secretary is well aware of the four specific concerns that the Liberal opposition has articulated. I have but two minutes to briefly talk about those four points. I will expand on those four points when given the opportunity when the bill is brought forward again.

First, we are concerned about the present surveillance efforts that appear to be concentrated on the inshore sector. In effect, the inshore fishermen, Canadian fishermen, would be targeted under this legislation. We are concerned about those foreign fishermen, as I indicated earlier, who are pirating unlawfully and deliberately depleting our fish stocks.

The second I want to make is with respect to the fishermen's associations. We know that the industry has generally supported tougher legislation. The fishermen's associations were not consulted on the final form of this legislation. I hope the parliamentary secretary takes note. Of course, he will ensure that they are invited to make submissions at the legislative committee. The associations are concerned and agree that tougher penalties are necessary, but they are asking if the proposed legislation will accomplish what it is intended to do.

The third point is with respect to the lack of a comprehensive strategy to apprehend the foreign violators, particularly the American fishermen on the Canadian side of the Georges Bank.

The fourth concern is with respect to the record keeping requirements under Bill C–74. They are extremely onerous. Under section 61.2, fishermen and purchasers will be required to keep records of the number, sex, size, weight, species, product, form and other particulars of any fish caught. Can you imagine, every fish caught in every boat by every fishermen will have to be counted—

The Acting Speaker (Mr. Paproski): When this bill is brought forth again, the hon. member will have seven minutes, plus 10 minutes questions and comments.

[*Translation*]

The Acting Speaker (Mr. DeBlois): It being two o'clock, the House will now proceed to consideration of Private Members Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—BILLS

[*English*]

CENTENNIAL FLAME RESEARCH AWARD ACT

MEASURE TO ENACT

The House resumed from Monday, September 24, consideration of the motion of Mr. Boyer that Bill C–258, an act respecting the establishment of the Centennial Flame Research Award to publicize the contributions to Canadian public life of persons with disabilities, be read the second time and referred to a legislative committee.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I am pleased today to have the opportunity to speak in support of the principle expressed in Bill C–258, an act to establish the Centennial Flame Research Award to publicize the contribution to Canadian public life of persons with disabilities.

As one of the few members, if not the only member of this House, who has had the opportunity to serve as a provincial minister of social services, I have had the opportunity to work with many disabled people in their organizations over a four–year period. Whatever gains were made by my department during those four years were made with the support and assistance of disabled persons, sometimes their very sharp assistance.

Prince Edward Island recognized the work of disabled persons by proclaiming last week, October 1 to 7, Canadian Paraplegic Association Week. The week was set aside to generate a greater awareness of the needs of disabled persons while reflecting upon their achievements. The association has made significant accomplishments in advocating on behalf of individuals with needs for better accessibility, counselling and other services.

As a former minister of social services, I have personal knowledge of the many difficulties that disabled people experience in their efforts to take part fully in the life of their community. I have met with them individually and in groups. What was most striking about that experience was the fact that no matter how great were the discouragements they had to face, they seldom appeared to get discouraged.

I am aware that for almost a decade the disabled people of Canada tried to get the attention of Parliament and were finally successful 10 years ago with the excellent barriers report of the parliamentary committee on the disabled.

The strength of this present proposal is that it once again brings before Parliament the continuing need of disabled persons for encouragement and support and permits this form of debate in the House. However, even as I support the principle of this bill, there are several issues that require more attention. I wish to call them to the attention of the House in case there may be an agreement on the need to amend the present bill.

The amount is only $1,000 per year. It would be unreasonable to expect it to do a whole lot for disabled persons in Canada. For this reason, we should not overload the project by asking for any form of report to Parliament on the issue cited. Any possible competition among disabled persons in organizations in Canada for a $1,000 award could make the cost of the selection process far greater than the eventual benefits. For that reason, I believe that we should eliminate the competitive process.

The bill proposes a stand-alone award and not a supplement for funds available elsewhere for a specific project.

However, I would think that the award could be a supplement to existing scholarships, most of which could stand enrichment. For example, I think that eligibility for the award could be restricted to graduating students from senior high school grades for disabled and who have made a significant contribution to public life during their school years. This contribution could be demonstrated through receiving a scholarship award for such contribution upon high school graduation.

The Disabled Persons Participation Program of the Secretary of State already provides substantial grants to organizations of the disabled which dwarf the small amount to be awarded from the Centennial Flame.

It is important that the House not trivialize issues of concern to disabled Canadians by an inappropriate gesture on our part, no matter how well intended.

I am pleased to endorse the principle that the Flame funds be used for further participation in public life of the disabled persons in Canada. But in recognition of the limited amount of money available, I would urge that the bill be referred to a legislative committee to receive suggestions on improvements.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I, too, am pleased to rise this afternoon to speak briefly on this particular bill. I wanted to point out to my colleagues that the member of Parliament for Hamilton Mountain, who would have liked to have been here to take part in these proceedings, at least observe what was being said, was away at a national aboriginal network conference on disabilities. Consequently, she is on her way back and unable to be here. The hon. member is sorry about that.

She did point out to me, however, some of the concerns that she had that I shall share briefly with the House. My colleague has already mentioned some of them, so I shall do so rapidly.

The first one, of course, is the whole notion of helping those who have some need for special assistance. This is one that we can endorse. It is an important principle and we have no difficulty at all supporting it totally and completely.

We are concerned, however, because the amounts are really quite small—we are talking about roughly $1,000—for what I am told are approximately 3.3 million disabled Canadians. That is perhaps a conservative figure in the sense that it does not include a number of other categories that might be involved. It is simply not a large amount.

What can we get done in terms of research, or what have you, for $1,000 today? Our great fear is that while the principle is a sound one and the intentions are very noble, the amounts of money may be communicating a contradictory message. So, I would ask that we consider that very seriously.

As well, there is a reference to an award being made to a person. We wonder whether or not that should not be expanded to groups of persons because, there again, it limits.

We ask whether or not the committee should be expanded to include the Speaker of the Senate because the fountain is on the precincts of Parliament. While I can understand that there may be some reluctance on the part of some hon. members to include anyone from the Senate nowadays, I would hope that we could keep those two issues separate and consider that as a real possibility.

I want to point out as well that the amount set is part of the bill. There is some concern there. What if the amount set is not met? What if it is lower or higher? Are there ways of circumventing that and responding to it appropriately?

[*Translation*]

Briefly, we support this bill in principle. There is no problem. It is an important gesture. However, we are afraid the gesture will be symbolic rather than concrete, and since this award will be limited to a maximum of about $1,000—it is said 3.3 million Canadians are in this group—we wonder whether this restriction will be criticized. Are we perhaps sending the wrong message?

As I said before, we also want to consider the option of giving the award to more than one person, so that a team would be able to apply for the award. We also think perhaps the Speaker of the Senate should also be included, since the site is part of Parliament. Finally, I have some questions, and I suppose the hon. member opposite will have some answers. When we are talking about dollars and cents, is there a problem when the amount is not sufficient, if we have less or more than the prescribed amount? Those are my comments, Mr. Speaker. I am willing to join my colleagues in working on this bill so that this proposal can be implemented.

• (1410)

[*English*]

Mr. Jack Shields (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, I rise for a brief moment to point out that Bill C-258 submitted to the House by the member of Parliament for Etobicoke—Lakeshore is very simple and straightforward. All it is suggesting and requiring is that the coins thrown into the Centennial Flame be concentrated into one point. It now goes to the Secretary of State and is spread out, gosh knows where, but to worthy organizations. The bill seeks to concentrate this to a very worthy cause whereby any disabled person could apply from year to year for the receipts of the coins tossed into the flame.

I resent a little the kind of criticism that seems to be directed at this bill. Maybe my friends from the opposite side are not reading the bill, or maybe they have a copy of the old bill. I would refer them to paragraph 6 which says very clearly that funds for the awards shall consist of all money collected from the Centennial Flame on Parliament Hill in Ottawa during the fiscal year preceding the granting of the award. It is very simple, very straightforward.

To publicize this, a plaque could be put at the Centennial Flame there telling people who visit the Centennial Flame exactly where the money is going to go. The amounts collected have been anywhere from $750 to $3,500. It is very worth while. I think we should get on with it and make sure that it does happen.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Are there any more speakers? Is the House ready for the question?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

Motion agreed to, Bill read for second time and referred to a legislative committee.

The Acting Speaker (Mr. DeBlois): Do I have unanimous consent to call it three o'clock?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): It being three o'clock, the House stands adjourned until next Monday at 1 p.m, pursuant to Standing Order 24(1).

The House adjourned at 2.14 p.m.

HOUSE OF COMMONS

Monday, October 15, 1990

The House met at 1 p.m.

Prayers

[*Translation*]

POINT OF ORDER

ASSASSINATION OF THE SPEAKER OF THE PARLIAMENT OF EGYPT

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. DeBlois): The hon. member for Port Moody—Coquitlam, on a point of order.

Mr. Waddell: Mr. Speaker, last April I was in Egypt with the Canadian delegation of the International Association of French Speaking Parliamentarians, which consisted of four or five members, including the hon. member for Beauport—Montmorency—Orléans. Our delegation met the Speaker of the Parliament of Egypt. Last week, the Speaker of the Parliament of Egypt was assassinated. This is a tragedy. Egypt is on the road to democracy, and the role played by its Parliament in this process is very important. Mr. Speaker—

Some hon. members: Point of order!

The Acting Speaker (Mr. DeBlois): Order, please. I am sorry to have to interrupt the member. I am very much aware of the importance of the question he raised, but I don't think the Standing Orders allow raising a question of this kind at this time. If the hon. member would like to raise this matter later on during this sitting, he could do so under motions or some other item, after Question Period.

Pursuant to Standing Order 30(6), the House will now proceed to consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—BILLS

[*English*]

MARRIAGE (PROHIBITED DEGREES) ACT

MEASURE TO ENACT

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada) moved that Bill S-14, an act respecting the laws prohibiting marriage between related persons, be read the second time and referred to a legislative committee.

He said: Mr. Speaker, I am pleased to move second reading of Bill S-14, an act respecting the laws prohibiting marriage between related persons. A bill like this one was entered for discussion in the 33rd Parliament. It died on the Order Paper.

This present bill is about the third or fourth attempt by this House and by Parliament to make changes to the Marriage Act. Up to this point they have been unsuccessful. It is certainly my hope that the House moves expeditiously on this, agrees to second reading and refers this matter to a legislative committee.

Marriage and divorce are subjects given to the federal Parliament under the British North America Act. It is one of the enumerated heads in that constitutional document. As such it is within the capacity and indeed the responsibility of Parliament to have a look at this particular piece of legislation and, if it deems it necessary, to bring it into conformity with some of our present day thoughts on the subject of marriage.

Turning to a bit of background on this subject, it has always been a part of Judaeo-Christian ethic that there have been and should be some prohibited grounds upon which one person may not marry another based on blood relationships or relationships by marriage. Indeed there are prohibitions in the Old Testament, but the present law we are dealing with had its origins in or about 1563, in the reign of Henry VIII, a man who had more than a passing interest in the subject of marriage. His government tabled a set of prohibitions on whom a person could marry. Basically that table, which found its way into the *Anglican Book of Common Prayer*, has found its

way down to the present time. It was adopted by the common law provinces at the time of Confederation. There were some slight modifications in the province of Quebec, but that is the law that we have today.

I think most people who would have a look at this would agree that changes should be made and that sometimes inequities have resulted because of the fact that this particular act has not been changed.

For instance, if a woman divorced her husband she would not be able to marry her ex-husband's uncle, or indeed she could be prohibited from marrying her ex-husband's uncle by marriage. It does not happen very often, but it does happen in Canada that this creates a hardship on individuals. There are individuals who have got together over the years. There is nothing stopping them from living together; nothing stopping them from having children. There is no law that prohibits that. Yet, sometimes when they have explored their family histories they find this connection.

What do they do about it when they have found it? The process has been to petition the Senate and introduce a Private Member's Bill to correct the problem. Needless to say, this can be time consuming. It is a source of frustration and embarrassment and, because a lawyer is usually employed to get through this process, it can be quite expensive. I think there are good reasons why Parliament should make changes.

• (1310)

I was associated with this bill when it was introduced in the 33rd Parliament. The bill in no way affects or attempts to affect a religion's right to have a prohibited list. It does not in any way compromise a particular religious group's ability to say who can or cannot get married within its fold. This strictly deals with our civil responsibilities. It does not affect the religious responsibilities.

For those who follow this piece of legislation, there is one important change from Bill S-5, which was the legislation introduced in the 33rd Parliament. Bill S-5 did allow marriages between adopted siblings. It prohibited marriages between natural siblings, brothers and sisters, but if a person was related by adoption the old law allowed that. I disagreed with that at the time. I had very serious reservations about it. A number of provinces had problems with that as well, because the whole thrust of provincial legislation in the area of adoption is to put adopted siblings, as much as possible, on an equal footing. This potential step by a federal Parliament was a step in the wrong direction in their minds and in mine as well.

I am very pleased that this particular legislation referred to us from the other place now prohibits marriage between adopted siblings. With that said, I hope we move expeditiously on this matter. There are Canadians who are waiting for this legislation.

The Senate is not proceeding with Private Members' Business. It is not proceeding with anything, one might say, at the present time. It is definitely not proceeding with petitions in this area of marriage, so I hope this House will deal expeditiously with this bill and send it to a legislative committee.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I would like to follow up the remarks of the hon. parliamentary secretary with regard to Bill S-14, to follow the line of thinking he presented to the House, and to offer my support to his position.

I would also like to reiterate that amendments to the Marriage Act are long overdue. For the same reasons as those of the hon. member, Bill S-14 is a better bill than the former Bill S-5. For the same reason that he put forward we now have amendments with regard to adoptive siblings and relationships between adopted children and adopting parents. We have a bill that is more in line with the requirements and the thinking of the provinces and of the population in general.

Now that we have the amendments and the bill in a form acceptable to the House and to the Canadian people, it will solve problems for a great many Canadians who have been waiting a long time for these matters to be straightened out. I think it is in the interest of these people and the country to move ahead quickly with this bill.

The Senate at the present time has 30 Private Members' Bills awaiting it dealing with people who want to get married but who, under the existing act, are prohibited from doing so without the approval of the Senate. The Senate feels very strongly that these changes should be made. It feels that in dealing with Private Members'

Bills it is only dealing with something that should be placed and corrected in the legislation itself, and I agree.

It is an embarrassment for these people to have to go through this ordeal and to present themselves before the Senate to air their particular concerns and situations before that august body in the other place. As the parliamentary secretary has said there is a legal cost to these people. I think we should be moving quickly on this matter.

I agree with the parliamentary secretary that this bill should be sent to a legislative committee. Even though we have it in an amended form, which is preferable to the former bill we were discussing, Bill S-5, I think enough time has transpired since we last heard testimony concerning this bill that we should hear some commentary from interested groups and people who have participated in this debate.

Certainly we welcome any of the senators who wish to come forward. We are not interested in having the whole Senate. I am sure it is busy with other things. Its timetable is quite full, but there are three senators in particular, Senator Neiman, Senator Stanbury and Senator Nurgitz who have done a great deal of work on this bill. We owe them a great deal of thanks. At this point I think we should refer the bill to a legislative committee to deal with expeditiously. Then it can be brought back to the House for third reading as quickly as possible so that we can get this piece of legislation through.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I am rising for the New Democratic Party on this bill, an act to amend the Marriage Act, which originates in the Senate.

It comes from the Senate and we consider it here in the House of Commons. It is not normally done, but it is part of our House of Commons procedure.

I too support the bill. I was on the legislative committee last time the bill went through, and actually I would prefer that we just put it through today. Perhaps more out of caution we should put it to a legislative committee, but I ask that we hurry in considering it so that it does not die once again on the Order Paper in case the House is prorogued or something like that.

Some hon. members: Oh, oh.

Mr. Waddell: There are a lot of groans around the House. Of course, that would never happen.

What does the bill do? The bill reaffirms the law that persons may not marry if they are related lineally or if they are brothers and sisters. It does not change that law. That is a fairly fundamental law that goes back way beyond the times of this Parliament.

However, this law relaxes the law to allow marriage between persons who are related as uncle, niece, aunt and nephew. There are some particular situations where such marriages can come about.

It clarifies the law by providing that a person whose marriage has been dissolved by divorce may marry the brother, sister, nephew or niece, et cetera of the divorced spouse. This is not now permitted under the law.

Where has the bill been? The bill is in its third run through this process, as I have already mentioned. It was passed by the Senate in 1986 but died when the House prorogued in October of that year. It was passed again by the Senate but died in the general election of 1988. In fact, the House debated it at second reading in June of 1987.

All the speakers in the debate supported it. The subject matter was referred to a committee of the House which held hearings. I had the pleasure to be at one or two meetings of that legislative committee. However, the subject matter, that is this bill died on the Order Paper with the 1988 general election. There have been extensive Senate hearings into the issue as well as two House of Commons committee meetings.

Over 19 different religious groups, respected family law experts, geneticists as well as the chief law officers of the provinces have been consulted. It is clear that the legislation has had a substantial hearing.

Why should it be passed quickly? I am told that, at present, there are 30 couples requesting the Senate to pass special bills allowing them to marry. You see, Mr. Speaker, you can go before the Senate and get a special bill. Of course, that costs a lot of money and takes a lot of time. Also, it would be pretty difficult to go before the Senate to get things passed right now.

The alternative to this bill would be 30 individual bills. I do not think that is acceptable, because each couple would have to hire a lawyer and go through a long and expensive process with no guarantee of success. I think

this bill is a reasonable and fair alternative. Besides, I think that this matter is really the domain of Parliament itself.

Let me put it another way. Is this really the domain of Parliament? Perhaps Parliament should not be interfering with couples' choices in this matter. As the senators have noted, the Senate was once in the business of granting divorces. Everybody is happy that the hon. senators are now out of that business.

• (1320)

I must say it was through a lot of work by my predecessors here in the NDP—I can think of Arnold Peters and Frank Howard—who actually filibustered and caused all sorts of embarrassment on these divorce matters. Finally, the government said, well, to heck, we'll pass the new divorce act and get divorce into the courts and out of Parliament. The Senate was once in the business of granting divorces and everyone is happy that the hon. senators have finished. I will end there.

I would like to split my time with my friend from Regina—Lumsden, who is much senior and wiser than me. I believe he had a private members' bill on this subject matter. It is a wonderful thing about the House of Commons, if you hang around long enough, eventually the stuff you have done becomes law. He is not bashful, so I am sure he can speak for himself.

I ask that the hon. member for Regina—Lumsden be allowed the floor to complete the time allotted to our party.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Is there unanimous consent for shared speaking time for members of the New Democratic Party?

Some hon. members: Agreed.

[*English*]

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, I thank the House for its consent.

I must admit at the outset that I did not hear about this bill until half an hour ago. When I did I had to recall that in the early or mid-70s I had a private member's public bill passed, starting in the Senate, completed in the House of Commons, that made legal the marriage of an uncle to a niece. They had been living together in sin, as some people would call it, for a number of years. They had two beautiful healthy children, a nice home, he had a good job, they were respected in the community and extremely active in their church.

He wrote to me asking if I could do something for him. I made inquiries of the legal officers of the House and of the Department of Justice. They said the only way it could be done was by an act of Parliament, which would provide for an exception in the current law. On making further inquiries I found out it was going to cost quite a bit of money, especially if you started the bill in the House of Commons. It turned out it would be a lot cheaper to start the bill in the Senate, which is a cheap place to start.

This couple, who emigrated to Canada from the midwest United States, were married in a church twice, but there was no legal recognition of that marriage in the United States. They emigrated to Canada, I think, partly because of that, to try again. They became Canadian citizens and were good citizens. They made a good contribution to society in and around Regina. In fact, he was a leader in the whole business of houses that were environmentally sound and energy efficient.

I mentioned two children and they were beautiful children. But we had to arrange for them to receive several medical examinations. It was declared that they were perfectly normal and fit. Subsequent to that, the aspiring husband obtained a vasectomy.

When the bill came before the House of Commons, we worried about the cost of hiring a lawyer, the air fares for the couple to come to Ottawa, and a lot of other costs. On further inquiry it turned out all one had to do was have a lawyer in Regina draw up the appropriate documents and anyone could appear on behalf of the couple, or they could appear on their own behalf, before the senate committee.

In order to save money the poor couple had me appear on their behalf before the senate committee. I did not ruin the case because the Senate approved it. I might say the committee and the Senate as a whole approved it unanimously.

When the bill appeared before the House of Commons there was a very brief debate and because I made interventions with other members it passed unanimously.

Mr. Speaker, I submit that the law is sufficient as it now stands. The only exception that can occur is when it is provided by Parliament and those have to be circumstances which legally protect the children and any estate that may be left to those children. If for no other reason I submit the law should stand as is because there are exceptions to every rule and to every law and in this kind of instance Parliament should rule about the exception.

I invite hon. members to go back and find the record—I did not have time to look it up myself—and all that was said and done on that occasion.

[*Translation*]

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

Some hon. members: Agreed.

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

Some hon. members: Agreed.

Motion agreed to and bill read the second time and referred to a legislative committee.

The Acting Speaker (Mr. DeBlois): The proceedings are therefore adjourned until two o'clock this afternoon.

At 1.28 p.m. the House took recess.

SITTING RESUMED

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

NOBEL PEACE PRIZE

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, the Soviet Union has come a long way from the dark days of the cold war when Soviet military power and a Communist dictatorship repressed its people and threatened global security abroad.

Today the 1990 Nobel Peace Prize has been awarded to Mikhail Gorbachev for his phenomenal work in bringing an end to the cold war and drastically reducing the threat of nuclear war. While the world looked on with scepticism, intrigue, hope and finally belief that the impossible was happening, Mikhail Gorbachev, by counselling, negotiation and reassurance has led the Soviet Union to a new place in the international community and the United Nations.

Mr. Speaker, 1990 will be noted by historians as the year when east-west friendship has freed the best and brightest minds in the international community to solve the pressing environmental, social and political problems which no longer take a back seat to the cold war. Mr. Gorbachev deserves the credit he has been given today for helping to bring about this new reality.

* * *

PHARMACEUTICALS

Mr. Stan Wilbee (Delta): Mr. Speaker, for many years the drug Methotrexate has been on the market as a valuable treatment for some forms of cancer.

While on the drug, some people noted that their arthritic problems improved considerably. It was found in further studies that the drug was an effective treatment for arthritis at a much lower dose than used in cancer therapy.

The company involved is now marketing the drug with a new name, Rhematrix, at four times the price of Methotrexate, even though there is no change in the manufacture of the drug. Methotrexate itself is no longer available to the public except through hospital pharmacies.

I would ask the Minister of National Health and Welfare to investigate this situation and make sure that the Canadian public is not being ripped off by this marketing change by a major drug firm.

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CANADIAN ARMED FORCES

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, I want to pay tribute today to Lieutenant John van Nostrand from the village of Vandorf who is serving on the HMCS *Athabaskan*, which is now stationed in the Persian Gulf off Bar Bahrain just 200 miles from Kuwait.

I met with John's mother, Janet, yesterday. She and her husband, Peter, spoke to John by telephone on Sunday, September 30. John was in good spirits, morale is high, and John, who is an engineer, said the HMCS *Athabaskan* is functioning well. John, who is 29 years old, has been in the Canadian Navy for almost five years. He

is a fifth generation van Nostrand from the village of Vandorf where I live.

On behalf of all members of this House, I want to salute all of our Canadian men and women who have joined forces with many other countries to bring peace to this volatile part of the world. We humbly pray for the safe return of all these brave men and women.

* * *

NOBEL PEACE PRIZE

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, the Nobel committee announced today that the 1990 Nobel Peace Prize has been awarded to Soviet President Mikhail Sergeiev Gorbachev for his leading role in the peace process which today characterizes important parts of the international community.

President Gorbachev has demonstrated exceptional leadership in bringing about democratic change in eastern Europe and in the Soviet Union. This fundamental transformation of the region has taken place through a predominantly peaceful process which certainly represents one of his most remarkable accomplishments.

[*Translation*]

The president is convinced of the need for international security and co-operation. As a result, it was possible to make tangible progress in negotiations on arms control and disarmament between the superpowers.

Mikhail Gorbachev faces many challenges. Today, however, we pay tribute to him for his role in promoting peace and democratic change in Europe.

[*English*]

Let us join in congratulating President Gorbachev and support fully his work toward *glasnost* and *perestroika*.

* * *

EXTERNAL AFFAIRS

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, last Saturday noon a group of Canadians, mostly of Palestinian heritage or background, was staging a protest march in the rain protesting the excessive violence to which the Israeli army subjected the Palestinians, and there were 19 deaths.

[*Translation*]

As in the past, they now appeal to the government of Canada, seeking protection for the human rights of Palestinians under the control of the army of a foreign country.

[*English*]

I would like to suggest to those Canadians of Palestinian heritage, and to all those who plead for human rights and human treatment, to call upon the Canadian Jewish Congress for its help, for I am sure its influence with the Canadian Government would be much more effective.

These people, more than any other, know about suffering, anxiety and fear. I am sure they are aware that something has gone awry in Israel. They can question, with authority, some of the events that have happened in the past few months.

* * *

EDUCATION

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, educational opportunity is a major contributor to personal growth, social mobility, and a vital ingredient of economic growth and international competitiveness.

Today, however, more and more Canadians have begun to question the success of Canada's educational system.

In 1986-87 our primary and secondary educational system in Canada is said to have cost $23.5 billion. Yet, despite the expenditures, the results are mixed at best. In too many cases graduates still have problems with basic literacy and numeracy skills. We have a national dropout rate of 30 per cent, and we have serious skills shortages in Canada.

The time has come to revisit and re-evaluate our educational results. We need a system more sensitive to the future demands of our economy. Failure to do so risks Canada's future social and economic progress.

Education must become a more positive contributor, and our federal government must be a positive contributor in an improved educational process of the future.

CANADA POST

Mrs. Diane Marleau (Sudbury): Mr. Speaker, today in Sudbury Canada Post has closed Postal Station A in New Sudbury to public counter service and will now serve only a small number of commercial customers, leaving the vast number of the public to go to some small private operation. They are now offered reduced service at inadequate outlets. Hopefully they will be able to have their needs met, but in this time before Christmas I doubt it very much.

This is yet another example of Canada Post putting profits before people. As the government continues to carry out its secret plan to privatize all postal services, Canadians are suffering from reduced services and higher prices.

I call upon the minister responsible for the post office to restore the service mandate of Canada Post, to put people before profits, and to restore full service to Postal Station A in Sudbury.

* * *

EXPORT

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, the United States Customs Department has begun a program of nickel and diming Canadian businesses out of the U.S. marketplace by increasing the merchandise processing fee for Canadian businesses exporting into its country.

Effective October 1, 1990, the minimum charge for processing formal entries has risen from $3 to $16.80, an increase of over 500 per cent. Informal entry fees have increased as well. Needless to say, this imposes a severe handicap to our exporters.

The Canadian government must take action immediately to remove this new non-tariff barrier so that Canadian companies presently trading, and those looking to gain access to the U.S. marketplace, will be able to do so free of this restriction.

* * *

[*Translation*]

THE SENATE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the *Conseil du patronat du Québec* is sick and tired of the Liberal senators. President Ghislain Dufour said the Liberal senators had put on a very poor show, in addition to flouting the legitimacy of Parliament and the democratic principles that form the basis for our parliamentary system.

Mr. Dufour went on to say he did not challenge the Liberal senators' right to criticize the GST. They had the right to do so and they even had a duty to improve the legislation if necessary.

Mr. Speaker, the Liberal senators argue that according to the polls, the GST is unpopular. However, the obstructionist Senate is well on its way to becoming even more unpopular than the GST. For the other side, Mr. Speaker, GST means "Good Senators' Tax".

* * *

• (1410)

[*English*]

ABORIGINAL HONOUR CELEBRATION

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, last Thursday I had the pleasure of attending the first Annual Aboriginal Honour Celebration banquet sponsored by the Indian-Métis Friendship Centre of Winnipeg, an evening designed to recognize the major role that aboriginal people have played in the development of Manitoba and the particular achievements of those 12 chosen to be honoured by their community.

Unfortunately, four of the awards had to be given posthumously, like the one for Jackson Beardy in the Arts category, or the one for Tommy Prince, Canada's most decorated war veteran. But others like Dorothy Betz and Mary Richard were there to be duly honoured for their work in the justice system and community development respectively. Dave Courchene, Sr., former chief of Sagkeeng or the Fort Alexander Reserve, was honoured for his pioneer work in aboriginal politics.

The list of accomplished and dedicated aboriginal Canadians is long indeed. Many more such banquets will have to be held to honour them all. But at least a start has been made in Manitoba this last week. All those who made it possible are to be commended.

S. O. 31

LAC SEUL INDIAN BAND

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, in 1894 the Lac Seul Indian Band in northwestern Ontario entered into an agreement with the federal government and the province of Ontario. The terms of that agreement have never been respected by the governments involved, which has led the band to submit a land claim under the specific land claims policy of the Department of Indian Affairs.

For more than 20 years now the Lac Seul Band has been working on this particular land claim. Finally, in 1985 it submitted a statement of claim. Five years have since gone by and the Department of Indian Affairs has yet to respond to the claim.

This is just one example of how the government's specific land claims policy works or, for that matter, does not work. We have seen how frustrated the aboriginal community is with this particular policy. The Indian leadership is desperately trying to work with the government on these matters, but one very important element is lacking—trust.

I urge the government to move quickly in revamping its specific land claims policy and do so in consultation with the aboriginal people. The government must seek to regain the trust it has lost and it must live up to its fiduciary responsibilities. Anything less is unacceptable. Action, not meaningless words, is in order.

* * *

AGRICULTURE

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, yesterday, Sunday morning at 7.45, it was a farmer from Portage who phoned me and said: "Felix, Mazankowski is really listening to us". By announcing interest-free advance payments for grain this weekend, our agriculture minister has proven once again that this federal government is on the side of farmers.

Conservatives have acted. Westerners beware that the Reform Party and Preston Manning are against agricultural support when it is needed the most. The Reform Party would throw Canadian farmers to the wolves of the European Community and the United States.

For a good number of western farmers, interest-free cash advances will mean the difference between putting in a crop or leaving the land. Reform Party ideology would abandon the land and starve the very farmers who built the west.

It is time for western farmers to speak up. It is time for Preston Manning to reform his own platform, or it is time for Preston Manning to sit down and learn that words alone do not put bread on the tables of western farmers and their children.

* * *

AIDS AWARENESS WEEK

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I am pleased to inform the House that my provincial New Democrat colleague, Evelyn Gigantes, the Ontario Minister of Health, today helped launch AIDS Awareness Week.

This week's theme is outliving, outloving and outlasting AIDS. In Canada we have identified more than 4,400 AIDS cases, and there are now more than 2,500 Canadians living with AIDS.

There are continuing signs of the spread of the HIV virus, pointing to the need for increased awareness and education, yet there are serious shortcomings in the national AIDS strategy. An all-party committee on AIDS made useful recommendations which have not been acted upon.

What really is needed in AIDS Awareness Week is an awareness by this federal government that it is not meeting the AIDS challenge. We need more research. We need more education and more supportive and improved treatment if we are to eradicate AIDS.

* * *

GOODS AND SERVICES TAX

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, the GST statements, are they fact or fiction? While millions of Canadians oppose the tax, the government clings to this proposed fiscal initiative that will fuel inflation and push us deeper into a recession. That is fact.

In the government's zealous multimillion dollar GST campaign, the spoken word differs from the written word. Here is the fiction. Grocery store owners were

advised in their Revenue Canada GST guide that basic groceries do not include FST and are therefore not eligible for rebate.

Yet on Friday the Minister of Finance stated that there is FST on food. He said it amounts to one or two percentage points.

To meet the government's own objectives, business has been told one thing and consumers are told something totally opposite. Canadians cannot accept this two-faced approach.

* * *

THE ENVIRONMENT

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, Canadians are anxiously and optimistically awaiting the introduction of the government's Green Plan.

This is especially so in the case of the people in my riding of Fraser Valley East. The people of the valley from Abbotsford, Chilliwack, Agassiz, Hope and beyond are particularly concerned with air quality. You see, as beautiful as the valley is, as majestic as the mountains may be, the air we breathe leaves much to be desired.

We in the valley are subjected to the smog and emissions of Vancouver. It is literally an ill wind that blows into the valley from the city. The country living of the valley is tainted by the smog of the city, obviously not the best of both worlds.

It is only natural that we in the Fraser valley are anxious about the Green Plan and active solutions. In fact, we are waiting with bated breath. I trust the Minister of the Environment and his colleagues are addressing this problem.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance.

Last week he and the Prime Minister refused to admit there was a recession, but the Prime Minister did agree that he and his government had induced a slowdown, one planned in the budget of February 1990.

In that budget the Minister of Finance said: "Growth is expected to rebound in the latter half of 1990." We are now in the latter half of 1990, and growth is hardly rebounding. There is less and less growth while there is more and more unemployment.

Does the Minister of Finance still stand by that budget projection on growth? If he does, how is he credible in light of figures showing growing unemployment, growing bankruptcies and the figures today showing a drastic decline in the sale of homes in Canada?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I gave a speech on September 17 in Edmonton which gave Canadians the most up-to-date thinking on the part of the government regarding the economy.

In that speech, I said that some of the statements I had made in the budget did not come to pass as quickly as we thought they would. In other words, I expected a weaker economy earlier in the year. The economy was stronger earlier in the year.

The economy is weaker at this time of year, but we expect the recovery to occur as we move into 1991. Economies are vibrant animals. They do not just happen in a static way. We give our best projections at the time.

If my hon. friend would go back to the economic projection record of this government over the last six years, I think he would find that it was enormously better than that of the previous government.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a supplementary question for the Minister of Finance.

I do not think Canadians were surprised to find that Mr. Gorbachev received the Nobel prize for peace today, but I do not think Canadians would expect this Minister of Finance to be even on the short list for the Nobel prize in economics.

An hon. member: That is for sure.

Mr. Gray (Windsor West): Mr. Speaker, Doug Peters, chief economist at the Toronto-Dominion Bank, speaking of the Minister of Finance, said today: "The message that does not seem to be getting through is that this is not a minor incident; this is going to be a long, pro-

tracted, serious recession and the longer interest rates stay up, the longer the recession is going to be."

When is the message going to get through to the Minister of Finance that we are now in a real and serious recession caused by the policies of his government? Will he today bring forward new policies and a new economic plan, including lower interest rates that will not induce more recession but prevent it from getting even worse?

• (1420)

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me remind my hon. friend again that the reason we have high interest rates, and have had high interest rates over the last couple of years is precisely because we are facing a serious inflation problem.

If my colleague would check *The Globe and Mail* today, he will see that British inflation in the month of September was 10.9 per cent. We are trying to avoid that problem in Canada, and we have been avoiding it by following the set of policies we have been following.

If my hon. friend could just cast his mind back to when he was in the previous government in 1981–82, inflation was at 13 per cent in this country. It was allowed to get out of control. As it got out of control, interest rates had to go far, far higher than today, in the 20 per cent to 25 per cent range, to kill inflation. We want to avoid that, Mr. Speaker, and have been avoiding it. That is precisely why the policies we are following are supported by many people in the country.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Minister of Finance keeps talking about inflation, but he also insists on introducing a GST which according to the minister will have an even worse impact on this country's economy.

How can Canadians be expected to take the minister seriously now, when he was consistently wrong before? Why will he not admit that his policies brought about this recession, and when does he intend to do something to get us out of it, once and for fall?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, my hon. friend likes to quote other organizations. One he was fond of quoting last week was the Economic Council of Canada.

The Economic Council of Canada supports the goods and services tax. It supports it for one very clear reason, because it is good for this country.

Many organizations last week were saying that one of the best things we could do was to get interest rates down. I think my hon. friend would agree with that. But you cannot go to heaven without dying.

Some hon. members: Oh, oh.

Ms. Clancy: Show us.

An hon. member: Prove it.

Mr. Wilson (Etobicoke Centre): You have to go through—well, my hon. friend wants to go to heaven but he does not want to die. He wants to have the world in his hands. He wants to have lower interest rates but he does not understand how we will get those lower interest rates. One of the ways to get lower interest rates is by passing the pieces of legislation that are in the Senate.

Why is it that my hon. friend, in his cynical, partisan way, can say: "I want to get interest rates down but I will not go to the Senate. I will not talk to the senators and ask them to get the legislation through that will address the deficit problem, that will address the problem of higher interest rates, and that will address the problem of improving the economic health of this country".

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Minister of Finance just said: "You cannot go to heaven without dying", in speaking about the economy. Why does this minister and his government want to kill the Canadian economy?

Some hon. members: Oh, oh.

Mr. Gray (Windsor West): Why does this minister and his government act like that officer in Vietnam who destroyed a village and all the people in it by saying that he had to destroy the people and everything in that village in order to save it. What crazy, misguided policies.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me quote L. C. Wayne, the mayor of Saint John. She said:

> There's been a lot of talk about recession and you talk about preaching doom and gloom every night on *The National*. But it hasn't hit us that way. In fact right here, our tourism has been stable and in some sectors, it's been up.

That is not the case in every part of the country. But the point I am making is that the exaggerated rhetoric of the Leader of the Opposition and other members opposite is not helping the economy. The position of the Liberal Party of Canada in supporting the minority in the Senate, a minority who will not allow a vote to come to pass on four pieces of essential legislation that are part of the economic program that this government was elected on in 1988. Why is he supporting an unelected minority group of senators who will not allow this legislation to come to a vote? Will he explain to Canadian people why he is taking that undemocratic stand?

Some hon. members: Hear, hear.

Hon. Herb Gray (Leader of the Opposition): Why does this minister want to kill the Canadian economy under the guise of eventually saving it?

Does he not realize that Canadians know that even dying will not help them because this minister intends to tax even funerals with his goods and services tax.

An hon. member: Right on.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I am not sure that I understood the question.

The hon. member for Broadview—Greenwood has said in the past: "You can't hang-glide to power these days." The Liberal Party in the 1988 election said if they were elected: "the Liberal government will not proceed with stage two of the Mulroney government's tax reform plan."

The Liberal Party is not the government. The Conservative Party is the government. The Conservative Party was elected to enact its legislative program and its platform. What we have is the cynical hypocrisy of the Leader of the Opposition supporting—

Some hon. members: Oh, oh.

Mr. Speaker: Let's try and move on. The hon. member for Ottawa West.

THE ENVIRONMENT

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, my question is for the Minister of the Environment and concerns the Rafferty–Alameda dam project which is now proceeding without an environmental assessment.

On Friday the minister said that the Government of Saskatchewan could not proceed with the Rafferty–Alameda dam project. News reports in Saskatchewan today are saying that contracts for the Alameda were let last week.

Did the minister know about any such contracts on Friday? What does he know today, and does he still stand by the statement he made Friday?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, I would like to assure my hon. colleague that I certainly stand by the statement I made on Friday.

We are operating under a court order. This government fully expects to continue to respect the court order that requires a full review of the project before it can go any further.

Mr. Speaker: The hon. member may, through the Whip, want to rise again. But I have to keep track of the number of questions that have been asked. I think I am obliged to go to the hon. member for Yukon.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister of the Environment.

On Friday the minister said that there was no deal with the Saskatchewan government on the Rafferty–Alameda dam. We know that the environmental panel studying the Rafferty–Alameda dam has resigned. We know that the court has said that the federal environmental review must take place.

Given that the premier of Saskatchewan has ignored the environmental review, has ignored the courts and seems to be ignoring the minister, will the Minister of the Environment revoke the licence for the Rafferty–Alameda dam?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, I can only say that we are going to follow the court instructions that we had on this project.

Those were handed down after quite a long delay. We have done everything in our power to respect the order of the court and we will continue to do so.

Ms. Audrey McLaughlin (Yukon): I have a supplementary question for the Minister of the Environment.

He says that he is willing to do anything that he is required to do. What is he going to do, given that the Government of Saskatchewan is clearly going against the law of the court, the regulations of this government and has also caused an environmental review panel to quit? Is the minister going to revoke the licence? Is the minister going to get the $8 million back that he has given to Saskatchewan for this project?

• (1430)

[*Translation*]

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, I made it very clear last week that we were going to suspend all additional payments to the Government of Saskatchewan, and that we were going to try and reach an agreement in line with the court's ruling, and that meanwhile, the $8 million dollars which had already been paid were frozen until we reached an agreement that would respect the Federal Court judgment handed down in 1989.

[*English*]

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is directed to the Prime Minister. Clearly the environmental review approach the government has taken is not working and clearly we have seen what has happened with the projected studies on Baie James, Hibernia, and, today, the Alcan project in Kemano, B.C. It seems that under the government's environmental policy there are more exemptions to the environmental guidelines that are handed out than there are Senate seats handed out.

Is the Prime Minister going to be serious about environmental review to show that his government intends to have clear environmental reviews of every large project in Canada, take his responsibility, and, instead of bringing in a weak bill such as Bill C–78, bring in a piece of legislation with real teeth so we can have real environmental reviews in this country?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, the hon. member raises questions about Baie James and Hibernia. I can tell her that the Hibernia project went through a full review process with public hearings and it was conducted exactly as was set out in the guidelines order. I can also tell my hon. colleague that with Baie James, or Grande Baleine, the agreement that we have with the province of Quebec is for the project to have a full environmental review before any construction is allowed to go on.

In terms of Bill C–78, it widens the mandate allowed to FEARO at the moment to ensure exactly what she is claiming: that all projects, all policies, and all programs be reviewed, keeping in mind the basic principles of environmental review. Even the Dutch, who have or are perceived to have the most advanced legal system in the world, are saying that Bill C–78 is way ahead of anything else in any industrialized country.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I am pleased to have an opportunity to ask a supplementary question of the minister. Allowing this dam to go ahead flies in the face of three court decisions and every public statement the minister has made on this project or on the environment. Once again the government talks and fails to act when action is needed.

I ask the minister again, what does he know about the contracts for Alameda project, a project which he told this House on Friday could not proceed?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, I can answer that very quickly. The Alameda project can only proceed if we go through the procedures set out by the court. We will respect the court order. I will not, and this government will not, be held in contempt of court.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to ask a question of the same minister. The issue is not whether the federal government will observe the court order. It is a fact the Government of Saskatchewan refuses to follow the court order, and the federal government is doing nothing to stop the Government of Saskatchewan.

We want to know specifically, is the Government of Canada prepared today to revoke the licence, to take the Government of Saskatchewan to court, and to get an injunction so that construction will stop and the credibility and legitimacy of environmental review will stand firm

and strong in this country, rather than quisling out like he is doing right now?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, the government is prepared to take all the steps required to make sure that we are following the court order that was issued. That is, I believe, what I have said all along today.

Hon. Lloyd Axworthy (Winnipeg South Centre): The minister has just said he is prepared to take all steps necessary. The step that is clearly there—and he has had a whole weekend to consult with his legal advisers—is to revoke the licence.

I want to ask the minister a specific question. The Government of Saskatchewan refuses to acknowledge the responsibility of the court. It claims the minister is party to an agreement on September 5. Will the minister undertake to revoke the licence, stop the construction, put a review panel in place, and get a proper assessment to defend the interests of the country and of the environment?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, this minister and this government are willing to stand by the court order. I can assure you that we will make sure that the full assessment of the project is done. We are at the moment looking at the appointment of a new panel. We are in consultation with the Government of Saskatchewan.

There is no way that we will allow this project to go ahead without due process and due respect for the court order.

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AGRICULTURE

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, during the current GATT negotiations Canada has offered to give up 5 per cent of its dairy production in favour of U.S. and European imports. The dairy farmers of Canada have warned today of disastrous consequences for the industry of any decision which jeopardizes our supply management system.

Would the Minister of Agriculture tell us why have we signalled to the U.S. and Europeans our willingness to start the process of dismantling the marketing system in Canada? What commitments have the Europeans and Americans offered?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, obviously the hon. member is not well briefed on the situation because we have not offered to give away anything. We have made an offer—

Mr. Benjamin: It's because you have been taken away. You're going to lay down.

Mr. Crosbie: Somebody else replaced me as minister and is answering the question, Mr. Speaker.

Some hon. members: Oh, oh.

Mr. Crosbie: A loud applause, I might add.

We have made an offer in Geneva in connection with agriculture. It is a little complicated to deal with in detail right now. It is an initial offer and it is conditional on other countries agreeing to negotiate a substantial agricultural trade reform package with concrete benefits for Canadian agriculture.

That is what it is. We are not offering to give away anything. We have made it very clear, as we have since March, and in fact long before that, that the continuance of the Canadian supply management system is to be assured and we want a strengthened Article 11(2)(a), all of which is set out in our offer. Of course, the offer also requires the United States and other countries to make concessions on their part, for example, doing away with the waiver which they have enjoyed now for many years in connection with agricultural products.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I had hoped to hear from the Minister of Agriculture, because the Minister for International Trade is the one who bargained away the west coast fisheries, a billion dollar industry, and gave the Americans total control. He is also involved in $3 billion to give the Americans access to oil off Newfoundland. We are talking now about a $7 billion industry, the dairy industry in Canada, and this person is in charge of it. What hope is there, Mr. Speaker?

Is the Minister of Agriculture prepared to assure Canadian farmers that he will not sell them out the way his government sold out the fish processing industry in British Columbia during a different round of trade negotiations?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I want to make this very clear to the hon. member. I am sure he knows that the position that Canada has adopted has been taken in full consultation with the various sectors of the agriculture community

and with the respective provincial governments across the land.

If the hon. member would care to look at the document that was put out by the Dairy Farmers of Canada, which outlines the GATT negotiations, and explains it in a very thorough and objective manner, I am sure he would be interested in noting that it states, and I quote: "Dairy Farmers of Canada supports the thrust of the Canadian proposal for a strengthened Article 11". That is precisely what we have done.

• (1440)

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is also directed to the Minister of Agriculture. As was mentioned earlier, today the government tabled its position at GATT, as a result of which imports of dairy products will double and subsidies will be cut by 50 per cent. I want to ask the Minister of Agriculture, specifically, why is he letting his government sacrifice our quota system? Why does he insist on repeating the damage he did in the Free Trade Agreement?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, what the hon. member should know, I am sure he does—and he should state so, if he does—is that the current Article 11, in its present form, is not satisfactory and what the dairy farmers of Canada petitioned the Government of Canada to do was to put forth a proposal that would strengthen and clarify Article 11. That is precisely what we have done and that is why they support us.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, my question is directed to the Minister for International Trade. Under the Canadian position tabled at GATT this morning the amount of poultry meat being allowed into the country is the same as provided for under the Canada-U.S. Free Trade Agreement. There will be 19 different types of "further processed poultry" allowed into the country under this proposal.

Why have these turkeys tabled a position that will effectively wipe out the "further processed poultry" industry and force hundreds of processors and hundreds of farmers out of business in the country?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, why is it that hon. members opposite chicken out whenever GATT negotiations are discussed?

Some hon. members: Hear, hear.

Mr. Crosbie: Our import controls for poultry products have been implemented on an historical, proportional, basis in conformity with Article 11. Therefore, our offer under a clarified Article 11—and the hon. gentleman needs to have his own thinking clarified, of course—would not require any further increases. Now what is he complaining about?

Mr. Bob Speller (Haldimand—Norfolk): After the next election, Mr. Speaker, it will be his Tory goose that will be cooked.

The minister is taking close to $500 million out of the pockets of Canadian dairy farmers. How does the minister expect Canadian dairy farmers to survive, if he does this? Is the minister not signalling the death of the Canadian supply managed industry?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I have some difficulty in answering the question, since I did not quite understand the nature of the hon. gentleman's alarm. That he was alarmed was certainly apparent, but about what, was not.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, Canadian farmers feel betrayed by the government. The minister promised Canadian farmers access to the American market in the free trade agreement; this promise was broken. Now the minister is promising, again, access to the American market.

Will the Minister of Agriculture make a commitment in the House today not to sign any agreement that weakens Article 11 or that does not give equal access for Canadian farmers to the American market?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, on October 1, we had to file at Geneva, together with other countries involved in this negotiation, an estimate of the costs of various programs in effect in Canada to assist agriculture. The total was

$8.8 billion. The Minister of Agriculture should be ashamed at the amount of assistance he is giving Canadian farmers. It is a huge amount of assistance.

Some hon. members: Oh. oh.

Some hon. members: Hear, hear.

* * *

[*Translation*]

WAR MEASURES ACT

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, my question is directed to the Prime Minister. This week marks the twentieth anniversary of the vote in the House of Commons on the War Measures Act. After consideration, this Parliament and this Government abolished the War Measures Act and replaced it with the Emergency Measures Act, which protects civil liberties and imposes strict parliamentary control. Why didn't the government invoke the Emergency Measures Act this year, when it called in the army once again in Quebec, at Oka and Châteauguay?

Right Hon. Brian Mulroney (Prime Minister): The Government of Quebec invoked a specific provision of legislation that applies to such circumtances, not the Emergency Measures Act. And that is why this government—

An hon. member: It's another act.

Mr. Mulroney: Of course, it's another act altogether.

My hon. friend knows perfectly well that we introduced a number of major amendments in order to completely overhaul the War Measures Act, because we as a government, with a number of opposition members, felt that what happened in 1970 was both disastrous and unjust, and we did not want this to be repeated.

[*English*]

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, the Prime Minister is partly right. But 20 years after the FLQ crisis, the army is once again in Quebec, and this time we do not even have a parliamentary vote. Surely that is a step backward as far as civil liberties are concerned. As a supplementary question, I want to ask the Prime Minister if he will ask the government of Quebec for an early report—as early as possible—on the events at Oka and Châteauguay and will the Prime Minister undertake to table that report in this House of Commons, whose job, we feel, is still at the toughest moments to protect the civil liberties of all Canadians.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend surprises me because the first part of his question in regard to the War Measures Act is extremely valid and is one that I think I responded to on an earlier occasion.

My hon. friend knows that all provinces are entitled under the National Defence Act to call upon the Armed Forces of Canada to come to the aid of the civil power in the provinces in certain objective circumstances.

The government of the province of Quebec, as it happened, asked under the National Defence Act for the assistance of the army of Canada in a particular circumstance this summer. The Armed Forces, having been satisfied that the criteria were fulfilled, went to Quebec to fulfil that mandate, and did so with admirable restraint and commendable success. I know my hon. friend will join with me at this moment in conveying our congratulations to all members of the military for their tremendous job.

* * *

[*Translation*]

INDIAN AFFAIRS

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development.

Since September 1989, the Algonquins of Barrière Lake in Abitibi have been making representations with a view to joining the Government of Quebec and the Government of Canada in drafting and adopting a conservation strategy for the environment in the La Vérendrye wildlife preserve.

Mr. Speaker, my question is this: Is the minister prepared to sign a tripartite agreement with the Barrière Lake Algonquins and the Government of Quebec, that would prevent clearcutting in the preserve?

[*English*]

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I know that the hon. member for Abitibi is extremely concerned that the

future of the La Verendrye Wildlife Reserve be secured by way of a strategic conservation plan.

The federal government is certainly willing to sign such a plan to ensure that forest activities in this wildlife reserve are properly integrated with all of the other important environmental values, especially those which have been raised by the Algonquin Indians of the Barrier Lake region.

When that plan is agreed to between the government of Quebec and Canada with the Algonquin people, we certainly intend to sign it.

* * *

HOUSING

Mr. Joe Fontana (London East): Mr. Speaker, my question is to the Minister of Finance. Statistics released last Tuesday, and again today, proved that there is a housing crisis in this country.

• (1450)

Starts in Canada have plunged to their lowest levels in six years. Sales are down 30 per cent and 128,000 jobs have been lost thus far, with more to come in 1991 because of the high interest rates and the inflationary effects of the GST.

I want to ask the Minister of Finance: Is it this government's policy to decimate the home building industry in this country with its high interest rate policy and a new tax on housing?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the simple answer to that question is no.

Over the course of the last six years, we have seen a record level of housing starts. This has been as a result of the policies that have been followed by this government of getting interest rates down and ensuring that there is a strong level of confidence.

As my hon. friend knows full well, what happened in his community of London, as well as in other communities in southern Ontario, is that things got overblown. We got house prices that were out of sight. They were house prices that bore no relationship to reality.

That is what happens when inflationary pressures get out of control. It is precisely for that reason that we have been following the policies of letting inflationary pressure get under control and getting back to a little bit of reality in the housing market.

In all these things, there is a pendulum that goes too far the other way. That is the position that we are in right now. As we get through this period, as we get interest rates down further, I am absolutely convinced that there will be a good rebound in housing starts in London and in other parts of Canada.

Mr. Joe Fontana (London East): Mr. Speaker, the minister can try throwing that kind of bunk around here, but it is not working out in the streets in this country.

CREA says today: "High interest rates and the stagnant national economy have forced many would be owners to abandon their purchasing decisions now under present conditions."

I want to ask this minister again: How much more pain and misery is this government prepared to inflict on home buyers and on people who need housing before it does something about it? When and where will this government do something for housing and for people in this country?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, my hon. friend talks about would be house buyers.

Many would be house buyers were speaking to me a while ago saying: "Prices are out of sight. There is no way I can ever consider buying—"

Ms. Copps: That is in Rosedale.

Mr. Wilson (Etobicoke Centre): That is in Hamilton. It is in London and Kitchener that we are having problems with prices getting too high. That is the natural result of the inflationary pressures that we have been going through in the last three years.

Surely my hon. friend will understand that it is important that we do not let this get out of hand. As I just pointed out, it is getting out of hand in Great Britain with 10.9 per cent inflation. I remind my hon. friend that we had 13 per cent inflation in this country in 1982 after inflationary pressures got out of hand. That is precisely what we are trying to avoid in this country.

In recent months, we have seen where the mortgage rates have gone down from the middle 14 per cent range to the middle 13 per cent range. As we get these

pressures further under control, we will be able to see those interest rates come down further.

* * *

THE ECONOMY

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the Minister of Finance in a rather ill advised moment said: "You can't go to heaven without dying."

The Canadian economy is suffering from self-inflicted wounds and not wounds caused by international pressures, as was the case as he knows very well in 1980-81.

My question to the minister is: Why is this government so obsessed with its discredited monetary policy, its high interest rate policy? Why has it chosen to control inflation by stifling demand rather than acting vigorously to promote productivity and Canada's international competitiveness?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, we have heard some very self-righteous questions from the members opposite. I include the Leader of the Opposition when I say this.

Back on February 7, 1980, I am sure he will recall when he, Morty Shulman and I were sitting in a television studio and on City Television Mr. Shulman said to Mr. Gray: "Would you lower interest rates?" There was a very resounding: "Yes, I would." "Would you be prepared to resign your seat if the government did not carry through on that policy?" "Yes, I would".

That was on February 7 when interest rates were 14 per cent. They hit a peak of 21.24 per cent, and my hon. friend, the Leader of the Opposition, sat there in his seat in the House of Commons, it did not bother him one little bit that he had made this statement and in a self-righteous way he still stands up and says he knows everything.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, I do not know whether the Minister of Finance regards that as an answer to a question. He spent a whole lot of his time talking about things that happened 10 years ago. People want to know what the government is doing today.

The Prime Minister says he intentionally induces economic slowdown. The Minister for International Trade says that Canada is doing too much for its farmers. The people of Canada want to know how the government intends to get out of this mess in which it has placed Canada, not what happened 10 years ago.

The Economic Council of Canada is perfectly clear on what is wrong. It knows, as all Canadians know, that the problems today have been induced by the government through fighting inflation with only monetary restraint. When will it shift to a policy of growth and productivity and international competitiveness?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member likes to refer to the Economic Council. The Economic Council refers to a scenario that says if we brought rates down to what our February budget had expected them to be, the result would be a combination of economic growth and a wiping out of the deficit by 1995. It points out a dark side would be an inflation rate that would be disruptive, causing a return to monetary restraint in the mid-1990s. In short, this is a flight plan for a roller-coaster ride. It is precisely that flight plan that we are trying to smooth out so that we can have the inflationary pressures kept under control today, so we do not have the boom-bust that we had in 1981-82 and save people the anguish they endured at that time.

That is the policy of this government and, as we see inflationary pressures come down further, we will be able to get interest rates down further and lead to the strong competitive position that both my hon. friend and I want to get. The difference between the two of us is that our way is going to work. His way would not work.

* * *

THE ENVIRONMENT

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, my question is directed to the Minister of the Environment. The Federal Court decision of December 1989 stated, and in fact ordered, the federal government to revoke the licence to the province of Saskatchewan for the Rafferty-Alameda project unless there was an agreement reached with the province of Saskatchewan that would stop all construction other than that for safety reasons until there was an environmental review held and reported.

Some hon. members: Order.

Point of Order

Mr. de Jong: The province of Saskatchewan has ignored the conditions of the original licence. It has broken the agreement. The panel has resigned. As things stand now, this government and the Minister of the Environment are in defiance of the court order with every day that passes.

My question to the minister is this.

Some hon. members: Oh, oh.

Mr. de Jong: Mr. Speaker, if you could calm them down.

Mr. Speaker: It would probably help if the hon. member would put his question.

Mr. de Jong: My question to the minister is this. Why does he not revoke the licence and then attempt to negotiate an agreement with Saskatchewan that would allow a proper environmental review to occur? Why does he not first revoke the licence?

Hon. Robert de Cotret (Minister of the Environment): Mr. Speaker, as I have mentioned before, I fully intend and this government fully intends to live by the intent and the wording of the court order. We will do exactly that. We will respect the court. There is no question that could be raised about that issue.

* * *

• (1500)

TRADE

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, my question is for the Minister for International Trade and has to do with the recent increases levied by the United States government on Canadian exports.

The minister will know that as of October first changes to the merchandising processing fees were brought about in the U.S., which has been a great imposition on our exporters to the U.S. In some cases these fees have been increased by 500 per cent. In other instances fees have been levied where there have never been fees in the past.

Are these fees consistent with the GATT? Are they consistent with the FTA? If they are not, what can we as a government do about it?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman asks one of the few rational questions that I have heard in this Question Period.

With respect to his question, we have made protests to the Congress and to the U.S. administration. The hon. gentleman will be glad to know that the free trade agreement provides for the staged elimination of these user fees within five years. The first reduction was implemented on January 1, 1990. While this is unfair and we believe totally unjustified, as a result of our negotiations of the FTA these charges will all disappear over the next four years.

I would like to congratulate the Prime Minister on his foresight in connection with this matter.

* * *

POINT OF ORDER

THE LATE RIFAAT MAHGOUB

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, last April, along with other members of this House, I was a member of a delegation, the *Association internationale de parlementaire de langue francaise.*

We went to Egypt and met with Mr. Rifaat Mahgoub, who was the Speaker of the Egyptian Parliament. He was assassinated last week. I recall at the time with the other members of the Canadian delegation when the Speaker met with us that he alerted us to the dangers of extremism in the Middle East.

I would like to express on my own behalf, and I think speaking for many of the other members of the House, our deepest regrets to the Government of Egypt and to the people and the Parliament of Egypt on this sad occasion.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, on behalf of the government, and I am sure on behalf of all of the House, I would want to associate myself with the comment and sympathy raised by hon. friend.

I have had the opportunity to communicate the profound regret of Canada to my colleague, Abdul Mequid, the foreign minister of Egypt.

This is another indication of a cycle of violence in that region which we all hope can be brought to an end. Many of us who had the opportunity of meeting the former

Speaker understand personally the shock of that tragedy that has been sent throughout Egypt and that has sobered all of us as to the importance of finding an early solution to the tensions in that region.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to associate myself with the remarks of the right hon. member. It was an important statement to make on behalf of this Parliament and on behalf of the Canadian people. We would also like to be associated with the remarks sent by the Secretary of State for External Affairs to the Government of Egypt.

Clearly this is something that every Canadian finds repugnant, as it brings home more clearly that politics is an uncertain business in Canada and is a dangerous business in other parts of the world.

We recognize that for many of the people who take on public office in that region it is a matter of enormous commitment and of some real risk. We hope that some solution can be found to these perilous times in that very difficult region. We hope that this event, if there is anything to come out of it, might provide some reminder of just how important it is that peace be found.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to three petitions.

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

[*Translation*]

PRIVILEGES AND ELECTIONS

PRESENTATION AND ADOPTION OF SEVENTEENTH REPORT OF STANDING COMMITTEE

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I have the honour to present the Seventeenth Report of the Standing Committee on Privileges and Elections concerning Private Members' Business.

Pursuant to Standing Order 92, the report is now deemed to have been adopted.

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

* * *

[*English*]

INCOME TAX ACT

MEASURE TO AMEND

Mr. Svend J. Robinson (Burnaby—Kingsway) moved for leave to introduce Bill C-336, an act to amend the Income Tax Act (tuition credit).

He said: Mr. Speaker, the purpose of this bill is to restrict the availability of the tuition credit in relation to educational institutions providing courses at a post-secondary school level by ensuring that such a tax credit shall only apply where the taxpayers are enrolled in one or more courses at a post-secondary school level.

The effect of this private member's bill will be to close a rather gaping loophole in the Income Tax Act which currently allows people to claim income tax credits for tuition fees at institutions, including private schools, in circumstances which were never intended by the drafters of the act.

I would hope that the Minister of Finance might be prepared to examine this private member's bill and to have the House move forward on it in the very near future.

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

PETITIONS

BILL C-21

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I rise to present a petition, in accordance with Standing Order 36, which has been duly certified by the clerk. It is from 35 of my constituents from the area of Catalina, Bonavista, Port Union, Little Catalina, Melrose, and Elliston.

This petition is concerned about the extra four weeks that people in Newfoundland have to qualify for unemployment insurance. They are very concerned that they will not qualify as the rule stands right now.

I have well over 3,000 in my riding who are concerned about this matter. I was in Catalina and Bonavista this past weekend and the number of people who came to me was well in advance of the 35 who have signed here.

They are concerned that the unemployment rate in Newfoundland is of the highest order in the country. They humbly pray that the variable entrance requirements will be introduced, which would reduce their qualifying time for UIC from 14 weeks to 10 weeks.

CANADA POST

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I rise today, under Standing Order 36, to present a petition signed by 1,784 residents of Winnipeg North. The petitioners object to the closure of postal services at the Chapman Pharmacy. They point out that the Chapman Pharmacy is conveniently located at a major intersection in Winnipeg, offers optimally convenient hours for residents of the surrounding areas, and has a surrounding community that consists of many seniors and lower-income Canadians who rely heavily on nearby services including the complete range of services provided by this pharmacy.

• (1510)

Moreover, no adequate consultation with this pharmacy was done, and the shortest possible notice was given. Even the month chosen to give notice was one during which the House of Commons was in recess; hence the concerns of the pharmacists and their customers could not be voiced in Parliament in time. Indeed this postal service outlet has served the community for many decades.

Hence, the petitioners ask Parliament to do all it can in order for the minister responsible for Canada Post Corporation to reconsider the decision taken by this corporation to close postal services at the Chapman Pharmacy, in the interest of fairness to the Chapman Pharmacy and in recognition of the excellent postal services it has rendered to its many customers who stand to suffer should the closure persist. Therefore, the petitioners seek remedy in this House.

CHILDREN'S RIGHTS

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I too have the honour of presenting petitions on behalf of Canadians, pursuant to Standing Order 36.

The residents of Canada who signed this petition state that the UN Convention on the Rights of the Child protects children's human rights in such key areas as adoption, survival, development, protection of the child's identity, sexual exploitation, neglect, and drug abuse.

The petitioners humbly pray and call upon Parliament to urge strongly the federal government to encourage universal adherence to the UN Convention of the Rights of the Child and prompt an effective implementation of its provisions.

The petitioners ask the federal government to review its legislation and policies for consistency with the convention.

Mr. Hawkes: Mr. Speaker, I rise on a point of order. On Friday I began a question of privilege on the behaviour of the New Democratic House leader and was asked to come back on Monday to continue that presentation in the expectation that the member would be here.

I see that the member is not here. I would just simply like to confirm with the Chair that I will be allowed to proceed with those arguments when in fact the House leader of the New Democratic Party does arrive in the House and, if that is later this day for some reason, that I would be properly notified by the Table so that I would have an adequate chance to prepare and appear.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Chair has taken note of the government Whip's comments.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY, S.O. 81—THE RECESSION

Mr. Douglas Young (Acadie—Bathurst):

That this House condemn this government for planning and implementing the first ever made-in-Canada recession.

He said: Mr. Speaker, I think it is important to establish from the outset that this governement planned and implemented a recession whose existence is recognized by practically all Canadians.

In the past few weeks, the minister said repeatedly that in his February Budget he projected data that clearly showed we would be Ain a slowdown—to use the minister's words—that the unemployment rate would increase and that the country's economic growth rate would drop or disappear altogether. This means, Mr. Speaker—and this is very a very important point—that, as we said in our motion, the government indeed planned and implemented this recession.

What Canadians deplore, however, is the fact that the Minister of Finance apparently cannot accept that his planning led to the results desired by this government—a recession, in other words.

Mr. Speaker, I believe that in this debate, it would be important to hear the Minister of Finance agree, once and for all, and this would at least be a start towards solving the problem, that Canada is indeed in a full-fledged recession.

We need only listen to the comments of all partners in our economy. We could ask about inflation in Quebec: what inflation? The Minister of Finance steadfastly refuses to accept there is such a thing, although we are aware of it and its existence has been recognized, for instance, by the Conference Board of Canada, the Mouvement Desjardins, the National Bank of Canada and a wide range of representatives from the business community, labour, consumers and by Canadians in general.

[*English*]

Mr. Speaker, what we believe Canadians are more concerned about than anything else at this point, recognizing that there is very little that individual Canadians and even corporations can do about the recession in which we find ourselves, is the refusal of the minister to recognize the fact that we are, in fact, in a recession and, as our motion states, it is a made-in-Canada recession.

I listened with great interest to the comments of the Minister of Finance during Question Period, when he said such things as "cast your mind back to 1981-82" and commented on the high rates of interest and the high rates of inflation that Canada was experiencing at that time.

The Minister of Finance knows well that it was a phenomenon that was rampant throughout the western world. We had situations in the United States and in western Europe where inflation and interest rates were going through the roof.

The Minister of Finance pointed out to the Leader of the Opposition that there was a discrepancy in the position taken by the Leader of the Opposition, in his capacity then as a member of the government, and what he is saying now. I would like to point out that it is awful dangerous, as I am sure the Minister of Finance is aware, to comment on what was said 10 years ago, when the Minister of Finance was occupying a somewhat different position himself at that point in time.

Mr. Wilson (Etobicoke Centre): But I did not make that type of comment.

Mr. Young (Acadie—Bathurst): Let me quote the Minister of Finance in 1984. He said this: "What we remember most about that period", speaking about the early eighties, "is the fact that interest rates were far higher than they should have been. Interest rates skyrocketed during that period to between 22 per cent and 25 per cent. The reason was largely because of what went on in the United States and the very high interest rate policy followed there".

Mr. Speaker, this is what Canadians are getting extremely upset about. It is that we do not seem, as politicians, regardless of which side of the House we sit on, to remember what we said not all that long ago. We are very quick to point out some conflicts perhaps in

positions taken by members of the Opposition but very slow to accept what the Minister of Finance and others were saying at that point.

In that same speech in this place, in 1984, the Minister of Finance, speaking then as the financial critic for the Opposition, stated that the 1981 budget raised taxes just at the point when the economy was falling into recession and we should have been reducing taxes.

I wonder what the Minister of Finance thinks about that formula now, as he continues to berate the Senate for being very careful about the implementation of the goods and services tax. Most observers recognize it will take a pretty substantial amount of money out of the Canadian economy at a time when we are going to be in a recession.

The Minister of Finance says we are wrong. I listen to him in this House and in his speeches in Edmonton and other places, when he suggests that the GST bill must come out of the Senate because it is fundamental to his deficit-reduction program and it is fundamental to the government's revenue-generation plan.

Again, relating to the comments made by the Minister of Finance when he was finance critic in 1984, referring to the recession that we had experienced in the early eighties, he said: "We were helpless, as we watched the United States rates climb higher and higher. Canadian rates followed".

Mr. Speaker, that is the point. Canadian rates are not following now, Canadian rates are four and five points above the American base rate. It is an historical situation to see that much of a margin between Canadian and American rates. Yet, the Minister of Finance insists on casting our minds back—he talks about dying before we get to heaven, and so forth—and asks the question as to why the members of the Opposition support the Senate in its fight against the goods and services tax.

• (1520)

I want to point out to the Minister of Finance that the reason Canadians and members of the opposition support the Senate in this fight against the goods and services tax is because they know the senators who are fighting the tax are right. It is not very complicated.

It is one thing to be selective and to suggest that big brother is right and they are always correct, when in fact, if we go back to the budget wherein the minister set out his pattern that could lead into a recession, because he was half right, he said that unemployment would go up and growth would slow or else disappear. But he also said that interest rates were going to come down significantly and would average on the calendar year 11.1 per cent.

We were dead wrong on that. As everybody in the country knows, interest rates over this year will be significantly higher than what was projected in the budget.

One could think that perhaps the opposition is guilty of overstating the case, that after five years—because the Minister of Finance celebrated his anniversary in Edmonton, I understand when he made his speech on September 17, and it was six years—you would think, Mr. Speaker, that after six years, the minister would recognize that even friends of the government, people who were extremely vocal in 1988 with respect to the government's performance to that point and what they had projected for free trade, had come out and stated that they are concerned about the economic mismanagement. This is not the Liberal Party of Canada talking about what is happening to our economy.

I quote from the joint statement on the national economy made October 11 by the Canadian Manufacturers' Association, the Canadian Chamber of Commerce and the Business Council on National Issues. They state, "We wish to underline the growing concern within the Canadian business community that domestic macroeconomic mismanagement, persistent fiscal laxity and a failure to come to grips with the magnitude of the competitiveness challenge confronting Canadian industry are steadily undermining Canadians' economic prospects".

We could go on at length and join the chorus of boos across the country with respect to the government's performance on the economy, but I do not think that that serves any useful purpose because it has all been said. Canadians are aware that when people are confronted with problems in their personal life, in their business life, whatever the case might be, the first step toward trying to correct the difficulty or the problem is to recognize it.

I believe that what Canadians want from the Minister of Finance and from the Prime Minister are not statements that this economic slowdown is healthy or that

things are going according to plan. They want to knows specifically first of all, does the government recognize that the kinds of projections that are involved in budget documents, and the kinds of assessments that are made in speeches on the state of the Canadian economy do not reflect the human suffering that is going on in the country, when bankruptcies are at very, very high levels across the country, when unemployment is increasing, when housing starts are down and people generally are discouraged. It is not just the fact that they are faced with that we are in a recession, it is the seeming inability of the government to understand the depth of the problem.

I hope, as we pursue this debate today, that we will have provided the Minister of Finance with an opportunity to discuss the interest policy, to tell us why in 1990 we should be leading the way for Americans in showing them where they can invest their money at extremely high levels of interest, why we are killing our export industry. We talk on the one hand about correcting the difficulty with the manufacturers' sales tax, when in fact the high value of the Canadian dollar is doing more damage to Canadian exports than the FST or the MST has ever done, even taking into account that the government has increased the federal sales tax from 9 to 13.5 per cent in the five and half to six years they have been in power.

I hope we will be able to hear from the Minister of Finance today. What Canadians are looking for is first, does the government and the Prime Minister and the Minister of Finance accept the fact that we are in a real recession. It is not a question of technical recession. Looking at the number of jobs that we are losing across the country and the increasing rate of unemployment, can we get a clear, categorical statement from the government, through the Minister of Finance, that yes, we are in a recession. Then can we begin to deal with it in the life of that reality.

The difficulty of trying to deal with any problem in Canada as a politician today is a major challenge. We have heard a great deal of what is going on in the other place. I know that the Minister of Finance and other members of government on a regular basis discuss the bills that are before the members of the other place. They ask Canadians to try and force the issue to make sure the goods and services tax passes.

When we went across the country with the Standing Committee on Finance of the House of Commons, we met many people who, in various ways, were very calm, logical and rational in their presentations. Others were extremely upset and very aggressive in their rejection of the goods and services tax. I am sure the same experience occurred for members of the Senate when they went across the country and met with Canadians in discussing the goods and services tax.

To put things in perspective, when people are facing a made-in-Canada recession—most of the time we like to have little stickers on things saying, made in Canada, we are proud of it, we have put the red flag on it and we have logos to indicate that particular products are made in Canada. I do not think anyone is very proud of the fact that we have a made-in-Canada recession.

People are frustrated as we enter this recession. Many sectors of the economy and parts of the country have been in a recession for some time. It is not something that happened last week when the Conference Board of Canada came out with its report. I see headlines in the press over the weekend saying: "Racket emanates at anti-GST rally" and noisemakers and so on. Although some people have had some reservations about some of the approaches taken by senators at specific times in their fight against the GST, I believe that in the context of what people have to face in the real world, they understand the frustration of the senators.

On the weekend I had the occasion to speak with literally hundreds of people. Not one person said, "Tell the senators to pass the GST." Some people had some comments about some of the goings on in the other place but no one said, "Make sure when you get back to Ottawa that you tell those people in the other place to pass the goods and services tax." One of the things we have to understand is that the members of the Liberal Party who sit in the Senate are very much aware that what they had done in that place will in fact require that Senate reform take place.

People are focusing on the Senate and need for reform in the Senate. I would hope that a lot of Canadians would focus on the need to reform the institutions of Parliament, including the House of Commons. It is nearly unfathomable that we would sit in this place and

be going back to our constituencies on the weekends and spending time through the summer and being in contact with our constituents through our offices, that members on the government side, as a block, would support the goods and services tax as we move deeper into a recession.

It seems to me that there has to be new mechanisms put in place to allow for members of Parliament to speak their minds on issues that are important to their constituents. Although there may be frustration with some of the parliamentary procedures, there is far more frustration for people who do not reflect the views of their constituents.

I would hope as we go through this debate that we will hear from the Minister of Finance. One of the things that many people have understood about this government is that it has reacted many times to polling and has made decisions on the basis of how it perceives Canadian public opinion to be responding on a certain issue.

There is no doubt that it has given up the battle on this. There is not question as it relates to the goods and services tax or management of the economy in general, that the government has taken the John Paul Jones approach of damn the torpedoes and full speed ahead, and we are going to do it regardless.

I know the Minister of Finance has held that office almost longer than any finance minister in the history of this country. Whether or not he has decided to go down with the ship is something we are going to learn in the very near future. It is important for Canadians to feel that the Minister of Finance understands their problems. Second, it is important for Canadians to believe that the Minister of Finance and the government will respond to those problems. We believe that the government has to bring in a revised budget, if not a new budget, a mini budget, a new statement. The September 17 statement in Edmonton recognized some of the changes that have occurred in our economy. But the fact is that the projections in the budget the minister brought in in February are completely off base because so much of it is now proven to be erroneous.

• (1530)

It is no longer a question of speculation on interest rates. It is no longer a question of speculation on the amount of the deficit. We are in a different situation and Canadians believe that they have a right to have the finance minister come in. He does not have to say: "*Mea culpa,*" and beat his chest. He just has to say what Canadians already know, that it has not turned out the way we thought it would, and we believe we now have to change. We have to say to the Governor of the Bank of Canada that there has to be a reduction in interest rates and that he is not moving in a long-term way with enough credibility to be able to force the value of the Canadian dollar down to try to protect our export industries.

The other question I want to draw on before I conclude is the argument by the Minister of Finance and government members that there are no alternatives. When the Minister of Finance came before the Canadian people after the 1984 election, he talked about a long-term plan to stabilize the fiscal situation in the country. He talked about tax reform, deficit reduction, and spending restraint.

We are in a far worse situation now than we were in 1984. The minister can say that relatively speaking, and using the right numbers, there have been some improvements. But the fact of the matter is that the debt is far higher, the cost of servicing the debt is far higher, and interest rates are higher than they have ever been in relation to American rates in terms of the separation between the two. What we need to find out today, or very soon, is if the government is prepared to look at alternatives.

When the minister states that there are no alternatives, surely he understands that it is not within the realm of possibility for ordinary Canadians, or even people who have a lot of expertise in the tax field, to come in with a panacea. The minister has been struggling with it for six years.

Neil Brooks of the University of Toronto came out with an alternative suggestion. Dennis Mills of our party has been working at trying to put forward a simple tax proposal. There is another group at the University of Toronto that recently put forward some proposals to deal with the replacement for the goods and services tax. We are not suggesting that any one of these alternatives is the absolute answer.

What we want to continue to impress on the government and the Canadian people is that the Liberal Party believes the only way to have meaningful and credible tax reform is to deal with it on a massive basis through consideration of what the implications are for provincial governments and municipal governments. There is no simple solution of shifting the burden of taxation from one level of government to the other because the taxpayer is always the same.

We believe this is a made-in-Canada recession and that it was planned and put in place by the government. We hope we will have an opportunity to hear from the Minister of Finance who will recognize that we are now in that recession that the government has planned. What we want to hear is how does he intend to get us out of the recession.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I was interested in the comments of my hon. friend, who probably could have said them all in 30 seconds because there were absolutely no alternatives there. He referred to some alternatives of other organizations but made a specific point of not endorsing any one of these as the senior finance critic of the Liberal Party.

Why is it that the Liberal Party always shies away from proposing alternatives? Why, when he is critical of the policies we have been following, can he not put forward one or two proposals that might be considered as options? I have never said that I have all the answers. I acknowledge that I do not have all the answers, but I do listen to people and get suggestions of alternatives. We do make adjustments, but I have never had an alternative from the Liberal Party of Canada.

As an example, the hon. member was quite critical of our fiscal record in his comments. Yet, every time we have proposed something to get the deficit down and to reduce spending, the Liberal Party has resisted. It has fought us. It has laid across the tracks. Every time we have come up with something, it has resisted. This makes it much more difficult for us to deal with the problem that he is critical of us not doing a better job on.

Let the hon. member say to me what are the options, what are the alternatives, and what are the things that the Liberal Party would put forward as possible things that we can consider.

Mr. Young (Acadie—Bathurst): Mr. Speaker, the point that the minister makes with respect to alternatives and his consultative process are worthwhile.

We were very fortunate last year in the Standing Committee on Finance in the House of Commons to have an unanimous recommendation. The Chairman of the Standing Committee on Finance, the eight Conservative members, the four Liberal members, and the two NDP members all agreed unanimously that interest rates in Canada had to come down. We made that recommendation to the Minister of Finance and to the government.

In addition to that, at the same time, there was a similar recommendation from all the premiers from all the provinces across Canada. Obviously, that recommendation was ignored.

On the question of alternatives, if anyone in the country should be aware of how difficult it is to formulate an alternative, it should be the Minister of Finance. He has been at it for six years. In the opinion of the National Council on Business, the Chamber of Commerce, and, just last week, the CMA, there was mismanagement of the economy by the Minister of Finance and the government with thousands of people at their beck and call to provide some direction and some policy decisions.

What we suggest is that the kind of unilateral non-consultative approach taken by the government is what has got us into this mess. I believe that the recommendation made by the Mayor of Vancouver, when we had our hearings in his city last year, that there has to be widespread consultation dealing with all three levels of government to avoid the kind of thing that has occurred in the last few months. Just transferring the burden of taxation from one level of government to the other is not the way to go.

The last point I would make is that in the minister's speech in Edmonton on September 17, he stated: "I and my departmental officials have been following carefully and closely what Canadians have been saying during a wide range of consultations and public meetings."

Since that time, we have had all the leading business people in the country, the Labour Congress, the labour

leadership, and sectorial people in all the areas of the economy come forward and say that the Minister of Finance is completely wrong in the approach he is taking.

My goodness, the bottom line is who in the world believes that the minister would listen to the Liberal Party when he is not listening to anybody else in Canada?

[*Translation*]

Mr. André Harvey (Chicoutimi): Mr. Speaker, it is a pleasure to hear the Liberal Party critic comment on the economy. On the other hand, we also get that uncertain feeling because, as you know, his party almost brought this country to the verge of bankruptcy. Remember that $40 billion deficit in 1984! That was six years ago, Mr. Speaker. Quite an achievement! So today, I would like to take this opportunity to congratulate our Minister of Finance, who is here all the same this afternoon to listen to what Liberal members have to say. It was quite an experience to hear their comments, after seeing those same members vote against Bill C-23, which imposed a minimum tax on the rich. This is incredible, coming from a party that claims to defend the interests of the needy! I may also point out that the same party, both here in the House and the Senate, rose up against Bill C-22 which guaranteed investments totalling $600 million in Quebec, in the field of research. We know how important that is.

Mr. Speaker, I would now like to take this opportunity to ask the hon. member about one particular item, because a few minutes ago, he mentioned transfers to the provinces. I don't mind hearing Liberal members talk about generalities, but I wish he would tell me the rate of increase in federal payments to the provinces since 1984.

• (1540)

And if the hon. member is wrong, I will raise a question of privilege, so my Minister of Finance can inform the House about the rate of increase in transfer payments to the provinces since 1984, and what our new policy is vis-à-vis the provinces.

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, the hon. member should not be surprised if his constituents raise a question of privilege with respect to his comments. If he claims to speak for Quebec and for his constituents when he asks what this government's policy is vis-à-vis the provinces, he gives the impression he does not know what is going on.

At this very moment, Mr. Speaker, there are Canadian provinces before the courts who are trying to defend their rights under the Constitution and ensure that transfer levels are maintained.

An hon. member: He did not talk about that!

Mr. André Harvey (Chicoutimi): Mr. Speaker, my question is quite straightforward. I always like to keep things short and sweet.

I asked the hon. member about the rate of increase in distribution of federal payments to the provinces since 1984. This ratio exists—the hon. member is an expert, as the Liberal Finance critic—so could he simply tell me what the rate of federal transfers to the provinces has been since 1984?

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, depending on the program, the rate of transfer payments to the provinces is before the courts, because the government, according to some provinces, is not living up to its obligations.

Of course, if the hon. gentleman wants to have the rates on an annual or province-by-province basis, I would be delighted to send him the information if it is not available to him through his minister.

However, Mr. Speaker, I think it would be even more important for the minister to talk to representatives of the *Mouvement Desjardins*, the National Bank of Canada and the Canadian Chamber of Commerce, and find out what is happening to the economy and what this recession is all about.

Does the hon. member know—does he himself know—we are in a recession, yes or no? That is the question, Mr. Speaker! He asked for a few figures between 1984 and 1990, but one thing is certain—I want to get back to the hon. member's comment that in 1984, there was a deficit of $40 billion. This year, Mr. Speaker, the deficit will be over $30 billion, after six years under the present Minister of Finance.

The question is still the same: do the Minister of Finance and his colleague, the hon. member for Chicoutimi, realize that Quebec, like the rest of Canada, is in a recession? That is the question we are asking today. Do you, as a government and as elected representatives,

realize that the people in your province—entrepreneurs and private citizens—are in a recession?

[*English*]

Mr. Simmons: Mr. Speaker, I want to thank my friend from Acadie—Bathurst for an excellent presentation. I want to come back to something that the minister put to him a moment ago, because by inference there is a suggestion that should not be overlooked.

The minister made much of my friend having alternatives—

Mr. Wilson (Etobicoke Centre): No, not having alternatives.

Mr. Simmons: —made much of the need to have alternatives. I think he will agree that is a fair statement of what he was saying. I am submitting to the House, I say to the minister, that part of his question, part of his comment, was that the member for Acadie—Bathurst ought to have alternatives. Does he agree on that?

Mr. Wilson (Etobicoke Centre): Yes.

Mr. Simmons: Yes. I am glad he agrees on that because I want to put a question to my friend from Acadie—Bathurst. He is a man of considerable memory and, although he was not here pre-1984, he was in elected politics and I am sure he has researched the record extremely well.

Can he affirm for the House that the Minister of Finance, who now advocates that he—the member for Acadie—Bathurst—ought to have specific alternatives, espoused the proposed goods and services tax when the minister was in opposition? Can he tell us that that was the case? I am sure it is the case judging by what the minister has said in this Chamber, but can he assure us that it is indeed the case?

[*Translation*]

The Acting Speaker (Mr. DeBlois): The period set aside for questions and comments has now expired, unless the House gives unanimous consent.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): Resuming debate. The hon. member for Burin—St. George's. On a point of order?

[*English*]

Mr. Simmons: Mr. Speaker, I rise on a point of order. The question was not put to the minister. Point of order.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The hon. member for Burin—St. George's, on his point of order, but briefly.

[*English*]

Mr. Simmons: Mr. Speaker, I rise on a point of order. I submit that the member for Acadie—Bathurst ought to have an opportunity to answer my question. I had risen at the same time as the gentleman from the backbench and you, Mr. Speaker, recognized two from the same party in succession, which is not the practice in this House.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am sorry but the Standing Orders are quite clear: without unanimous consent, the period for questions and comments is limited to ten minutes. Resuming debate. The Minister of Finance.

[*English*]

Mr. Simmons: You can't answer the question.

An hon. member: He will answer you, don't worry.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, there were two questions—

Mr. Simmons: Point of order.

The Acting Speaker (Mr. DeBlois): The hon. member for Burin—St. George's on a point of order.

Mr. Simmons: Mr. Speaker, the tradition in this period of questions and answers is that the member to whom the question was put gets, however brief, enough time to respond, I submit in not allowing him to respond, Mr. Speaker, are not allowing for a fair debate in this Chamber.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Chair has no objection to continuing questions and comments but it must have the unanimous consent of the House. Do I have unanimous consent?

[*English*]

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): The hon. Minister of Finance now has the floor.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I said that I would respond to the two questions. The member for Burin—St. George's asked whether I mentioned the GST in opposition before 1984. No, and I will give the hon. member the reason why. It is because in the previous government, Mr. MacEachen, now Senator MacEachen, authorized a study on sales taxes which came to the government just around the time of the 1984 election.

I would point out to the hon. member that I did talk about it in the 1988 election. It was based on that 1988 election consideration, and all the discussions and consultations that we had beforehand is the justification for the proposal right now.

On the second question my hon. friend in his very cute answers had no alternatives, just vacuous generalities. He was asked about the increase in transfers to the provinces. The answer is 6.1 per cent on average over the last six years and the program spending for the Government of Canada—in other words, its own spending—is 3.7 per cent. So the transfer to the provinces have been considerably greater than what we have spent on all other things in the Government of Canada.

Since 1984, as my hon. friend knows, we have set forward a very clear plan of economic policy for the country. There are three fundamental issues that we have been following here. One is to deal with the nation's finances—the deficit and the debt problem.

My colleague during his comments said that we were backing away from all the major challenges. I do not see how the hon. member for a minute can say that we have backed away from the major challenges of cutting government spending when we have had to deal with difficult issues such as the closing of bases which is close to his part of the country. It has affected places there. VIA Rail has affected his part of the country—very much so. These are decisions that we do not enjoy taking, but we have not backed away from them.

On the one hand, my hon. friend criticizes me for not getting the deficit down, then on the other hand ignores the very difficult and tough decisions that we have taken in getting the deficit down.

The second area of our economic policy is reducing structural barriers, privatization, deregulation, training for people who are out of work, tax reform, both corporate and personal income tax, and now sales tax reform, and finally, getting the problem of inflation under control. We have made some very clear and very tangible progress here.

The cost of running the government today was $100 million less last year in dollars spent—not inflation adjusted dollars but in dollar spent—than in 1984.

I have talked about our record of controlled program spending. In the operating balance, we came from a $16 billion deficit to a $14 billion surplus this year, a $30 billion turnaround.

Our success here has been greater than the United States. We have moved further in a shorter period of time than the United States has in dealing with their deficit problem. So we have seen a made-in-Canada improvement in our control of our fiscal position. We have also seen a made-in-Canada improvement of the economic capacity of the government because of this range of structural policy changes that are equivalent to $30 billion, or equivalent on an ongoing basis annually to the size of the gross provincial product of the province of Manitoba.

• (1550)

We have debated the GST. We have debated it endlessly in this House. That will put our exporters and importers on a level playing field with the international competition, something that will help us generate jobs here in Canada.

The OECD describes a process we have been following in structural reform as substantial and as noteworthy. The Economic Council of Canada review has also commented very positively on what we have been able to do in dealing with these structural issues.

Now, inflation control. Inflation was a problem. It was getting out of control, but we have brought inflation down, for the seventh consecutive month, to 4.1 per cent. We have real challenges here because the pressures are pretty substantial. As I pointed out, in the United Kingdom they were 10.9 per cent last month. That gives some indication of what happens to a country that does not take its inflation problem seriously.

From 1984 to 1989 we had a made-in-Canada growth in this country which was second only to that of Japan. A million and a half new jobs were created by Canadian businesses here. Again, a made-in-Canada boom in this country. The growth that we have seen, the second longest period of continuous growth in the post-war period, has resulted in real benefits to the standard of living of Canadians: from 1983 to the present, a 16 per cent improvement in average per capita income, after inflation, after income taxes. That amounts to an $8,000 improvement in the purchasing power of the average Canadian family.

Credit growth was getting out of hand though, Mr. Speaker. We had credit growth. Consumer credit reached a peak of 15 per cent. In June it was still a 10.2 per cent increase, almost double what it was in the United States.

Business credit growth, again 2 percentage points higher than the United States; mortgage credit growth, 16 per cent in the month of June—that is twice the rate of growth of our economy and about two and a half times the rate of mortgage growth in the United States.

Unit labour costs, one of the best measures of our competitive position, which my hon. friend is concerned about and his colleague from Etobicoke North was concerned about earlier in Question Period. We were seeing an increase in our unit labour costs a good deal higher than the United States and about twice as high as the rate of growth in Germany and Japan. So we needed a firm monetary policy to deal with the problem that we have today.

My hon. friend talked about the problems of 1981-82, saying that they were quite different. In Canada they were the same. The economy was growing more quickly than the capacity of the country to handle. it was for that reason that we had to impose the higher interest rate policy in Canada, to deal with this Canadian problem. I make no apologies for that.

What we have done, Mr. Speaker, is to be sensitive. We listened very carefully to what is happening in the economy. I know there are tough times out there. I talked to businesses that are closing. I talked to people who have lost their jobs. I take no satisfaction whatsoever in that. But I do know that if we had ignored this problem, the problems we would have faced in six months, nine months, a year, two years down the road would have been far more serious, far more disruptive, far more damaging to the prospects of Canadians than is the case right now. We have this problem under control now to a far greater extent than—again, let me remind you—is the case in Great Britain.

We have had made-in-Canada growth. It developed into a made-in-Canada problem so we imposed a made-in-Canada solution so we can have made-in-Canada strong non-inflationary growth into the future. This is what my hon. friend, my hon. colleague from the Liberal Party is asking for, a policy response and a clear sense of direction to Canadians as to the policies that we are following and where this is going to take us as a country.

What I find very difficult to accept, Mr. Speaker, is the continued allegations on the other side that we could have a reduction in interest rates just by snapping our fingers.

These people should listen to what the Economic Council or what the three business groups that my hon. friend referred to just a minute ago said. They said: "The only way you are going to get interest rates down is to control government spending, not just the Government of Canada, but all governments because all governments are part of this problem." That is a clear message that came out from the business groups last week.

My friend is selectively ignoring these words. He is selectively ignoring the proposals, the prescriptions that these organizations have come up with. They say: "You have to get the deficit down." You cannot just snap your fingers and hope for lower interest rates. Interest rates will only come down if the circumstances are right to support lower interest rates.

This is where I have the greatest difficulty with the policies of the Liberal Party. It says: "Your fiscal policy is wrong. You should have a lower deficit. You should have lower interest rates." Then, what do we hear from them? We just heard the best example.

There was a vacuous, totally empty response when I asked what the alternatives were. What are the things that the opposition parties are suggesting we should do to get the deficit down to allow us to get the interest rates down? There was an empty response, and my hon. friend knows it. I think he is embarrassed about it, but that is what his leadership has told him to do.

I referred to this in Question Period I referred to, and I repeat it again. The Economic Council did come up with a scenario that said if rates were brought down to our February budget level, the result would be a combination of economic growth and a wiping out of the deficit by 1995. They also pointed out a dark side: "That would be an inflation rate that would be disruptive, causing a return to monetary restraint in the mid-1990s. In short, this is a flight plan for a roller-coaster ride." That is the point that I wanted to make.

We know that the economy is in tough shape. We know that people are going through a difficult period here. The key that we have to ask ourselves is: If we had taken the roller-coaster ride that the Economic Council has described, where would we be in one, two, three or five years time? We are determined not to get into that same trap that was fallen into not just by the government here in Canada, but by governments in other parts of the world as well. That is why we are following these policies.

This takes me to where we are now in the life of this Parliament. This government has put forward four pieces of legislation. Bill C-21 is the unemployment insurance bill. It includes a number of elements of unemployment insurance reform, designed to broaden the scope of unemployment insurance at the same time as tightening up on unemployment insurance, and also providing some financing to the Government of Canada to allow it to get its deficit down.

Bill C-28 is a number of income tax measures, including the large corporations tax. Bill C-69 is a bill designed to reduce a number of government spending programs so that all of these together can take real action to get the deficit under control.

In addition, Bill C-62 is designed to stabilize the fiscal position of the Government of Canada. All of these are designed to do precisely what the Economic Council and these business groups have suggested we do, get the deficit down.

In December 1987 we had a report from the senators. Senator MacEachen, Senator Buckwold, the current chairman of the finance committee, and Senator Kirby, all of those gentlemen are fighting these four bills, as well as the GST.

I believe I have seven more minutes, Mr. Speaker. I started at 3.45 p.m.

Those three senators are fighting the GST and these other bills. Those three senators came in with a report in a Liberal dominated committee which says that they recommend that the government scrap the federal sales tax and introduce a multi-stage, broad based sales tax, which is precisely what the goods and services tax is.

This is the hypocrisy that I see in this place when, on the one hand, we have people like my friend opposite saying: "You should do this." Then, on the other hand, he takes all the steps possible to make it extremely difficult if not impossible to do the things that he is precisely requesting that we do.

• (1600)

The Liberal Party ran in the last election and number two on the Liberal Party election platform was: "A Liberal government will not proceed with stage two of the Mulroney government's tax reform plan". That is the sales tax proposal, that is the GST proposal. The Liberal Party said it would not. The Liberal Party was not elected to form the government. The Conservative Party, under the Prime Minister, was elected to form the government.

Now we have a position where the elected government passed a bill in the House of Commons that was part of the Liberals' election platform to defeat and our election platform to pass. We have passed it, with a majority government supported by Canadians in the last election, and now we have not just the Liberal senators but a minority of the senators in the Senate saying: "No, we are going to rise up out of the past, we senators who were appointed by Mr. Trudeau when he was Prime Minister, and we are going to ignore what the people decided on November 21, 1988". They are going to do what that party which was defeated in that same election would do. They say that they are going to kill that tax, in spite of the fact that they were beaten on that platform.

I appeal to my hon. friend and to other members opposite because we have an important problem here, not only a fiscal problem. We have to get these bills passed to be able to deal with the fiscal position of the Government of Canada, and we have a fundamental, democratic problem here.

I just read from the editorial support here. One reads: "Shame on you Liberal senators". There are references to the Senate as an undemocratic anachronism. Others read: "Time for the deadlock clause"; "elected House must show the Senate who's boss"; "the Prime Minister had little choice"; "an abuse of Senate power, embar-

rassing to all Canadians"; "forget the shameful antics, we need the GST"; "surgery needed to save democracy and the GST"; "the games senators play"; "opinion polls no reason for Senate to stall the GST"; "anarchy in the Senate"; "the Liberals should be ashamed of themselves".

I have many, many more of these, but the answer is very clear: It is fundamentally important for the future of parliamentary democracy in this country that we proceed with this legislation that is being blocked in the Senate by the Liberal minority there. It is an important fiscal problem. Those bills are key to the ability of this government to manage the fiscal position of the Government of Canada.

I have not heard members opposite in the House of Commons who sit on the Liberal side saying why they feel in this day and age that we should have an unelected, appointed, unaccountable group of people who are appointed by a previous government. How can they justify that group of people blocking the will of the people as expressed on November 21, 1988 and as expressed in the platform of the Government of Canada?

The Liberals said they would block this if elected, but they were not elected. If we are going to establish a precedent of having a minority of senators blocking this legislation, I ask my colleagues opposite: Where does that leave us as a country? What recourse do the Canadian people have if they want to have a large corporations tax, if they want to have $500 million more in training programs, if they want to have maternity benefits, and if they want to see senior citizens who are earning more than $50,000 contribute toward lowering the deficit by putting back some or all of their Old Age Security? What recourse do Canadians have? They cannot vote out Allan MacEachen. They cannot vote out Michael Kirby. They cannot vote out Sid Buchwold. They have to wait for those gentlemen to reach age 75. That is not the right way.

People have said to me from other countries when I tell them what is going on here: "This is a joke. It is an anachronism. It is 19th century stuff. I thought we got rid of all this. What is going on? What is the GST?" When I explain it to them they say: "That is the same as our value added tax. Why are these unelected Liberal senators saying you should not have a tax we have had it for 20 or 25 years?"

This is the challenge that is facing Canadians and this House today. Are we going to pass this legislation which will help us get the fiscal position of the Government of Canada in a stabilized and normalized position? Are Liberal party members opposite going to continue to be held hostage by their colleagues in the Senate who are not elected?

Some hon. members: Hear, hear.

[*Translation*]

The Acting Speaker (Mr. DeBlois): We are now at the period for questions and comments. I would indicate to the Minister of Finance that the gesture I made five minutes ago was not meant to shorten his time, but simply to draw the attention of the clerks at the table.

[*English*]

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, first of all, on the question of the goods and services tax that allegedly the government party put forward in the last election, as I recall that proposal, even the minister's own technical documents in August of last year indicated that it would be visible, harmonized, fair, and revenue neutral.

I do not think one Canadian voted for the goods and services tax proposal that the minister has brought forward. We will let Canadians debate that, and I am sure they will whenever they have an opportunity.

I have a simple question for the Minister of Finance. The minister asked about alternatives. I indicated in a reply that I thought that what had been proposed by the Standing Committee on Finance in its report last year was a valid contribution to try to turn things around in this country and avoid the recession we are now in.

I want to ask the Minister of Finance if in his widespread consultation he has done the following or, if he has not done so, if he would consider doing it now? Would the minister take the time, along with his officials, to contact the exporters, the manufacturers in Canada, and ask them this question: "Would you rather have the goods and services tax passed or would you rather have a 75–cent to 80–cent Canadian dollar and interest rates at

11 per cent?" I think it would be very interesting to get an answer to that question.

I believe we have the answer because we have been listening to these people. They will have to choose between the two because they will not be able to have both, in that the GST will cause inflation that will not make it possible to drop the interest rate as much as the minister might like. I think it would be very enlightening to ask the Canadian Manufacturers' Association and to ask the pulp and paper industry and the mining industry if they would rather have a 75-cent to 80-cent dollar with interest rates at 11 per cent or the GST.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, there is another one of the cute little tactics of the senior finance critic of the Liberal Party. It is not an either/or. No one has ever put it and no one should ever put it as an either/or question if they knew what they were talking about.

We are doing the GST for fundamental reasons because the existing tax is broken, and he knows full well it is. He also knows full well that the exporters, manufacturers, and others in this country on whom we depend for a significant number of jobs, need the GST.

The level of the Canadian dollar and our monetary policy are quite separate from whether or not we have the GST. The monetary policy must be there to deal with the inflationary problem that we have been struggling with over the past two and a half to three years.

My hon. friend referred to the finance committee report of about a year ago. At that time mortgage credit was growing at a rate of 17 per cent; consumer credit was growing at a rate of 12 to 14 per cent per annum; and business credit, 11 per cent, for an economy that was growing at a rate of 7 per cent or 8 per cent.

• (1610)

If he is suggesting that it would have been an appropriate, intelligent, prudent policy of the Governor of the Bank of Canada to lower interest rates at the time when credit demand was booming and suggesting that that would not lead to significantly higher inflation, I think that he is dead wrong. That is exactly what would have happened, and that is why we felt it was important.

I remind him that in August 1988 we had a unanimous recommendation from the provincial premiers to reduce interest rates. If we had done that, at this point in time we would be looking at an inflation rate probably closer to what they have in Great Britain at 10.9 per cent than the level of inflation today.

He says that the tax we promised was visible. I do not know how much more visible this tax could be. I wish it were invisible.

Harmonized, I have always said that it was my first preference to have a harmonized tax. We have the province of Quebec harmonizing with us. We have the province of Saskatchewan in discussions. We have other provinces talking about harmonizing.

Is it fair that the GST credit will reduce the amount of taxes paid by families earning less than $30,000? I believe that means a fair tax.

Revenue neutral, we can debate that one until the cows come home. I have stated very clearly what the position of the Government of Canada is and I stand by that.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question for the minister is in reference to his claim that only the Liberal opposition seems to be opposed to this insidious measure.

He will no doubt be aware that one of his colleagues stated recently in the newspaper that he had consider crossing the floor on the issue of the GST. I would like to just read a quote into the record: "Our office has never received as many calls and letters nor have I had as many comments burning my ears off about a whole series of issues. While constituents are unhappy about everything from free trade to the Oka crisis, Meech Lake, Prime Minister Brian Mulroney's leadership and recent controversial Senate appointments, the GST remains atop the list".

An hon. member: Oh, oh.

Ms. Copps: The member for St. John's East yells out "propaganda". If that is propaganda, he should be aware that these were statements made recently in the newspaper by the hon. member for Hamilton—Wentworth who, the last time I looked, was still a member of the Conservative Party.

I would like to ask the minister what response he has to his colleague who obviously is feeling the heat from

his constituents but does not have the guts to take the courage of his convictions and cross the floor to sit as an independent.

An hon. member: He will.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, her colleagues from Acadie—Bathurst says that we do not have the courage to meet these major challenges that we are faced with. If the GST is not a major challenge, I do not know what is, but I remind colleagues that for 50 years now, starting with the Rowell–Sirois report in 1940 and every 10 years since then, there have been recommendations to scrap the existing manufacturers' sales tax and bring in a new type of sales tax.

Jean Chrétien, when he was Minister of Finance in 1977, observed that the existing sales tax should be changed.

Allan MacEachen brought in a budget in 1981 to change the existing sales tax to the wholesale level. It did not work. He asked Wolfe Goodman of Toronto, one of the pre-eminent commodity tax practitioners in the country to bring in a report. Mr. Goodman brought in the report, as I said around the time of the 1984 election, and it was that report which said: "not at the wholesale level. You have to bring in a tax. To be a properly designed commodity tax, it should be brought in at the retail level".

In response to my friend from Hamilton East, sure, we are all feeling the heat. We all know that this tax is not popular, but colleagues on this side of the House are prepared to tough it out because they know it is the right thing for the country. They know that it is one of the most significant things that we can do to improve the economy of the country and also to put our exporters, people who compete against importers, in a solid position to compete and create jobs. Also it will reduce the cost of new investment in Canada, in the case of Quebec which has harmonized with us by 7.5 per cent, equivalent to a 7.5 per cent invest tax credit.

For someone who represents a steel town, why is my friend resisting a type of tax initiative that will have such a positive impact on the steel industry in Canada?

Mr. Mills: Mr. Speaker, my question for the Minister of Finance relates to productivity. He is always talking in this House about how the tax system is designed to help our exports along and give some incentive to our manufacturers.

When I talk to the people in my city, which the Minister of Finance shares, the biggest disincentive to productivity is the sense of unfairness that exists on the shop floor and executive offices, which in turn goes all the way through the economy.

Does the minister really believe that he can create an environment of world-class productivity, with an environment in business where, forgetting for a moment the GST and all its complications, but just the entire tax system which people do not perceive to be fair and where they do not understand: there are parts of the tax act which are used for jobs, and there are parts of the tax act which are so old that it is just out of touch and out of date. When will the minister open the shop door and start listening to people who really know what productivity is all about and the current environment that he is creating—

[*Translation*]

The Acting Speaker (Mr. DeBlois): I regret to interrupt the hon. member. Is there unanimous consent to let the hon. member continue his remarks?

Some hon. members: Yes.

The Acting Speaker (Mr. DeBlois): The hon. member has the floor.

[*English*]

Mr. Mills: How can the Minister of Finance possibly believe that a complicated system like the GST, his entire economic package right now, can do anything to promote productivity or a spirit in our economy that is going to lift us out of this recession we are in?

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I think my hon. friend would agree with me that the GST will remove a hidden burden of tax on all our exporters. That is going to help productivity. It puts Canadian companies on a fair and level playing field with the imports that they have to compete with, whereas now the imports pay one-third less tax. That helps our productivity. Moving to the GST will reduce the cost of new investment by 4 per cent for those provinces that have not harmonized and by 7.5 per cent in the case of Quebec that has harmonized. That is productivity.

I think what the hon. member is getting at is attitudes. My hon. friend has written a book on taxation. He is saying there is a sense of unfairness, and I say to him that he is fostering that sense of unfairness by using statistics

for 1987 in that book which reflect the position before income tax reform. Things have changed fundamentally since that because of the large number of loopholes that we have removed as a result of sales tax reform, and in other budgets, and the result—

Mr. Mills: Corporate preferences haven't been administered.

Mr. Wilson (Etobicoke Centre): Yes, the corporate preferences have been reduced significantly. The result is that the corporate tax rate, the effective tax rate, is higher and the level of profits is lower in this current year. So that tells me one thing, that corporations are paying a higher burden of tax.

The statistics for 1987 show that the chartered banks were paying no tax. This year they will be paying about $1 billion worth of tax. People earning more than $50,000 were paying about 32 per cent of the total tax burden in 1982. This year they will be paying about 38 per cent of the total tax burden.

If my hon. friend is fair to me and honest with the people of Canada he will use the proper figures and not figures that are out of date and provide an inappropriate illustration of what is going on.

• (1620)

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, the minister, in what was a chance for him to defend his policies, put forward a sunset of hopeful suggestions for this economy and for the future.

He suggested first that we have a fair fiscal and economic system in this country. Second, if I can quote his comments during Question Period today: "Our way is going to work", in short, that his economic strategy will be successful. Third, the tax which he is putting into effect at this point, the goods and services tax, is somehow exactly what this country needs. Let me suggest in all three of these points that the minister has tried to put forward that he is completely and utterly off base, completely and utterly wrong.

Let us look at the question of fairness. The fact is that across this country there are corporations which for the latest years for which we have statistics, not 1987 but 1989, these corporations—and I will give some examples—in fact gave greater donations to the Conservative Party of Canada than they made in terms of taxation contributions to the government of this country.

The donation of Xerox Canada to the Conservatives was small, only $11,500. If you consider their profits were $74.6 million, that might seem rather cheap. The minister might be rather unhappy with Xerox Canada. I suggest that he should be much more unhappy from a policy point of view that this same Xerox Canada, with its $11,500 contribution to his party, paid not a penny of taxes to the revenues of this country.

Confederation Life was not a great contributor to the Conservative Party. Its donation was about $11,200 out of a pre-tax profit of $103 million. Again, not a single penny paid into the revenues of this country.

Domtar is another example. It is a little bit bigger payer. It made a contribution of $45,000 to the Conservative Party out of pre-tax profits of $18 million. Not only did it not pay a penny in tax but received tax credits from the Government of Canada totalling $21 million.

Power Corporation donated to the Conservative Party over $72,000 out of profits of $214.5 million. It paid not a penny to the taxpayers of Canada, not a penny to the Government of Canada, but instead received credits of $2.1 million from this government.

If that can be called fairness, if that can be something that this minister can stand up and say he makes no apology for with respect to his economic policies, then all I can say is this minister has forgotten what this country is about and what the meaning of fairness is.

If we take a broader picture, if we get away from some of the specifics and look at the period 1984–85 up to 1889–90—again, these are periods the latest for which we have statistics—corporate taxes during that period did increase by 38.8 per cent. Personal taxes increased by 77.4 per cent which is in fact more than double the percentage that corporate taxes increased.

The government has increased sales and excise taxes, which it claims are so unfair in terms of the manufacturers' sales tax, more dramatically than any government in the last 20 years in this country. Those sales and excise taxes increased by 105.5 per cent.

So we take the three broad categories of taxation. It is very clear that despite the minister's rhetoric, despite the minister's attempt to tell us that everything is fair and acceptable, in fact corporate taxation has gone up far less in percentage terms than personal income tax. This is half the percentage increase of personal income taxes, and about a third of the percentage increase for sales and excise taxes. So much for the fairness that this minister speaks about.

We have suggested alternatives continually, using direct examples of tax systems which work in other countries. We suggested a minimum corporate tax, which is not some wild radical idea but something used in the United States, as the minister knows well, and which sees to it that there is at least some kind of contribution to the federal treasury on the part of corporations that make money in that country. So much for the question of fairness.

The minister has also suggested that his policies work. He suggested amazingly enough that after all, we do not want to look to Britain which has a 10.9 per cent inflation rate. We do not want that to happen to us in Canada. Margaret Thatcher, who runs the Government of Britain, is following precisely the policies which this minister and his government have pursued in this country; policies of cutbacks, high interest rates, massive increases in the level of interest rates, privatization of corporations and deregulation. Margaret Thatcher wrote the book. This minister is simply reading it out here in Canada. Then he has the gall to stand up in the House and to say that we do not want to do the same as has happened in Britain. We do not want to see these vast increases in inflation, when those vast increases in inflation are precisely the consequence of the kinds of policies that this Minister and this Prime Minister have followed in this country.

• (1630)

Frankly, I have not been able to believe it as, day after day in the House, the minister has got up and noted Margaret Thatcher's government and its terrible rate of inflation as a sign of the major problems which we could get into if we were not careful in Canada. I am not sure if the minister was thinking of a different country or a different prime minister.

It was Margaret Thatcher who stood in this House of Commons and endorsed this minister's policies for free trade, for instance, two years ago.

Mr. Wilson (Etobicoke Centre): A very astute woman.

Mr. Langdon: "A very astute woman," the minister says. That is very interesting. It was a very astute woman who has brought about an inflation rate of 10.9 per cent, which the minister stands up and criticizes without telling us that this very astute—

[*Translation*]

The Acting Speaker (Mr. DeBlois): I regret to interrupt the hon. member but his time has expired. Is there unanimous consent to let the hon. member for Essex—Windsor continue his remarks?

An hon. member: His time is not over yet.

The Acting Speaker (Mr. DeBlois): I am sorry. Indeed the time for speeches is 20 minutes. I apologize. You have 10 minutes left.

[*English*]

Mr. Langdon: Mr. Speaker, I was just getting going.

The minister suggests that this is something which has worked, that we have had a policy which has worked and will work. To quote the minister: "Our way is going to work."

Let me suggest something to those who might care a little about details and about reality as opposed to myth. I will quote from the minister's budget of February 10, 1988. The minister suggested that the gross domestic product of the country would be increasing from a level of 3 per cent in 1989 to a level of 3.2 per cent in 1990–93. He suggested the unemployment rate would be falling to an average of 7.0 per cent; that inflation would be at 3.4 per cent, and, best of all, that the rate of interest would be at 6.7 per cent. That is exactly the kind of prediction or sense of the future which this minister has given us.

Let me quote what is best described as a slightly more sober view of the economy from the early part of the 1990s, as projected by the Conference Board of Canada last year. It suggested that the Gross Domestic Product is going to be increasing by 0.7 per cent in 1990; 0.4 per cent in 1991; and possibly up to 3.0 per cent in 1992. Every single figure is below the average which the minister suggested would be the case.

As for the unemployment rates, they will be at 7.9 per cent, 8.9 per cent, and 8.5 per cent, again, in every single

case, well above the average suggested by the minister's own figures. I could say the same thing with respect to interest and inflation rates.

We have a minister who has had a chance to show that his policies work. In fact, he has had a long chance. The Canadian people have been long suffering with this minister. Yet, what we have seen emerge is the first recession created in this country by the policies of the government of this country. That is not me suggesting it. That is the Conference Board of Canada, a body which is usually very supportive of the minister.

In fact, the Conference Board has made it very clear that this first made-in-Canada recession is taking place at the same time that the United States, our major trading partner, may even avoid a recession. So much for success. So much for things working out.

The minister in February of 1988 said things were going to work out well, but they did not. Can we really expect to believe him in 1990 when he says things are going to work out well in the future? Or can we expect to see what the Liberals gave us in 1981-82 coming back again?

Can we expect to see a recession take place in which the unemployment rate does not stop at the 8.4 per cent at which it presently is, but go up to the 12 per cent that the Liberals gave us in the past?

Can we expect to see interest rates go, not to 14 per cent and 15 per cent, but to the 21 per cent and 22 per cent that the Liberals gave us?

Can we expect to see a recession not just for a year, as this minister is giving us, and that costs us, not just two percentage points of decline, but a 6 per cent decline in real growth as the Liberals gave us?

Are we going to see a conflict take place between the Liberals and the Conservatives to see who can drive the country further into depression? Are we going to see an attempt at outcompeting each other in poor economic mismanagement?

I think it is possible, Mr. Speaker, that this may take place. I hope, however, that there are alternatives that this minister chooses. I hope for instance the minister puts into effect a minimum corporate tax. I hope he cuts interest rates, as clearly could take place in this country. I hope that he establishes some new institutions: a national industrial bank, for instance, to help our industries to start to modernize faster and to get better prepared for world competition. Will he see the establishment of a regional set of development banks that will provide low interest rates in poorer parts of the country? Is it possible that we will see some effective adjustment policies put into effect that really start to train our workforce for the future? That is what we have advocated. Will we see an environmental thrust that gives us, not taxes on the poor, but taxes on products that hurt the environment? Those are the directions we should take.

• (1640)

I urge the minister, first, to recognize that we are in a recession and, second, to start to do something about it instead of just trying to blame the senators or blame the Liberals. Let me tell the minister, and this is my last point, across the country there is not much enthusiasm for the Liberal Party. I can tell him that from the province of Ontario.

Let us give a future to the country that comes from new policies. Let the minister gives these new policies to us or let us, as a party, give these new policies to the country.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I thank the hon. member for Essex—Windsor for his indulgence and understanding. The hon. the Minister of Finance.

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me just comment very briefly. The hon. member has said we have not brought in any corporate minimum tax. In fact, that is precisely what the large corporations tax is. It will raise over $1 billion and it is currently being held up in the Senate.

We have brought in a limitation on research and development deductions so that companies such as Xerox, which he referred to as not paying tax, will pay tax. We have also phased in a reduction of capital cost allowances which will result in companies such as Domtar, which he quoted as not paying tax, paying tax as a result of these changes that will be phased in due to tax reform in 1988.

It is important for my hon. friend to realize that we have taken directly the criticism that he and others, including ourselves, have directed toward the corporate

income tax system, but there is a limit as to how far this can go without forcing new investment into other countries because the tax system is more attractive there. He will find his friends in Queen's Park will be following that same thinking when they try to raise their level of corporate taxation.

I would like to put two questions, if I could, Mr. Speaker. First, how will he cut interest rates? Second, he wants an industrial bank, as I understand it, that will encourage business to modernize. How will he be encouraging business to modernize? Will there be low cost loans or will there be no cost loans or what? What is the basis? How will that bank do a more effective job than the normal sources of financing such as the insurance companies, the pension funds, or the banks do right now?

Mr. Langdon: Mr. Speaker, first, with respect to the large corporations tax, I remind the minister that the definition of large leaves a great many firms within the country that are quite sizeable out of his definition of large. It is certainly a step forward to see to it that some kind of tax contribution is made by those companies, but I do not think that it is a sufficient step insofar as it still leaves vast numbers of companies that are not making a contribution, despite the fact that they are making significant profits, to the tax system in this country.

I am sure that both the minister and I went door to door in the Ontario election that took place recently. One of the things that was most strongly felt by people throughout Ontario was the fact that there was this sense of imbalance in the tax system, that there were some people who were getting off scot-free and these are the people to whom, frankly, Premier Bob Rae's promise of a minimum corporate tax made a great deal of sense. There will be, I am certain, a minimum corporate tax put into effect in the province of Ontario. But that is not sufficient either because, of course, if it just takes place in one province, that province takes the risk of seeing corporations move their head offices to other provinces. So it is up to the minister to start to move. It is up to the minister to start to take action and to put a corporate tax into effect. It has not destroyed capitalism in the United States, I say to the minister, and it will not do so in this country either.

With respect to the two questions which were asked, I say to the minister that since my appointment as critic in areas of macroeconomic policy, I have talked with officials from the Bank of Canada. I am quite convinced that they would not have any difficulty using the technical mechanisms which they usually use in terms of the expansion of the money supply within our economy. They would have no problem in bringing the interest rates in this country down. We have a very professional and effective Bank of Canada here and I think the minister should be the first to admit that it would be quite capable of reducing interest rates, if that were its policy.

Finally, with respect to the National Industrial Bank, let me suggest to the minister that such an institution has been at work in the country of The Netherlands for quite a number of years. It is 51 per cent government shareholding, 49 per cent private enterprise shareholding. It operates through a combination of low-interest loans and direct commercial loans which nevertheless take into account the realities of risk which are there in the case of quite a number of industries that are going through adjustment problems.

• (1650)

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. The hon. the Minister of Finance on a point of order.

[*English*]

Mr. Simmons: He's taking his lesson from Charbonneau. He has had his question.

Mr. Wilson (Etobicoke Centre): It is a point of order, and I think the hon. member should apologize for what he just said about the Speaker.

An hon. member: Order. Withdraw.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. I recognize the hon. the Minister of Finance on a point of order.

[*English*]

Mr. Wilson (Etobicoke Centre): On a point of order, Mr. Speaker. I will not take the opportunity to respond to what my colleague has said but I would like to notify the House that tomorrow will be designated as an opposition day.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Questions and comments. Only two minutes for the hon. member for Burin—St. George's, and two minutes for the hon. member for Essex—Windsor to answer.

[*English*]

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, on that point, I just suggested you were taking orders from Charbonneau. There is nobody on that side suggesting Charbonneau is not being fair, is there? Anybody over there suggesting he is not being fair?

Mr. Speaker, I listened with great attention to my good friend, the hon. member for Essex—Windsor. I have the greatest admiration, I say to him, for people who can make—

Mr. Cooper: Terrible, terrible.

Mr. Simmons: I know you are terrible but I am not talking about you now.

The gentleman for Essex—Windsor raises in me nothing but unadorned admiration because I have great admiration, unfettered admiration for people who can make good, 20-minute-long, tongue-in-cheek speeches, without so much as a smile to let on what they are really up to. I heard him talk about being for this and against this on several issues throughout the 20 minutes. It has to be the best tongue-in-cheek speech that I have ever heard or else one of the most inconsistent, entirely inconsistent speeches I have heard, because he was all over the block. So I am going to help him focus in the two minutes we have left in this segment. I am going to put a very direct question to him which can be a yes or no answer.

The question to my friend, the hon. member for Essex—Windsor, is simply this: will he now stop the word games and will he give an unequivocal commitment to this House that he will support the Liberal senators in the Senate, unequivocally, in their fight to stop the GST? Will he be dissuaded from playing the word games and concentrate on helping us stop that terrible GST while we have time to do so?

Mr. Langdon: Mr. Speaker, I think you said two minutes. Very briefly I, of course, feel that this government should not be proceeding with the goods and services tax. It is quite clear from what the Conference Board has said, an independent body—

Ms. Copps: Do you support the Senate?

Mr. Langdon: I will come to that if you will stop heckling. Just hang loose, guys. I would not want to be a senator, believe me.

What has to take place is a defeat of the GST, without question. There are at least three key elements to that defeat. The first is the Senate fight which is taking place. I think that that Senate fight is a fight which, although it dismays many people, is nevertheless a fight which has to go forward. Second, I think there need to be court challenges taken forward, as the Ontario New Democratic Party government intends to take forward. I am sorry to see, for instance, that no Liberal provincial government has decided to take such a court challenge forward. Finally, and most important, this fight must be supported by the people of Canada, across this country, because that is the way that we can stop a government from ramming an unfair, unjust, tax down the throats of Canadians.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I thank my hon. colleague, the member for Essex—Windsor, for being as frank as he was about his party's position on the Senate. I welcome his statement and I welcome his position. What troubles me is that, over the last number of weeks, we have had more positions from his party than I care to mention on that particular issue. On the one hand, we have his House leader who stands up in the House, beats his breast for all of western Canada and says: "We want to abolish the Senate, those nasty senators who are carrying out their responsibilities". On the other hand, when it suits their purposes, the same House leader finds himself in the Senate associating himself as closely as possible with the able work of the senators to kill the GST. Could the hon. member for Essex—Windsor let his colleagues know that his clear and unequivocal position is to support the Liberal Party in its fight to kill the GST? If we unite, and this is not just the members of the opposition, not just the members of the fringe parties here in Parliament, but if we as Canadians unite in opposition to the GST, maybe we can force the government to back down.

It is significant that the hon. member for Hamilton—Wentworth stated in this week's newspapers that he has considered crossing the floor and giving up his seat, that in the 11 or 12 years that he has been in Parliament, that he has never had as many calls, letters, and pleas from Canadians to kill the GST.

I could not believe my ears when the Minister of Finance had the gall to stand in the House and pretend that he was carrying the banner of democracy when, if the Minister of Finance and the Prime Minister had been open and honest with the people of Canada in the last federal election, he might have had a democratic leg to stand on.

I knocked on doors in the last federal election. I heard the Minister of Finance say to Canadians that the new tax was not going to raise a single penny of new revenue. We know from the statement of the hon. member for Mississauga South and others that it is going to be a cash cow.

I would like to take a moment and read into the record some of the comments of frustrated ordinary Canadians and to refer very specifically to this resolution, because it does not only speak to the destructive tax policies that are going to kill us, the so-called fiscal policies, but it also speaks to the monetary policies which hearken right back to the work done by the Minister for International Trade to sell this country down the river. I am sorry that the hon. member for St. John's West is no longer in his seat because I think what we have is a resolution which is very clear, concise, direct. It calls for the House to condemn the government for planning and implementing the first ever made-in-Canada recession.

I would like to refer to the speech made by my colleague, the hon. member for Essex—Windsor. He claimed and agreed with us that it was the first ever made-in-Canada recession, but on the other hand, he continually wanted to tie back this particular recession to the recession that the world faced in the economic and market conditions of 1981.

The Minister of Finance had the gall a few moments ago to stand in the House and say that the member for Hamilton East, who still happens to have the largest number of steel factories in my riding, should be supporting his government's fiscal and monetary policies. The fact is those of you who were here during the trade debate will know that very early on Clayton Yeutter indicated that his government was not prepared to move with the trade deal until the Canadian dollar moved closer to the American dollar. At that time we posed the question to the Canadian Steel Producers' Association very directly: What would happen if we had an 85 cent dollar? It said it was a hypothetical question it could not answer.

When we reach an agreement on the current strike, which is leaving thousands of workers and their families without a regular pay cheque in my community, and the combination of fiscal and monetary policies of this government which are creating an economic climate, once the Stelco strike is over in my community, I would suspect that many hundreds, if not thousands of workers who are still on the Stelco employment list will no longer have jobs.

I could not believe my ears when the critic for the New Democratic Party said that the Bank of Canada had respect and he complimented them on their work. I do not know whose monetary policy he is supporting but the Bank of Canada's monetary policies, aided and abetted by the Minister of Finance and the Prime Minister, are driving this country into the first made-in-Canada recession. It started with the trade deal and it started with a clear government decision to allow our dollar to move closer to the American dollar. It is continued by fiscal policies which are causing Canadians to lose their jobs by the thousands.

• (1700)

The Minister of Finance beats his breast and talks about how we have to get the finances of the government in order. I have been trying, in my own small way, to find out how many millions of government dollars have gone out by way of pay-outs to Canadian companies that are now moving to the United States: Firestone, Variety Corp., Tridon.

Members of Parliament in the House of Commons do not even have the right to go and ask those companies to open up their books so that we can find out how, when, why, and where the taxpayers' money is being used. Variety Corp.—loans and guarantees in the hundred million dollar range, with the condition that it keeps its head office in Canada. It is picking up and going south of the border. Tridon, with technological dollars taken right out of the pockets of the Canadian taxpayer for its world blades and for its reflectors, is now going to take that technology that is making it money and do that production in the southern United States; exactly the scenario that we predicted at the beginning of this made-in-Canada recession which was perpetrated on us by the

Minister for International Trade, the Minister of Finance, and in particular the Prime Minister.

What is frustrating average Canadians, as they hear us talk and they hear the Minister of Minister with all his jargon about how his interest rate policies are fighting inflation, et cetera, is that they know in the last six years of this Tory government their purchasing power has been eroded. They are reaching a level of zero tax tolerance, and they just cannot take it any more.

In fact it was the member for Hamilton—Wentworth who said last week in the newspaper article I quoted earlier that Canadians are sick and tired of the tax level and they just will not pay it any more. We are reaching the point of the tax revolt.

I have a letter from a very ordinary Canadian, Catherine Provo of 17 Lang Street, Hamilton. I would like to hear what she has to say on this issue because I think she speaks for average Canadians who feel extremely frustrated and who feel that their democratic hands have been tied by backbenchers in the Tory government who have been muzzled; people of the likes of the member for Hamilton—Wentworth who goes to his riding and says how awful the GST is but who stands here in the House and supports it. This is what she has to say:

> I am in total opposition to this destructive and unnecessary tax grab.
>
> As a single parent of four children, my standard of living which has always been to just make ends meet, has seen a steady decline since the Progressive Conservatives took control of this country.
>
> I find the term "Progressive Conservative" to be a total contradiction in itself. I feel this needs no further explanation. One only needs to try to raise a family in this country.
>
> My vote in the next election will depend on the defeat of this bill—
>
> Please do all that you can to stop this regressive tax.

We in the House of Commons have been doing what we can. The people in the other place have been doing what they can. I must say in that respect I find the hypocrisy of the NDP unconscionable because it has not given full support to the over-all parliamentary objective of killing the GST.

We are united with our colleagues in the other place, fighting hard to try to kill the GST. Members of the NDP have forgotten the lesson of the 1988 election. Remember, Mr. Speaker, when they were going to be the great fighters against the free trade agreement until they saw our leader, the right hon. member for Vancouver Quadra, moving ahead in the polls and they forgot all about the trade fight. They totally abandoned their principles. Instead of attacking the trade deal, they attacked the Liberal Party and created a situation where the Tories were elected to another majority government.

That Tory majority in this Parliament is a direct result of the failure of members of the NDP to fight for and defend their principles in opposition to the trade agreement. They are doing the same thing on the GST. If they were truly committed to fighting the tax, we would not see the kind of rhetorical game playing that we are seeing from the House leader of the NDP, that we are seeing from the leader of the NDP, and that we are seeing from all those players. Members of the NDP do not mind coming here and associating themselves as close as possible with the senators, but when they go out to the public they claim that their objective is to see the Senate wiped out and abolished or to move in another direction.

I too fully support Senate reform. I think what we may see as early as possible is a reformed and invigorated Senate that will be able to provide the kind of leadership that unfortunately is sadly lacking in this Chamber. I for one would like to salute the senators in what they are doing. We in the Liberal caucus are going to offer them our 100 per cent, full support; not the kind of equivocation we see from the members of the NDP.

[*Translation*]

This really bothers me, Mr. Speaker! The New Democratic Party financial critic has just said today that he agrees with the Bank of Canada's professional monetary policy. We know full well that with high interest rates, the GST policy, the current monetary policy which limits our capacity to export to the United States, we cannot go along with the Bank of Canada's policy. I suggest that since the Coyne affair, Canada's monetary policy has never been in such a serious crisis, and the time has come for all political parties to recognize the fact that we cannot afford a monetary policy which provides for interest and loan rates in this country which are five points higher with respect to exports to the United

States. This creates a situation wherely our small businesses are unable to compete.

Moreover, Mr. Speaker, the GST is the last nail in the coffin of a tax and monetary policy which is leading Canada for the first ever into a made-in-Canada recession. What is the Minister of Finance's response? Today, when asked about Canada's position during the negotiations on marketing boards for our major farm industry, how did his colleague the Minister of International Trade react? He just laughed. He said that we were giving our farm producers too much money. I heard him say that with my own ears.

Mr. Charest: Oh, oh!

Ms Copps: The former Minister, the Hon. Member for Sherbrooke, was not here, but I was. I heard Mr. Crosbie, with the support of the Minister of Agriculture and the Prime Minister, tell our farm producers to their faces that the Government was giving them too many subsidies. I only hope he will make a speech in front of the UPA and say the same thing. Those who are sitting on Government benches and who understand our current policy on international trade realize now that the Government is about to kill the family farm in this country. With the Government's decision on dairy products, we know that thousands of jobs will be lost, not only in the province of Quebec, but everywhere in Canada, because of the milk quotas. And what is the Government's proposed remedy? It hits us all with its GST.

Through its monetary policy, it has created a situation where Canada, a country which has always been very dependent on external trade, is no longer able to compete with the United States because its real interest rates are five points higher than those in the United States. When businessmen and women think of making investments, where will they go? Certainly not here in Canada. And the Minister claims that he is doing everything in his power to rectify the Government's spending problem. But let me tell you one thing, Mr. Speaker. I have been trade critic of my party for hardly a few weeks now. I have been trying to get information concerning the billions of dollars paid by Canadian taxpayers to corporations which are now moving to the United States. You will not believe it, Mr. Speaker, but as elected Members of this House, we are not entitled to check the books of the various corporations which have received funds from Canadian taxpayers. We are being asked to dig ever deeper in our own pockets, which the corporations are not asked to do although they have received subsidies from the Federal Government. I suggest there is a certain inconsistency there.

• (1710)

[*English*]

There is a certain inconsistency about the government's position. I could through dozens and dozens of letters—and I am sure most members could—about the potential for human suffering that is being caused by this government's GST policy.

I should like to take just a couple of moments to point out some real flaws in the actual operation. I am sure most of us would believe, for example, that health matters should not be taxed. However, are you aware, Mr. Speaker, that as a result of the current policies of the GST you will be taxed if you take your dog to veterinary clinic to get a rabies shot? Do we really want to create a situation where to protect your children from being bitten by rabid dogs you have to pay a tax?

Some of us will know that the lime disease has recently come into full force in certain parts of southwestern Ontario and certain other parts of the country. We need to have policies that will permit officials and owners of pets, et cetera, to inoculate their pets, to be responsible pet owners. This particular policy basically says that anybody who owns a cat or dog is going to be taxed for simple prevention measures including spaying, vaccinations, et cetera.

We can see that not only are there inconsistencies in the application of the tax as it relates to hospitals which will have to pay tax on the certain goods and services that they purchase, but that will represent a tax upon a tax in the hundreds of millions of dollars in a sector that Canadians have always believed should be free of tax.

I know that the Minister of Finance is unlikely to support this resolution, but I would like to reiterate the plea that I make to his colleagues. This is a simple resolution that condemns a government policy that last week saw lay-off notices delivered to 8,500 employees across this country. Mr. Speaker, if you read the recently published book by Maude Barlow which was just launched on the weekend, there have been over 100,000

jobs in the last year alone eliminated as a result of this government's particular policies.

I ask members on the government side of the House who value their political future, those members who like to feel that they have a little independence, to listen to their constituents when they tell them that they have reached zero tax tolerance.

[*Translation*]

You had better listen to your constituents, Mr. Della Noce, because if you are here to support the GST, come election time you will realize that you will suffer a tremondous prejudice. And I ask the same question to all Hon. Members.

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): I rise on a point of order, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): The hon. member for Trois-Rivières on a point of order.

Mr. Vincent: Mr. Speaker, I am amazed to see the hon. member for Hamilton East call other hon. members by name in the House. After six years in this place, she should know that members are to be referred to by riding.

The Acting Speaker (Mr. DeBlois): The hon. member for Hamilton East has 30 seconds left.

Ms Sheila Copps (Hamilton East): I am sorry, Mr. Speaker. He changed ridings. I thought he wanted to stay there. His new riding is Laval-Est. I urge the hon. member for Laval-Est to believe his constituents when they tell him that they have had their fill of taxes. If he wants to get reelected, he should at least listen to his constituents. I heard him say on a Montreal radio station the other day that he was there to fight alongside the Quebec caucus, that he was going to tell the Prime Minister that the GST was too much and that the government policy was— When the time comes to speak on the issue and vote, I urge you to vote with us. That way, the Prime Minister will get the message.

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): On a point of order, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): The hon. member for Laval-Est on a point of order.

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I cannot help but respond to my colleague about what she claims I said on the radio. She should quote what I said in the interview I gave on air not far from the office of her colleague the member for Saint-Léonard, where I said that I was the one who would represent my constituents, not the senators because they never attended a social function. I never saw one!

Hon. Jean J. Charest (Sherbrooke): Mr. Speaker, I hope my colleagues in this House will allow me to take a moment of our precious time to congratulate you on your appointment to this new role. This is the first opportunity I have to do so.

Mr. Speaker, I listened with interest to my colleague from Hamilton-East who referred a few times to the concept of leadership. I could not help noticing because she is just back from a long leadership race within her party which, unfortunately, she did not win. Someone else was elected as leader of the Liberal Party of Canada.

I found it interesting because I feel that, as a matter of fact, a number of issues we have to deal with in this country at the present time, including the proposed GST, relate to leadership. I can tell you forthwith, Mr. Speaker, that I personnally find what is happening in the Senate appalling. It is unacceptable! No democrat can allow such actions on the part of a non-elected Senate dominated by federal Liberals.

Unfortunately, as we speak, Mr. Speaker, the population does not realize how outrageous the present actions of the federal Liberals are and is not aware of their possible consequences on democracy.

Canada is one of the few countries going backwards. While the Eastern Bloc is becoming more democratic in Canada, the federal Liberals are turning back the hands of time. This is incredibly outrageous! I denounce that vigorously, Mr. Speaker.

I should like to direct a question to my very articulate colleague, the hon. member for Hamilton East, concerning her involvement in the leadership race. I would like to know what position she took on the GST during the leadership race, because her new leader, Mr. Chrétien, did make some remarks about it during the leadership race, as reported in an article in the *Ottawa Citizen* of October 13, 1990. It refers to Mr. Chrétien under the headline 'Who's in charge?', with a question mark, for sure. I recommend that article to people who are interested because it asks who is in charge of the Liberal

Party of Canada. I might point out that there is no answer.

Referring to the GST during the leadership campaign, Mr. Chrétien said that cancelling it presented a danger unless there were alternatives available. That is what he said during the leadership race. But in addition to that he said, and I quote— Well, this is from the *Ottawa Citizen*, it will be up to him to confirm or deny this, but the article quotes Mr. Chrétien as having said:

[*English*]

"There is no great tradition in Canada for the Senate to block fiscal measures".

[*Translation*]

Apparently that is what he said.

Later, it seems he changed his mind when he stated:

[*English*]

"I have my own personal opinions but I am not alone in the Liberal Party".

[*Translation*]

A great demonstration of leadership!

Later still he said he would let the Senate act as it saw fit. But later again when the Senate announced it would kill the GST he is reported as having said:

[*English*]

"They will not do anything that I don't want them to do".

[*Translation*]

Mr. Speaker, I want to conclude quickly by quoting the member for the Ottawa region who is in the House, the hon. member for Ottawa South, Jim Manley, the junior finance critic who said:

[*English*]

—says he supports the Senate's efforts but he is worried that in the battle for public opinion kazoo blowing might very well cost the Liberals support. I personally find the antics of obstructionism offensive and I don't believe that most Canadians want that to be the way their public policy is decided".

[*Translation*]

Apparently, Mr. Speaker, that is what he said.

So I want to ask the hon. member for Hamilton East what was her position during the leadership race, whether or not she agrees with the position of her new leader, Mr. Chrétien, or whether she has maintained the position she had at the time?

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the hon. member knows Mr. Charbonneau, the Speaker of the other place, who decided last week that rules no longer existed.

[*English*]

Mr. Speaker, if he can stand there and defend the position of his colleagues in the Senate who are willing to throw out the rule book, he and his colleagues in the House of Commons are aiding and abetting the demise of democracy. You can talk about any democratic movement around the world but one of the primary tenets of democracy is to respect the rules of the House and the Senate. If you do not like the rules of the House and the Senate, then you move to change them. In 1986 there was one political party that moved a unanimous motion for an elected Senate and that was the Liberal Party.

• (1720)

This is a hypocritical government, Mr. Speaker. The Prime Minister stands in his place and beats his breast about the Senate, but he was very quick in appointing his friends there. And who is there now as the president of the Senate? One of the key people who behind the scenes orchestrated Joe Clark's overthrow. You know the story, I know the story. It is as clear as the book written by L. Ian MacDonald, the Prime Minister's official biographer.

Clearly, Mr. Speaker, I respect the rule book. I am prepared to change the rule book so we can have an elected Senate. But I wish those phoneys on the government side of the House would be willing to stand up and support the Liberal call dated in 1986 for an elected Senate.

Mr. Charest: Point of order, Mr. Speaker. I would like the record to show very clearly that the MP for Hamilton East refused to answer the questions I put to her.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I will try my luck once more with the Hon. Member for Hamilton East and see whether she could reply. Because she dared mention my riding, I will tell her something about it. If its name has been changed it is because we listened to the people. And it is the people who decided that their riding should be called Laval. After 25 years, it was time to grow up and so we did. Although Laval was established 25 years ago, the former name still prevailed. Nobody had thought of that. Today, my constituents find themselves in the Laval East riding instead of this other name which cannot even be found in the dictionary.

Also, the Hon. Member and her colleagues referred to a recession. There is a saying that a recession always begins in the car industry. Mr. Speaker, I visited the various car dealers in my riding. To my surprise, these car dealers responded so well that their statements covered two pages in the October 12 issue of this weekend's *Journal de Montréal*, the newspaper with the highest circulation in the province of Quebec. To make a long story short, it stated: "The car industry does not yet feel the pinch of the recession". Wait, for I have something even better for my hon. friend, following which I will ask her a question. Sylvie Dagenais, one of the very best car saleswoman in Laval stated and I quoted: "Business has never been so good. A recession? Never heard of it", said Sylvie Dagenais, President of Vimont Lexus Toyota. "I have never sold so many luxury cars. I am short of models just now. A Japanese sedan costing over $65,000, that's fantastic!" Richard Johnson. Mrs. Dagenais, who is in charge of 5 dealerships, stated that she has never felt the effects of recession. "We are doing just fine. It is a question of attitude. We have build everything on customer service satisfaction—"

The Acting Speaker (Mr. DeBlois): Order, please! I must regretfully interrupt the Hon. Member, for there is only one minute left for the Hon. Member for Hamilton East to respond.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I assume that he does not believe either the National Bank, or the Desjardins Movement, or the Minister of Industry, Science and Technology who acknowledged, here in this House last week, that we were in a recession. But if he does not believe either the minister, or the Desjardins Movement, or the National Bank, will he at least acknowledge what the officials of the Department of Industry, Science and Technology have been saying, that Montreal East now has the highest unemployment rate in Canada? And if that member representing one constituency from the Montreal area thinks that everything is fine, I would advise him to go back home and listen to the residents of Montreal East where the unemployment rate is over 20 per cent, Mr. Speaker. These 20 per cent unemployed workers do not trust a member who is not prepared to fight for the unemployed of his area. It is a disgrace! He should leave that job to someone who cares!

The Acting Speaker (Mr. DeBlois): The question and comment period is over. Resuming debate. The hon. Parliamentary Secretary to the Minister of Finance.

Mr. Pierre H. Vincent (Parliamentary Secretary to the Minister of Finance): Mr. Speaker, I am pleased to rise today to speak the opposition motion. This will give me the opportunity to review the events since 1984. I am convinced that we will hear some yelling and screaming from the opposition side. But, since 1984, we are used to their yelling and screaming.

The record of the Progressive Conservative Party as a government since 1984 is a success story. And I remember when—

Some hon. members: Oh, oh.

Mr. Vincent: You see, they start yelling, Mr. Speaker, I warned you. I remember that, in November 1984, the Minister of Finance had tabled his plan for an economic renewal that the government wanted to initiate. I remember the budget of May 1985, the one of February 1986, the ones of February 1987, of 1988, 1989 and 1990. On these seven occasions, the opposition members, both Liberals and New Democrats—I can print out in the Hansard—had forecasted two things: the loss of jobs and a recession. Every time on seven occasions during six years, they said the same thing. They just rehashed what they had said the previous year. In six years, we have had an exemplary economic situation in Canada: 1.6 million jobs created. In six years! We are first in terms of job creation among industrialized countries, and second, after Japan, in terms of economic growth! These are, Mr. Speaker, the results of the Minister of Finance's eco-

nomic statement of November 1984 and his budgets. These are the results.

Mr. Speaker, you know, as I do, the Quebec motto. It is: "I remember". And in 1981–1982, I did remember—I had a lawyer's office—that interest rates were at 22 per cent. The member for Hamilton East was then a member of Parliament, not a business woman. She did not have to pay 22 per cent. Like most of my colleagues from the province of Quebec, I had to pay an interest rate of 22 per cent because the then liberal government had the indecency, the gall to let inflation flare up to 13 per cent. Not 6 or 7 per cent but 13 per cent. That is what I call a recession! And that was also due to a lack of economic and fiscal policy.

Mr. Pronovost: MacEachen!

Mr. Vincent: I will not deal in detail with the MacEachen budget that my colleague from Saint-Maurice is talking about, a budget which brought about some 90 changes after its introduction. Let's not go into that! Because if talk about MacEachen, I have to talk about the Senate. And if I talk about the Senate, Mr. Speaker, I must read the following as reported in today's *La Presse*: The present attitude of liberal senators is most unfortunate according to *Le Conseil du patronat du Québec* which invites the population to protest in order to get the liberal senators to stop their foolishness and get serious.

Mr. Peter Milliken (Kingston and the Islands): On a point of order, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): The hon. member for Kingston and the Islands on a point of order.

Mr. Milliken: Mr. Speaker, the motion under consideration this afternoon deals with a recession created and planned by this government. The hon. member is talking about the Senate. There is nothing in this motion about the Senate. I would ask that hon. member confine himself to the motion under consideration and not discuss the Senate. Mr. Speaker, we must also—

• (1730)

The Acting Speaker (Mr. DeBlois): I regret to interrupt the member for Kingston and the Islands, who is quite experienced and knows the rules, but what he just said is a matter of opinion.

Therefore, I prefer to let other address this question.

Some hon. members: Hear, hear.

The Acting Speaker (Mr. DeBlois): The Parliamentary Secretary to the Minister of Finance.

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I thank you for your remarks, but I would like to go a little further. To begin with, Mr. Speaker, as I told you at the beginning of my speech, when the truth is spoken, members opposite aren't pleased. But, on the other hand, the present economic conditions are partly due to the non-elected liberal senators who have the nerve—I repeat, the nerve—to hold back bills duly adopted by this House, by members of Parliament elected on November 21, 1988.

Yes, Mr. Speaker, the Senate issue has something to do with today's motion.

Some hon. members: Oh, oh!

Mr. Vincent: I told you, Mr. Speaker, that there would be some whining from the other side!

An hon. member: Respect democracy!

An hon. member: They're whining!

Mr. Vincent: Mr. Speaker, I find that amusing, but I will nevertheless continue to tell you what the president, Mr. Ghislain Dufour, said in his press release: "Mr. Ghislain Dufour believes the show given by the Liberal senators to be of questionable quality, in that they show no respect for the legitimacy of Parliament and for the democratic principles which form the basis of our parliamentary regime".

That, Mr. Speaker, is the opinion of the people of Trois-Rivières whom I met this weekend. These people told me that the Liberal senators, not too bright to start with, had all gone mad.

Just this afternoon, Mr. Speaker, senator Hébert, whose brother is in favour of the GST, quarrelled with an elected member of Parliament and insulted him—

Mr. Saint-Julien: Hébert the Liberal buffoon.

Mr. Vincent: Mr. Speaker, indeed, the Senate issue has to do with the motion presented today.

To get back to what I was saying, Mr. Speaker, in 1984, the Minister of Finance said we would have vigorous economic growth followed by a slowdown. He said that in 1984. Do you know why he said that in 1984? Because

Mr. Wilson is the first competent Minister of Finance this country has had in a long time.

Some hon. members: Hear, hear.

Mr. Saint-Julien: To clean up the Liberal legacy!

Mr. Vincent: As the hon. member for Abitibi said: To try and clean up the Liberal legacy—

Mr. Saint-Julien: It's true!

Mr. Vincent: —and the accompanying abuse, Mr. Speaker! There were companies that didn't pay income tax. There were loopholes. There were scientific research tax credits which cost this country billions of dollars, Mr. Speaker. And this with the knowledge of the Minister of Finance at the time, Marc Lalonde, who admitted as much in an article in *L'Actualité*. They really let things go. However, Mr. Speaker, as of September 1984, this loophole was closed. Even before the economic statement, even before our first Budget, we said: That's it!

Mr. Saint-Julien: It was highway robbery. It was the Liberal robbery of the century!

Mr. Vincent: Yes, Mr. Speaker. However, Mr. Speaker, we had 1 per cent real growth this year.

From 1984 to 1989, we had an annual growth rate of 4.5 per cent, more than all the world's industrialized nations. As far as employment is concerned, we were better off than every other nation in the world except Japan. What the opposition doesn't say is that from 1984 to 1989, private income increased 16 per cent, after inflation and after taxes. This means that even with inflation and tax increases, and we admit to those, we do—Canadians judged us on our record in 1988—even after tax increases and inflation, private income increased 16 per cent in five years.

Some hon. members: Hear, hear.

Mr. Vincent: They don't bring that up very often, Mr. Speaker.

Mr. Della Noce: We should send them a memo to remind them!

Mr. Vincent: Mr. Speaker, in the same period, the demand for business and services in this country increased faster than production. This means that more Canadians were seeking more goods and services than Canadian companies could manufacture and sell. It is all part of the law of supply and demand, and in this case there was more demand than supply.

What happens, Mr. Speaker, when demand is greater than supply? It leads to what we call inflation. We experienced that in 1981–1982.

There are two ways to resolve the inflation problem. We could let it be and then all of a sudden, wake up to raise the interest rate to 22 per cent. That is what I call the Liberal way.

Mr. Saint-Julien: It's true. That is what they did.

Mr. Vincent: It hurts everybody, it causes bankruptcies, and it creates a recesssion as the dictionnary would have it.

There is another way, Mr. Speaker. When the inflation rate, which should normally be at 3.5 per cent reaches 6 per cent, we must raise interest rates so that the demand for goods and services decreases as regards to supply. That is the right way to do it. And that is the way we did it.

Just to give you an idea, Mr. Speaker, labour costs in 1989 were 6.6 per cent higher in Canada than in most industrialized countries. Consumer mortgage borrowings have increased by 17.1 per cent in 1990 over 1989.

An hon. member: Where is that?

Mr. Vincent: That is what happens, Mr. Speaker, when too many people want goods and services. To answer the hon. member's question, even though he has no right to speak— I let them speak, but I will show more courtesy than they did, I will answer their questions right away. Inflation, Mr. Speaker, is rampant from Newfoundland to British Columbia. And inflation has increased in every province of this country. Now, I hope you will have the courtesy to let me continue.

Mr. Speaker, a too rapid drop in interest rates would rekindle the inflationist outburst that we have experienced and that we are begining to overcome, fairly well I might add. Hence the importance of pursuing the monetary, economic and fiscal policy set out by the Minister of Finance. Thus the importance, Mr. Speaker, of trying our best to make them understand. I know it is difficult. I have been trying for six years to put certain principles, certain figures into their minds to make sure they are

able, at last, to explain to their constituents the economic problems of the country.

Mr. Speaker, obviously everybody would like to see interest rates coming down. But I think if we want a normal interest rate in this country, we need a normal rate of inflation. A normal rate of inflation means that Canadians should not ask for more goods and services than the country can produce. This means that everybody should cooperate. Therefore, I urge the opposition today to get aboard the train of economic realism for the country's sake and to tell their constituents and their provinces: "Please, cut your spending". The only government which, since 1984, did not increase its spending is the Canadian government.

Mr. Della Noce: The Conservative government.

Mr. Vincent: Our operating expenditures, Mr. Speaker, have not increased since 1984. How many industries, provinces or individuals have not increased their spending since 1984? Not very many, Mr. Speaker. At the same time, we managed to move 800,000 people above the poverty line. We created 1,600,000 jobs. Those were the results of the 1984 economic statement of the Hon. Minister of Finance, which we continue to implement. Canadians, whether provinces, companies, individuals or the opposition, must realize that.

Allow me, Mr. Speaker, to tell what happened in my riding over the weekend. I met one of my constituents who had come to Ottawa the week before. She was walking on the sidewalk and she fell down. She was looking at the Parliament building when she fell. Somebody helped her get back on her feet. She turned around and saw it was Mr. Chrétien. She recognized him and said to him: "Mr. Chrétien, what can I do to thank you for helping me get back on my feet?" And Jean Chrétien answered: "Well, madam, you can vote for me in the next election." She said: "Listen, I may have fallen on my buns, but not on my head, Mr. Chrétien!"

Mr. Speaker, since 1984, this government reduced the deficit by 10 billion dollars. Our federal expenditures, Mr. Speaker, were growing at a rate lower, annually, than the inflation rate, even with the growth in all the statutory programs.

• (1740)

We have been doing since 1984 what no Minister of Finance did in twenty years of Liberal government. Not one of them! Old leader, new leader, they all increased expenditures, but they never actually managed the country. What we have now is a realistic monetary and tax strategy which is good for Canada. You know what is wrong with it? It is blocked by a bunch of non-elected senators who think they own the Senate. They do not, Mr. Speaker. They are non-elected members and I challenge all the Liberal senators to come and run in our ridings—I will be kind, in the Quebec ridings only—against Conservative members of Parliament with their policies for a platform. Imagine, their own leader went to New Brunswick to run. But since he is in the middle of an electoral campaign, I will spare him. We were gracious. We have no candidate running against him to make sure he will be elected.

Mr. Speaker, it is inadmissible that people who are not elected attempt to implement a program which was defeated in the 1988 elections by the people who wanted to get elected. The Minister of Finance pointed out again today that the Liberals were taking a stand against the GST in their 1988 electoral platform. The Liberals were not elected. Why? Because the Canadians wanted free trade because it is excellent for Canada, because they wanted a real leader, because they wanted a real Finance Minister and because they wanted tax reform. There is a piece of legislation presently blocked in the Senate which provides for all large Canadian companies to pay their fair share of tax. The non-elected Liberal senators don't even have the decency to pass that bill. And then we are told the Conservative Party is the one that represents large corporations! No, Mr. Speaker, it is not the Conservative Party but Liberal senators, the Liberal Party with MacEachen who is associated with the Bank of Montreal, and so on. Such is the situation in our country.

We must be realistic. My message to those senators, the one Canadians and the people from the riding of Trois-Rivières asks me to deliver, is to sit down, to talk sense, to state their position calmly to the population and then to respect—

The Acting Speaker (Mr. DeBlois): The hon. member for Parkdale—High Park on a point of order.

[*English*]

Mr. Flis: Mr. Speaker, I rise on a point of order. I draw the hon. member's attention to Standing Order 11(2). Attention has been drawn to this before. It states:

> The Speaker—after having called the attention of the House, or of the Committee, to the conduct of a Member who persists in irrelevance—

I am standing on a point of order of irrelevance and repetition. The motion clearly states:

> That this House condemn the Government for planning and implementing the first ever made-in-Canada recession.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. I am sorry— The hon. member for Sherbrooke on a point of order.

[*English*]

Mr. Charest: Mr. Speaker, I rise on the same point of order. After listening to my colleague from Parkdale—High Park, I just wanted to bring to your attention the fact that other members of the House were here, including himself, when the member for Hamilton East in her speech brought up the point about the Senate and Senate opposition. I just wanted to bring to your attention that I do not remember the member for Parkdale—High Park getting up at that time.

Some hon. members: Hear, hear.

Mr. Flis: Point of order.

The Acting Speaker (Mr. DeBlois): On the same point of order?

Mr. Flis: Yes, Mr. Speaker, in reply to the hon. member, if he was on his toes he should have raised irrelevancy at that point. I was in committee and not in the House. I could not have raised it at that point. Unfortunately, the hon. member fell asleep.

[*Translation*]

The Acting Speaker (Mr. DeBlois): So, I want to put an end to this, because we might get bogged down in a debate. I repeat this is a matter of opinion. Only 30 seconds left to the hon. Parliamentary Secretary to the Minister of Finance.

Mr. Charest: Point of order!

The Acting Speaker (Mr. DeBlois): The hon. member for Sherbrooke on a point of order.

Hon. Jean J. Charest (Sherbrooke): Mr. Speaker, I am sorry too, because I do not want to extend the debate unnecessarily.

[*English*]

The member just alluded to the fact that I was in the House, but asleep. That is totally false. I was here very much awake and awake enough to know that the hon. member for Parkdale—High Park was here. I resent that allusion, Mr. Speaker. I want the record to be corrected.

[*Translation*]

Mr. Vincent: Mr. Speaker, I will conclude the same way I started, by saying how glad I am to see we awakened them a bit this afternoon. I told you, Mr. Speaker, at the beginning of my speech, that they would not like what I was about to say, because the truth always hurts. What I did, Mr. Speaker, is review the events since 1984 with an emphasis on all the stupid things the Liberal senators did. Mr. Speaker, I thank you.

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, the hon. member said that the truth hurts, but considering the kind of things he has been mentioning, he doesn't seem to have much to say.

When they make speeches in the House, they make jokes about anything, including the Senate. When will this House realize that Quebecers will no longer be fooled? It just won't work any longer!

Some hon. members: Oh, oh!

Mrs. Maheu: You are Quebecers, but let me—Mr. Speaker, I want to finish!

An hon. member: That was a big mistake!

The Acting Speaker (Mr. DeBlois): I would ask hon. members to show some understanding and co-operation.

The Hon. Member for Saint-Laurent—Cartierville has the floor.

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Obviously, those 15 per cent still seem to bother you quite a bit, and that's the truth, Mr. Speaker.

When they bear down hard on the Senate—all Quebec members do that because they know the Senate isn't

particularly popular in Quebec. So why didn't this government abolish the Senate if it hates it so much?

Some hon. members: Oh, oh!

Mrs. Maheu: I think they should come out and admit, once and for all, that all these government members are trying to do is to distract us from the main issue, which is the GST. The issue is not the Senate. You are just using the Senate to fool the public. They are using the Senate as a crutch, and meanwhile—

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): My father used to say, don't spit in the wind!

Some hon. members: Oh, oh!

Mrs. Maheu: Mr. Speaker, on a point of order.

The Acting Speaker (Mr. DeBlois): The hon. member wishes to raise a point of order?

Mrs. Maheu: Yes, Mr. Speaker. May I ask why I was not allowed to finish?

The Acting Speaker (Mr. DeBlois): Several members have asked to speak. However, if you wish, you may finish your comments or question, but please be brief.

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): I should like the hon. member for Kamouraska—Rivière-du-Loup to tell us—

Some hon. members: Oh, oh!

Mrs. Maheu: Is that not you on the other side. I am looking for the name of your riding.

Mr. Vincent: Trois-Rivières.

Mrs. Maheu: Trois-Rivières, good.

How many jobs have been lost in the Greater Montreal region in the past year and a half? Nobody talks about that. Now about job creation, can we talk about the quality of job creation and begin telling the truth to the people of Canada?

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I might repeat what I said about spitting in the wind. That is what my father used to tell me.

First, Mr. Speaker, concerning the abolition of the Senate, I will try to give my colleague from Saint-Laurent—Cartierville a two-minute law course.

• (1750)

First of all, to abolish the Senate, Mr. Speaker, Quebec would have to be part of the Canadian Constitution. In 1981, thanks to the Liberal Government, Quebec was excluded. In 1990, thanks to the Liberal Leader who, during the Convention, embrassed Clyde Wells, the Liberal Premier of Newfoundland, Quebec was again excluded. Under the circumstances, they should not talk to me about the need to abolish the Senate, for it is because of the Liberals if the Senate has not been abolished, because the Prime Minister of Canada had offered it.

Mr. Speaker, they just cannot accept that. The Prime Minister of Canada offered it, but the Provincial Liberals in Newfoundland, and later the Federal Liberals did everything they could to torpedo the Meech Lake Accord and hurt Quebec. That is my reply to your question about the abolition of the Senate. Carry on this way, you are doing fine, it is a brilliant performance!

To reply to the other question raised by my friend the Hon. Member for Saint-Laurent—Cartierville concerning job creation, I will say that between 1981 and 1984, nearly 100 000 jobs were created every year, including 75 per cent which were temporary. And you know what "temporary" really means: you are hired for three months to paint fences. You are hired for six months to cut grass, even in Winter. Such was the type of jobs created between 1980 and 1984.

Between 1984 and 1990, 1.6 million jobs were created, 80 per cent of which were high quality permanent jobs. And I challenge the Hon. Member for Saint-Laurent—Cartierville to come and see for herself! First of all, if she did not know that I represent the Trois-Rivières riding, now she does. I challenge her here and now to come and visit Trois-Rivières to see that we have indeed lost jobs, but that we have created a great many new ones, so that the net balance is positive.

An hon. member: Canadair is in her riding.

Mr. Vincent: Such, Mr. Speaker, is the economic reality.

The Acting Speaker (Mr. DeBlois): Before I recognize the Hon. Member for Prince-Albert, I will allow the Hon. Member for Saint-Maurice to comment briefly.

Mr. Denis Pronovost (Saint-Maurice): Mr. Speaker, I listened very carefully to the hon. member for Trois-Rivières, and I tried, on the basis of what he said and what was said by the hon. member opposite, the hon. member for Hamilton East, who said that the Parliament of Canada had to reject the GST because 85 per cent of Canadians were against the tax— that is her reasoning, her way of seeing things. I would like to know whether the hon. member for Trois-Rivières agrees, because if we were to ask Canadian citizens tomorrow morning whether they are for income tax or if we polled Canadians on this issue, they would say no. If we asked Canadians: Are you in favour of provincial sales tax in Quebec, what would they answer? If we asked Canadians: are you in favour of a tax on gas, what would they say? The Liberals put a tax on gas, and they introduced quite a few tax increases.

Canadians didn't agree, but the Liberals had to run the country. They didn't do it the way they should have done, but they did it just the same. If you ask people who smoke whether they agree with the tax on cigarettes, of course people don't agree. So I would like to ask the hon. member for Trois-Rivières how else one can run a country with an annual budget of $147 billion? How can one do that if one listens to the rhetoric of the hon. member for Hamilton East? Do we abolish all taxes and income taxes and leave Canadians without the wherewithal to govern themselves?

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, an excellent question as usual, from the hon. member for Saint-Maurice.

Mr. Speaker, I am sure you will agree that not a single member in this House, including yourself, with respect, likes income tax and taxes. There is not a single person here who likes taxes, and no one in this country does. However, although we do not like taxes and income tax, we like the services provided by the federal government, which the government, headed by the Conservatives, wants to keep giving to those who are in need in this country. That is why, Mr. Speaker, it is important to have the GST in order to create jobs and put Canada back at the same level internationally as all other countries. As for the hon. member for Hamilton East who said that since 85 per cent of Canadians were against the GST, we had to be against it as well, then, according to her logic, should we abolish beds just because 85 per cent of the population dies in bed?

The Acting Speaker (Mr. DeBlois): There is one minute left for questions and comments. The hon. member for Prince-Albert—Churchill River will have 30 seconds and the hon. member for Trois-Rivières 30 seconds to answer.

[*English*]

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, it is hardly surprising that 85 per cent of Canadians do not believe this government and would not vote for it if there was an election when the member says that Canadians should reduce their expenditures when they are losing their farms, their homes and their businesses.

I would like to ask the member these questions: Does he agree with his Minister of Finance that in fact there is no recession in this country? If he agrees with his Minister of Finance, at what point does he think a recession would be starting, how long does this have to keep on going, and if there is a recession, what kind of policy changes would he like to see?

[*Translation*]

The Acting Speaker (Mr. DeBlois): The hon. member for Trois-Rivières, very briefly.

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, no, there is no recession. Yes, there is an economic slow down. When is there a recession? When there are stupid policies like those we had in 1981, then, there is a recession. It is only in those circumstances that we have a recession.

The Acting Speaker (Mr. DeBlois): Questions and comments are now over. The hon. member for Ottawa South has the floor.

[*English*]

Mr. John Manley (Ottawa South): Mr. Speaker, I am pleased to be able to participate in this debate.

I must say I have listened to many speeches in this Chamber over the last year and a half or almost two years. Had I been able to be recognized on question and comment with respect to the previous speech, I think it is the first one on which I could truthfully say that it was so

partisan, so bombastic and so vacant of meaning that it would not have been worthy of comment.

An hon. member: The Pope has spoken.

Mr. Manley: I can see the hon. members opposite agree with me.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please! I will again ask for the cooperation of all the members of the House so that I can hear, and above all that the public can hear the remarks of the hon. member for Ottawa South.

[*English*]

Mr. Manley: Thank you, Mr. Speaker. I know that you are eager to hear what I have to say, if not the members opposite.

I have two real concerns that I would like to express about the situation that we are in today in Canada.

One relates specifically to the resolution that is before us. We are in a period of very significant economic difficulty in Canada. We have a very high rate of unemployment. Many jobs are being lost. Over 1.1 million Canadians are out of work. Even in my area of Ottawa, which is often thought of as being fairly impervious to recession, one of the local workers for the regional municipality social welfare agency told me that his level of case work since last year has gone up with a constant number of workers in his office. It has gone from 90 cases in August 1989 to 130 cases in August 1990. There has been a very significant increase in people seeking the assistance of the social agencies even in the national capital, a fairly affluent area. Consequently, job loss is a very real concern.

The other concern that I have is I think best expressed by the cover story that ran in *Maclean's* magazine about two weeks ago. It said: "How Much Can Canada Take?" I think that is a good question for us to ask ourselves at the present time; how much can Canada take?

As we watch the implementation of the goods and services tax being debated down the hall from us and as it involves Canadians from everywhere in this contentious issue day after day, I see an erosion of our willingness as a people to voluntarily comply with government measures, particularly government taxation measures. I believe that the real battle over the GST for the government opposite is not what it went through in the House of Commons. It is not what is occurring down the hall in the Senate. The real battle for the compliance with the GST is going to be at the level of whether or not Canadians actually do pay the money they are asking them to pay, if and when this tax is ever implemented.

• (1800)

I have been very vocal and very clear in the reasons for my opposition to the GST. Our system of taxation does require voluntary compliance and, in failing to consult and to consider the views and concerns of the Canadian people in implementing this tax, this government runs a risk of undermining the integrity of our entire system of taxation by provoking in our people a tax revolt such as we have never seen in Canada in the past.

We have to look at the credibility of the minister as part of the problem that underlies the government's situation at the present time. He stood here earlier today and talked about how based on democratic principles he believed that he was entitled to have this tax passed, and I think he relied in saying that on the results of the 1988 election. I find myself listening to that. It is a compelling argument. It is an important argument that a government that is elected has the right to do what it put forward to the people, what it has a mandate to do. It has a mandate to govern, but I fear the minister has pushed his point too far.

There surely have to be some limits on what a democratically elected government can do. We know there are some now under the Canadian Charter of Rights and Freedoms. The charter itself imposes a limit on what governments can do. I am not saying that the charter limits the implementation of this tax, but I am saying that there are limits on the right of a government to pass laws in Canada. That is fundamental. We can surely all agree on that.

Are there other limits? Are there limits imposed either by other law or by convention, or by limitations that are imposed by the very nature of a democratic society? That is the question that I have been struggling with myself. It is the answer to that question which either justifies or fails to justify the action that the Senate of

Canada is taking in opposing this government's measures.

I believe that the minister is wrong in saying, essentially as he has said, that by winning the 1988 election he has a four or five year dictatorship, the right to do anything he wants in Canada. I do not agree with that.

I think that there are clear limitations. The government's job is to persuade the people of Canada that the policies they are pursuing are right. Now you cannot always persuade everybody that what you are doing is right. Maybe you cannot even always persuade a majority of the people that what you are doing is right, but where you have, as in this case, a vastly overwhelming majority of the people opposed to a measure that you are proposing, you at least have to stand back and say: "My gosh, have we got it wrong? Have we got it wrong?" I think they have, and I think that the Senate has support from the people of Canada in defending them, the people, against these measures proposed by the Minister of Finance.

The government has got it wrong. It has crossed that line over which governments in a consensual society must not go. They must always remember that they are put there by the people. They are answerable to the people. Their obligation is to bring the people with them on an issue. The senators are the only ones in this whole government system we have here on Parliament Hill who are actually responsive to the people at this point in time.

What about the minister's credibility? He talked about how his mandate flowed from the 1988 election. Right in the middle of the election campaign the chairman of the Standing Committee on Finance, the member for Mississauga South, put his foot in it as he sometimes does, but he always speaks his mind. He speaks honestly, openly and frankly, something that we would love to have from the Minister of Finance, just that kind of attitude.

He said that if this GST were implemented it would raise about $10 billion more than the government was predicting. The Minister of Finance chopped his head off so fast that it rolled all the way from Mississauga to Lake Ontario.

We now know that the hon. member for Mississauga South was right. He was right. The minister did not want to tell Canadians what this tax was going to cost them. In the campaign, sales tax was there as part of the program, phase two of tax reform. There is no question about that. But he was proposing a national sales tax that would be at once visible, fair, and revenue neutral.

That he has a mandate to do this from the people is in question for a good reason. If the people believe that any time they go to the polls they are electing just a dictatorship and a tin-pot dictator, what is the use of having elections? What is the use? If governments are not going to be responsible and answerable to the people who elect them, what is the use of having elections?

Did he bring forward a GST that met the measure of the test that he put himself in the election campaign?

Some hon. members: No.

Mr. Manley: No, he did not.

Is it revenue neutral?

Some hon. members: No.

Mr. Manley: No. It is going to reduce the deficit. He said that today. How can it be revenue neutral and also help the government's fiscal situation. I do not understand that one.

Is it visible?

Some hon. members: No.

Mr. Manley: No. He has changed it so that only if the retailers are really able to comply with that, will they be visible, but they can find other ways. All they are going to have to do is post a notice stating: "By the way, did you know you paid the GST?" The consumer will not necessarily know how much he or she has paid.

Is it fair?

Some hon. members: No.

Mr. Manley: No. My colleagues agree with me. It is not fair. Is it fair that northerners in the farthest reaches of Canada, in Peace River for example, have to pay the GST on transportation costs that are included in the cost of the goods they buy in those remote territories?

Some hon. members: No.

Mr. Manley: The MST is a terrible tax. We all agree with that, but at least we can say this for the MST. If goods are produced in Toronto, the person who buys it in Toronto pays the same amount of MST as the person

who buys those same goods in northern Canada. With the goods and services tax, that will not be true.

Is it fair that the credits for low income Canadians are not indexed to inflation?

Some hon. members: No.

Mr. Manley: No. Is it fair that for families who earn more than $30,000 a year in Canada—not a lot of money at all—that it is regressive for those people, and the minister accepts this? That is not fair.

Have we got a fair tax? No. A visible tax? No. A revenue neutral tax? No.

Did the Minister of Finance ever get up and explain to the Canadian people during the course of the last election campaign, in an open, frank and honest way, what he intended to do with his phase two of tax reform?

Some hon. members: No.

Mr. Manley: No. Has he got a mandate from the people of Canada to shove this down their throats?

Some hon. members: No.

Mr. Manley: No. And thank goodness the Senate of Canada is reminding him that we have under our Constitution a bicameral system and that he has to consult with the Senate.

What was the government's mandate? Mr. Speaker, you will remember its mandate. It used it in 1984 and again in 1988: jobs, jobs, jobs. That was its mandate.

What we face in Canada right now is not only 8.4 per cent unemployment and not only the fact that the Conference Board has indicated a potential of a 9 per cent unemployment rate by early next year, but that we have over 1.1 million Canadians out of work.

I support the policy of jobs, jobs, jobs. When a government is elected, its first fundamental priority should be to address the need of its people to work. If there is a trade off, and some of the economists can debate this, between inflation and unemployment, we should go for jobs every time. The tragedy of the high interest rate and high dollar policy this minister has followed is that it will only work if it creates unemployment. It is working because it is creating unemployment.

• (1810)

The government is looking for suggestions. I would like to give it some suggestions. I suggest that it bring in a new budget. I think it is clear that the numbers presented in the February budget were inadequate. The minister himself has admitted that, not in the House. He chose to address the Canadian Chamber of Commerce to say that. He did not tell the House that he was wrong. I say the numbers are wrong and we need a new budget.

A key part of that new budget should be the announcement that pending further discussion and consideration, the goods and services tax will not be implemented. If this was a bad tax before, this is a terrible tax at a time when the country is sliding into a recession. It is a terrible tax at a time when consumer confidence is very low, businesses are closing and people are out of work. To add that 7 per cent burden at that point in time is totally and absolutely wrong. This is the time to stand back and say that we need to look at this again. Is this the time to implement a new consumer tax in Canada?

We also need to look at the process of tax reform and the burden distributed between corporations, the cost of doing business, and consumers in Canada. The consumers have been paying their income tax. The real consequence of this shift from the manufacturers' sales tax to a new value added tax is that about $5 billion to $6 billion in existing tax paid at the corporate level as part of the cost of doing business is being shifted downstream to individual Canadian consumers. That is a very large tax increase to put on the backs of Canadian consumers at the point in time when 1.1 million are unemployed, their confidence is down, retail sales are down, housing starts are down, car sales are down, every indicator you can think of is down. What a time to do that. That should be the government's program.

What about its longer term program? It takes a great deal of pride in the things it cuts. I think it is time it start to think about where it needs to invest.

The real problem we face in this country from the point of view of employment is pretty well set out in the recent report of the Economic Council of Canada. It talks about the changing job pattern in Canada. What we face in Canada—and it has nothing to do with parties—is reality. We face the deindustrialization of Canada. We see that Canada is increasingly unable to hold those

lower paying or even some of the higher paying manufacturing jobs.

If we are to succeed in the future, we have to pursue policies which promote science and technology and scientific research and development. We need to invest in education, in forward-looking jobs that add value and creativity in Canada. We can no longer expect to survive on our base of industry that is old. We can no longer expect to prosper in the world based solely on the sale of our natural resources. I think that the government should bring forward a twofold economic strategy; one addressing the fact that they are creating a recession in this country and have done so by creating very high unemployment, and at the same time to bring forward a plan for building a new class of high paying, useful jobs that will move us forward into the future as a nation that is committed to the welfare of its people and a clean environment.

Hon. Jean J. Charest (Sherbrooke): Mr. Speaker, I was interested in the remarks of the member for Ottawa South since he was quoted in *The Ottawa Citizen* of October 13. I thought his comments were fairly reasonable. I will get to them later.

I must admit that I am very disappointed in his speech. During questions and comments he may want to make some comments about that because I know he is one of the members of the Liberal Party of Canada who is promised, apparently according to people in his own party, a good future, a brilliant future. I think I even heard somebody say that he may be a leadership candidate. That could be a compliment in certain circles, except that in the Liberal Party of Canada at least half of the caucus consider themselves to be leadership material.

I would have expected a speech that was a little more consistent in the area of democracy. I do not think that the speech by the member for Ottawa South will be remembered as one of the most brilliant moments of his career in so far as describing what democracy is about. Now is the time when all members of this House who are concerned in any way at all with the basic precepts and principles of democracy must denounce with all their energy what is going on in the Senate of Canada today. To speak of dictatorship at this time, Mr. Speaker, you would have to speak of the dictatorship of unelected federal Liberals who refuse on a money matter to accede to the democratically elected will of the House of Commons of Canada. That is revolting, it is unacceptable. The member for Ottawa South should take the first opportunity to get up in his place and denounce that as being unacceptable.

I have a simple question for the member for Ottawa South. What is the position of the leader of the Liberal Party of Canada concerning this. I will tell you why I am asking this question, Mr. Speaker. Because we do not know.

What we know is from the same article in *The Ottawa Citizen* of October 13, 1990, entitled, "Who is in charge?". I will not cite the article verbatim, but it states, "The leader of the Liberal Party, Mr. Chrétien, today said during the Liberal leadership race that it would be irresponsible to axe the GST if we did not have an alternative". I have yet to hear today from the Liberals what that alternative would be.

But then later on he seemed to change his mind. He said, "I have my own personal opinions but I am not alone in the Liberal Party of Canada". I have news for him. He is really not alone in the Liberal Party of Canada.

He then went on to say that he did not know what the Senate was going to do. Then he said, "Well, they will not do anything that I don't want them to do", and today we still do not know where the leader of the Liberal Party stands on this.

I want to finish by citing the member for Ottawa South who said that he supports the Senate's efforts. That is what he said, and it is consistent with his speech today, but he is worried that in the battle for public opinion kazoo blowing might very well cost the Liberals support.

It seems the applause has stopped on the other side.

He went on to say, "I personally find the antics of obstructionism offensive and I don't believe that most Canadians want that to be the way their public policy is decided". He is obviously talking about the way the federal Liberals are behaving. Could he tell us today whether he still stands by that quote in *The Ottawa Citizen* of October 13?

Mr. Manley: Mr. Speaker, I hope you will give me adequate time to respond to a very long statement by the former minister. I am a little disappointed in him as well. I have high regard for him, perhaps as a potential future leader of his party. I thought by and large he had comported himself in his very significant responsibilities quite well. I do not think that this is necessarily the best

time to be extremely partisan. I did not mean my comments in an extremely partisan way.

• (1820)

I do not think that what I said today is inconsistent in any way with what I was quoted as saying in the paper—which is an accurate quote. Any thoughtful Canadian would probably feel the same way.

I have regard for the situation that we are in. I think the remarks that he refers to Mr. Chrétien making should be regarded in the same way as well. This is an unusual situation where the Senate is opposing a government bill. That is clear. I do not think that is a surprise or mystery to anybody. It is a very significant departure from practice in Canada that that is happening. Very significant.

The question really is, is the Senate justified in the circumstances to do what it is doing? That is really what I was trying to address, not in a partisan way but really in a philosophical way as someone who is very concerned about the situation we have in Canada—the status of our institutions, the respect that our people have for the institutions and what is happening.

I am sure I do not need to remind my friend of this quote by a Greek philosopher who said 2,000 years ago: "If we are to have freedom, our politicians must do what we want them to do". I acknowledged in my speech the difficulty of establishing that in a pluralistic society, but in this case they have succeeded in persuading only about 15 per cent of the people that what they want to do is right.

Can it be right that a government which was not elected on a mandate of putting in this particular tax, as I think I demonstrated in my speech, as opposed to a government that was elected because of a campaign that was very much focused on another issue and was voted for by about 43 per cent of the population of the country, really claim that they have the legitimate authority to override the will of 85 per cent of the population with a measure?

An hon. member: Absolutely not.

Mr. Manley: I think there is a limit.

An hon. member: That is right. And you reached it.

Mr. Manley: And you have crossed it.

An hon. member: They surpassed it.

Mr. Manley: They crossed it and what they are doing, Mr. Speaker, is wrong.

Now if we have a system where we have a House of Commons and a Senate in this country, which we do, then it is necessary for the leadership in the House of Commons to take into account the views of the Senate.

In six years, what has this government done to significantly reform the Senate? Nothing. Nothing.

Some hon. members: No, no.

An hon. member: They did, they added some 20-odd senators.

Mr. Manley: Even what they proposed in the context of Meech Lake—

An hon. member: They never got it through.

Mr. Manley: —did not reform in one way the powers of the Senate, so I presume since the government advocated those reforms of giving the provinces the right to appoint the senators, that it must have thought that the powers the Senate has under the Constitution were adequate.

An hon. member: Yes. Absolutely.

Mr. Manley: The only reform that they have brought about with respect to the Senate is to increase it by eight members.

I might add in conclusion, Mr. Speaker, that at the very least, this government has the obligation to ask the Supreme Court of Canada whether it had the authority to add eight senators to the Senate. If not, then it should not be proceeding in the way it is and it should be taking into account the views of the Senate as the Constitution of Canada requires.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I will allow very briefly, because we only have one minute left, 30 seconds of questions to the hon. member for Prince Albert—Churchill and 30 seconds for a reply from the hon. member for Ottawa South.

[*English*]

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I admired the somewhat unsuccessful attempt by the previous speaker to be non-partisan, in contrast to his colleague for Hamilton East who suggested that the

New Democratic Party had not campaigned vigorously enough against free trade and that is why we had a majority Conservative government.

I would like to remind the members of the Liberal Party that there are 12 more New Democrats in this House than there ever have been before. We more than held our traditional turf and the fact that the Liberal Party was unable to do so is the reason we have a majority government.

Nevertheless I would like to ask the hon. member a simple question. If the Liberal Party has been so absolutely and so consistently opposed to the goods and services tax in both Houses, why did not the senators kill the GST on May 3, 1990 at second reading, when they had the opportunity to vote against it in principle.

Mr. Manley: I think the Senate has proceeded with this legislation in the most responsible way, by considering the views of Canadians before deciding what it should do with it. I am sure the New Democratic Party has no objection to the fact that the Senate committee on banking and finance travelled from coast to coast in this country and heard the views of the Canadian people. And having heard the views of Canadians, they were able to assume the authority which, unfortunately, was thrust upon them by the government, through its irresponsible actions in forcing this down the throats of Canadians.

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, I welcome the opportunity to speak on this motion now before the House.

Taken at face value, this motion appears to be about the government's economic policies and the supposed results of those policies.

What this motion really represents is the opposition's vested political interest in exploiting the gloomiest side of any and every economic issue. That is why the opposition is so desperate to have a recession declared before the full evidence is available. That is why it is so eager to turn the possibility of a mild recession into something far, far worse.

If the members opposite were weather forecasters, they would tell Canadians that if it's cloudy today, it means showers turning to steady rain, and then to torrential downpours, hurricanes, cataclysmic floods, and a huge upsurge in the ark division of the shipbuilding industry. In fact, I can see rain clouds over the hon. members' heads on the opposite side. A little common sense perspective is really what is needed here today, not the opportunistic rantings we have heard about the economy from the opposition.

The fact is that the Minister of Finance made clear in the budget in February that the economy was in for a difficult year after several years of strong economic growth at a rate beyond the capacity of our economy to sustain. As the minister acknowledged in the budget, the possibility of negative real growth for at least one-quarter was very real as the economy and inflationary pressure that had built up were cooled down.

The opposition knows full well that this is the same basic pattern of economic readjustment that has followed every other time in which our economy has exceeded its growth capacity for an extended period. What the opposition does not seem to understand is that by acting firmly today, sooner rather than later, the government is ensuring that we avoid a deep and protracted recession. Have the members opposite already forgotten the devastating experience of the 1981–82 recession? The government has not forgotten its responsibility to see that that does not happen again.

I would like to point out to members opposite that if we had a recession in Canada in 1981–82, we had a depression in Alberta. The National Energy Program, in combination with the economic policies of the Liberal regime at that time, resulted in 45,000 to 60,000 people losing their jobs. People had to forfeit their homes when land prices dropped. Their mortgages were $10,000, $15,000 and $20,000 higher than the value of their houses. At that time, the Liberal government literally pillaged $20 billion a year for five years during the time one of the worst recessions that we have seen in this century. That is why the Liberals ran fourth in my riding. We have not forgotten that. If anyone knows what a recession is, it is the members opposite. It is a veritable depression which was created by them in the province of Alberta.

• (1830)

The motion before the House serves one useful purpose. It provides an opportunity for me to talk about the policies that the government has been planning and implementing since it came to office in 1984.

Our policies have dramatically expanded the economy's potential to grow and create wealth over the last six years. This is the result of consistent, comprehensive action by the government to bring the national deficit under control and to free the private sector from structural barriers and burdens that impeded its efficiency and ability to compete.

The opposition talks about the need to preserve and create jobs. To do this, of course, we must be competitive. One of the prerequisites to ensuring our competitiveness is a stable, healthy, economic environment that encourages productive business investment. That is why the overriding agenda of the government since 1984 has been to create a more favourable economic climate for business by taking action in areas where we have a direct impact on the economy and where we can achieve the greatest long-term benefits.

The first of these areas has been to take action to reduce the deficit. Fiscal soundness is key to our competitiveness because it will free up domestic savings needed to finance the deficit. These savings then can be channelled into more productive investments, creating a more efficient and vibrant economy. That is what it is all about.

We have made significant progress in this regard. We have cut waste and inefficiency in operations of government. The size of the Public Service has been reduced by 12,000 person-years to the level it was in 1973. I hasten to add that our population in Canada has grown 20 per cent in this time. Government is responding to greater problems, greater challenges, and we have done it very, very well. The number of Crown corporation employees has been reduced by 75,000 people, partly through privatization, and partly through greater efficiency. Today the cost of operating the government is virtually the same as it was six years ago.

We have been successful in forcing the federal government to live within its means on the operating side. When we first came to office the federal government was spending $16 billion more than it was taking in. Last year we had a $10 billion surplus—

Some hon. members: Oh, oh.

Mr. Thorkelson: —on the program spending side and we expect a $14 billion operating surplus this year.

Mr. Merrithew: They don't know what a surplus is.

Mr. Thorkelson: No, they don't. They have never had one—deficit financing for years and years and years, average increases of 14 per cent for them for about 20 years.

Our control over growth of the national debt takes longer to apply. In 1984 we inherited a $200 billion debt. It was accelerating at a rate of $22 billion a year. Now it is over $300 billion, but I should remind hon. members opposite that 80 per cent of that is compound interest on compound interest on the Liberal debt. In effect, it is a Liberal debt that we are saddled with and which we must take care of.

By 1994-1995, our financial requirements will be in surplus. That means that within five years the government will be able to start buying back its bonds and treasury bills. The country will be on a clear path to reducing its debt substantially.

Consider how far we have come compared with other major industrialized countries. In 1984 Canada's deficit on a national accounts basis was 50 per cent higher than the average of the G-7 leading industrial countries. Now it is down to seven-tenths of a percentage point above the G-7 average. On the expenditure side, our performance in reducing program expenditures is better than that of both the U.S. and Mrs. Thatcher's United Kingdom.

I would like to point out that in his speech the member for Ottawa South was talking about investments.

He laughs now when we talk about reducing program expenditures, but he said he wants to add to the deficit. He wants to invest in the economy. Where is this money going to come from? We would have to borrow. He would borrow and borrow. He would create the debt which slips away from us. We would spend more and more on interest payments every year. It is the biggest component of government expenditures to date: $41 billion. He wants to add to that, rather than having a good program of controlling expenditures and putting money in the right places at the right time.

Our objective is to get the deficit down in order to reduce interest payments on a debt to an ever-dwindling fraction of the total budget. Achieving this will provide more savings for productive investment and will create wealth and jobs for Canadians. In short, it will make the economy more competitive, and that is what our pro-

gram is all about, making our economy more competitive.

Along with our work to control government spending, we have moved to strengthen the ability of the private sector to compete and create a bigger economic pie for all Canadians.

When the members opposite were in government, all they talked about was redistributing wealth. We want to create wealth, growth, productivity, and greater numbers of jobs.

We began six years ago by transforming a chilly investment barrier into a positive screening and review mechanism. Investment Canada is now fostering a friendly, receptive, and helpful investment plan.

We have also moved to strengthen and improve the climate for free enterprise through new business framework legislation that safeguards fair competition. The new Competition Act is providing long overdue stability to the competitive environment. Similarly, amendments to the Patent Act have strengthened intellectual property rights. What have these three measures done? They have brought new jobs and new investment all across the country. We have seen a tremendous amount of investment in Alberta because of these measures.

In the riding that I represent—a university riding—because of the Patent Act, we have seen new investments in pharmaceutical research and other things. It has been very good for our economy.

We have been overhauling and reforming Canada's regulatory framework. Wherever possible, we are eliminating unnecessary restrictions, and we are discouraging new regulations that are not essential. Every day, the opposition calls for new regulations to damper down the economic forces in our economy. These are wrong measures. Perhaps most dramatic has been the deregulation of the energy and transportation sectors permitting a more market oriented and market driven approach.

Less than three weeks ago, we tabled in the House our policy and proposals for updating financial sector regulation to ensure that Canada continues to have a healthy, competitive financial sector. In doing so, we are building on one of the most sound and reliable financial systems in the world. We have a strong deposit taking system. We have a large capital market, and we have world-scale life insurance companies. We possess the ability to finance our capital requirements in a very effective and efficient way.

Another way in which we are reducing the government's role in the economy is by selling government owned Crown corporations to private interests. Since 1984, we have privatized more than 20 Crown corporations. This has been of tremendous benefit to the economy.

We will continue to privatize Crown corporations and sell investments where government ownership is no longer needed to meet public policy objectives. Exactly two weeks ago, we introduced Bill C-84 which outlines our proposal to privatize Petro-Canada.

At the same time, we have promoted economic growth through a variety of means that encourage business. We have taken steps to stimulate greater private sector research and development. Next to Australia, Canada provides for the most favourable tax treatment for R and D expenditures in the industrial world.

To be competitive in today's information intensive economy requires a skilled and flexible workforce. That is why we have put forward our proposed labour force development strategy. This strategy, which now has been before the Senate for almost a full year, places strong new emphasis on worker retraining and upgrading of skills. The strategy provides for increased federal funding for labour force upgrading, and it seeks ways to encourage the private sector to double its training effort.

• (1840)

I would like to point out that as a member of Parliament, I meet with constituents every week. Many constituents come to me as a last resort looking for a job. What these people want is an opportunity to contribute to society. Many of them would benefit very much from a skill training-program. But this has been denied to them by the Liberal senators who are holding up this legislation.

What I believe is so fundamental to this is that there are people in the workforce who, through no fault of their own, experience discrimination. These include older women and people who have not had an opportunity to complete their schooling. Because of the way the economy is structured, they badly need this retraining. This is one of the most fundamental measures that we

should be passing as there is a desperate need in the country for retraining.

I regret informing the people who come to visit me and seek my help that there is not enough money in the jobs retraining program because it is held up by the Senate. I have been to graduation ceremonies from some of these job retraining programs. Virtually 90 per cent of the people who have taken some of these job retraining programs have jobs. They go into the workforce where the private sector has co-operated, and the private sector business people and others are so impressed with what they have been able to contribute that they hire them immediately. This very important program is being denied to them by the Liberal senators.

Another central plank in our policy to create economic growth has been the Canada-U.S. Free Trade Agreement. Because Canada depends on trade for 30 per cent of our gross domestic product, it was vital that we secure access to our largest and most important trading partner. Gaining broad, secure access to the large American market means additional sales and more jobs.

We can see this in my province of Alberta where we have had a tremendous amount of investment in the petrochemical industry. Last week, for example, the President of Finland was in Alberta, in the county of Strathcona, to place a corner-stone for a new petrochemical plant that will employ hundreds of people. These are the high quality, high value-added jobs that the member for Ottawa South was talking about. The reason they came to Alberta was because of the free trade agreement and our access to markets in the U.S.

In Gibbons, Alberta, there is another petrochemical plant which is under construction right now. We had 17 per cent tariffs on petrochemicals and those are gone, or they are diminishing so quickly that we are experiencing a tremendous amount of growth in the petrochemical sector. These are high paying and highly skilled jobs taking our raw resources and adding value to them. The member for Ottawa South was complaining that we are selling these resources at low prices to the world but we are adding value to them and creating a tremendous benefit for the economy and exporting these products to the U.S. and world markets. These are world-scale facilities.

The free trade agreement has allowed greater economies of scale and specialization. That will mean increased growth, not a made-in-Canada recession, as opposition is talking about.

We have a healthy growing economy and with that we can not have a tax system that distorts economic decisions and penalizes economic efficiency. I would like to tell members opposite that their motion is partisan, wrong and will be defeated.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please! I regret to interrupt the hon. member but since it being 6.45 p.m., it is my duty pursuant to Standing Order 81(14) to interrupt the proceedings and put forthwith all questions necessary to dispose of the supply proceedings.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five Members having risen:

The Acting Speaker (Mr. DeBlois): Call in the Members.

• (1910)

The House divided on the motion (Mr. Young (Acadie—Bathurst)), which was negatived on the following division:

(*Division No. 305*)

YEAS

Members

Arseneault	Assad
Bélair	Bellemare
Benjamin	Berger
Blaikie	Blondin
Brewin	Caccia
Campbell (South West Nova)	Catterall
Clancy	Copps
de Jong	Dingwall
Dionne	Ferguson
Flis	Fontana
Foster	Funk
Gardiner	Gauthier
Gray (Windsor West)	Guarnieri
Harb	Harvey (Edmonton East)

Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacLellan
Manley
McGuire
Milliken
Mitchell
Nault
Pagtakhan
Simmons
Stewart
Tobin
Whittaker
Young (Beaches—Woodbine)—63

Howdebo
Kaplan
Keyes
Kindy
Langdon (Essex—Windsor)
MacLaren
Maheu
Marleau
Mifflin
Mills
Murphy
Ouellet
Prud'homme
Speller
Stupich
Waddell
Young (Acadie—Bathurst)

NAYS

Members

Anderson
Atkinson
Beatty
Bernier
Bird
Blackburn (Jonquière)
Bouchard (Roberval)
Boyer
Browes
Campbell (Vancouver Centre)
Chadwick
Charest
Clifford
Collins
Cooper
Corbett
Couture
Danis
de Cotret
Desjardins
Dobbie
Dorin
Epp
Feltham

Andre
Attewell
Belsher
Bertrand
Bjornson
Bosley
Bourgault
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Clark (Brandon—Souris)
Cole
Cook
Corbeil
Côté
Crosbie (St. John's West)
Darling
Della Noce
Dick
Domm
Edwards
Fee
Ferland

Fontaine
Friesen
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
Jacques
Johnson
Kempling
Langlois
Layton
Littlechild
MacDougall (Timiskaming)
Malone
Mazankowski
McKnight
Mitges
Moore
Oberle
Porter
Redway
Reimer
Richardson
Roy-Arcelin
Schneider
Shields
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Van de Walle
Vien
Weiner
Wilbee
Winegard

Fretz
Gibeau
Hawkes
Hockin
Holtmann
Horning
Hughes
James
Joncas
Koury
Larrivée
Lewis
Loiselle
MacKay
Masse
McDermid
Merrithew
Monteith
Nicholson
O'Kurley
Pronovost
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Stevenson
Tétreault
Thorkelson
Valcourt
Venne
Vincent
White
Wilson (Etobicoke Centre)
Worthy—122

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

It being 7.14 p.m., the House stands adjourned until 11 a.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 7.14 p.m.