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Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

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The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[English]

PEARSON INTERNATIONAL AIRPORT AGREEMENTS ACT

The House resumed from May 3 consideration of the motion that Bill C-22, an act respecting certain agreements concerning the redevelopment and operation of terminals 1 and 2 at Lester B. Pearson International Airport be read the second time and referred to a committee; and of the amendment.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry): Mr. Speaker, this morning I would like to begin by giving a short preamble to our viewers who are watching and wondering why we are working on this amendment. I think it is appropriate to read from *Hansard* the opposition amendment.

The Bloc amendment effectively states that this House should decline to give second reading to Bill C-22, an act respecting certain agreements concerning the redevelopment and operation of terminals 1 and 2 at Lester B. Pearson International Airport, because the principle of the bill is flawed due to the fact that it contains no provisions aimed at making the work done by lobbyists more transparent.

I will go right to clauses 9 and 10 of Bill C-22. Under the heading "No Compensation", clause 9 states:

No one is entitled to any compensation from Her Majesty in connection with the coming into force of this act.

(1005)

Clause 10(2)(a) and (b) states:

No amount is payable under an agreement entered into under this section in relation to

- (a) any loss of profit, or
- (b) any fee paid for the purpose of lobbying a public office holder, within the meaning of subsection 2(1) of the Lobbyists Registration Act.

I do not think it could have been stated any more clearly that any activity related to the lobbying on the Pearson airport contract will not have any remuneration at all.

The Bloc motion also calls for an inquiry which is a delay tactic. It is not going to put this file to rest and will not allow us to deal with the real problems at the airport in Toronto.

First, Canadians clearly know that we in the government, we in the Liberal Party did not support the Pearson development contract. It was cancelled immediately. However because we cancelled that contract, it does not mean we are opposed to redeveloping and reworking the Pearson International Airport.

Going back over the last 10 years, we were dealing with a Conservative government that had this ideological thrust to dismantle everything around here. It offloaded to the provinces; it offloaded to the private sector. The last 10 years was like fire sale city. This was that government's last attempt to have a fire sale of the most profitable organization in the Government of Canada, the Pearson International Airport.

Much of the good work the management of Pearson airport accomplished over the years was tainted by this whole exercise. We want to put this file to rest now so that we can come back at it from square one. Does that mean we are going to go out and do the same deal over again with a different set of lobbyists? No.

In fact there are Bloc members over there who have suggested from time to time that there were Liberal lobbyists involved in this transaction. That is a fact.

It is a well known fact that all the lobby firms in Ottawa do not have just Conservative lobbyists. They have Conservatives, Liberals and NDP. In fact they even have a couple of lobbyists who work on the Reform Party, but I do not know about the Bloc.

An hon. member: No lobbyists for the Reform Party.

Mr. Mills (Broadview—Greenwood): No lobbyists for the Reform Party. Okay.

The Deputy Speaker: As the hon. parliamentary secretary knows very well, we were supposed to avoid these kinds of across the floor sword waving. If the member would please put his remarks to the Chair, it will avoid getting blood on the rug, so to speak.

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Mr. Mills (Broadview—Greenwood): Mr. Speaker, my humble apologies. It must be Friday morning. I think the House is getting to me this week, but I will be going home to my constituency soon.

(1010)

The problem in the Toronto area is that we have about 600,000 people out of work. It is serious because Toronto has never before been on its economic knees the way it has been in the last two years.

I am speaking on behalf of all members from Toronto at this moment. We talk among ourselves and we rack our brains on how we can get our city going again. Toronto has always been generous to every region in Canada and is happy to do it.

Do not think for a second that a lot of us were not tempted to move ahead with this project because it created a lot of jobs. We knew however that the contract the Conservatives had was not in the best interests of all of Canada. A lot of the money that was made at the Pearson International Airport, unlike other airports in Canada, was used to subsidize the smaller regions of Canada where the little local airports could not stand on their own two feet.

It is very important when we look at Toronto that we do not compare it to the local airport authority in Vancouver. This is a national airport. The profits and the cash flow from this airport service the country.

There was a lot of temptation for us to say: "Wow, this is about a job creation project for 2,000 people", but in the interests of Canada we said no. The Prime Minister, the caucus and the cabinet said we are not striking this deal.

What do we have to do now? We have to revitalize that airport. It invites tourists here, trade shows, people that want to invest not just in Toronto but in every region of our country and we must revitalize it. We have to get it going, but we have to get it going in the interests not just of a handful of developers, and not just in the interests of a few lobbyists.

By the way, I have a lot of friends who are in the lobby business. Yes, I do. I can tell you there have been many times when we have had tough debates on this, but I have always been consistent. I believe in a strong national government.

We have to put this piece of legislation to bed. We have to finish it off. Then we can put people who look at the macro picture of Canada in place to start revitalizing this airport.

I appeal to all members. If you want a good discussion on lobbyists then stand by and wait for the lobbyists registration act. It is going to be coming before this House in the not too distant future. It will be in committee and we can have a good solid constructive debate.

Do not think for a second that we on this side of the House do not share a lot of your views on the way the lobby industry went up by 10,000 per cent in the last 10 years. Many of us who were MPs in the last government felt that the lobbyists around this town had more influence and more power than even the cabinet. If you think for a second that all of a sudden we are going to look the other way, we are going to have a very transparent constructive piece of lobbyists registration legislation.

Everyone knows I have always been emphatic about the fact that tourism is one of the greatest job creators in this country. Linked to tourism is the fact that our transportation instruments must be healthy and must represent the type of community and country we have. Nowhere is Pearson more important than in the tourism industry. Therefore I am asking members from all regions to put this bill through the next phases quickly so we can get on with the business of revitalizing the Toronto market.

(1015)

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, it gives me real pleasure today to speak to the issue of Bill C-22 on behalf of the Reform Party of Canada. I am pleased because it is always a pleasure to expose the facts about a bad deal, but also because it gives me an opportunity to show how the Reform Party presents a better option for Canadian voters than the old line parties, the Liberals and Conservatives.

I want to describe something for my attentive audience in the Chamber today and those across the nation who are listening in. I want to tell my audience about one aspect of how a political party is organized and the major problems that this sometimes engenders.

The old line parties, the Liberals and the Conservatives, are nearly as old as Canada itself. Even before 1867 they were loose political alliances based on culture and other associations. When we look at the ideology of the two main parties they believe much the same things.

Both parties believe in the great concepts of democracy, the rule of law, the parliamentary system and the general viability of the free enterprise system. Both parties, at least until a few months ago, were national parties. Both have elected English and French Canadian Prime Ministers. In fact there are so many likenesses that a person not acquainted with this country might ask what makes them different.

There is one telling difference. I would describe a political party as a circle of friends committed to a common political purpose. People who are not friends will not be able to work together to achieve this purpose and a group of friends not committed to the political purpose will of course accomplish almost nothing. Both elements must exist in order for an effective political party to exist; a group of friends and a common political purpose.

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When we consider this definition the difference between the Liberals and Conservatives becomes crystal clear. They are simply different circles of friends. The Conservative Party is just such a circle of people bound together by common association, bearing allegiance to one another within the party because of generations of common involvement and association. I say generations because this is the case of the old line parties. The Conservatives have been around for over a century. Today's young Conservative might say: "My father was a Conservative, and my grandfather. I am going to vote Conservative".

Imagine how deep party roots go; old friendships, old acquaintances, old loyalties, old trusts and yes, old favours and old debts. The bad goes with the good. Where there are common political commitments there are inevitable favours that go back a long time, and how are these favours repaid? Sometimes they are paid by patronage, sometimes by prestige, sometimes by simple influence and sometimes by money.

When I began my talk today I noted that a political party must have two elements, a circle of friends and a common political purpose. Over generations of political life the purpose begins to waver. Because the political direction seems secure people lose sight of the great political purpose for which they were bound together in the first place and the circle of friends becomes ever more important.

In time unfortunately the circle of friends can completely overshadow the political purpose and the friendships take over. The public interest becomes lost somewhere between the shuffle of favour after favour and the public interest begins to suffer.

This is how political corruption develops. This is exactly how the Conservative Party of Canada has corrupted itself in this Pearson airport deal; a tight circle of friends, bound together no longer by common political purpose but by using their political associations to benefit financially from the public purse.

This is why I believe Canada needs the Reform Party. Canada needs a new circle of friends, people who feel a deeper friendship for the people of Canada and their interests than with each other; a circle of reform minded friends who are joined in a passionate, idealistic political purpose, Canadians for whom that common political purposes stands far above any of these associations for personal gain.

After developing the background in this way, let us now turn to the bill before us. The media did a fine job of exposing the corruption inherent in the Pearson airport contract, the Conservative circle of friends who were benefiting very handsomely from their political friendships in the dying days of the Tory administration.

The Liberals did a fine thing, the right thing, when they promised during the election campaign to stop the deal on behalf of all Canadians. It is not unethical to scrap a contract that was corrupt in the very first place.

The Reform Party of Canada does not oppose the broad outlines of this bill. We agree with its general concept and we agree especially on section 9 of the bill which reads: "No one is entitled to any compensation from Her Majesty in connection with the coming into force of this act".

(1020)

If the contract was a corruption on the bidding process in the first place so the parameters of the tender were written to suit just one bid then the entire process is rightly null and void. No compensation should be owed by the crown to these people.

Unfortunately while the Liberals were making a political promise during the election there was a fly in the ointment.

Amid the good things that are being done, toward the end of Bill C-22 in clause 10 there is a statement which causes us to stop short: "If the minister considers it appropriate to do so, the minister may, with the approval of the Governor in Council, enter into agreements on behalf of Her Majesty to provide for the payment of such amounts as the Minister considers appropriate".

The intention of the act is to right a wrong. It is to stop corruption. It is to reverse a deal which benefited a circle of friends in an unethical way. The government declared rightly when it said that it owed no compensation to anyone.

Why then does the act contain a clause which allows the minister to make any payment he chooses, only needing the approval of cabinet which makes its decisions behind closed doors?

After trumpeting self-righteously about the evils of the deal, the minister now gives himself and the cabinet the authority to make a secret deal with the old Conservatives instead of being up front with the people of Canada. Why would that be? Instead of Conservative friends, it could be that there are Liberal friends who took part in this deal whom the minister has not forgotten.

After publicly exposing and denouncing the corruption inherent in the Conservative deal are the Liberals now having the same thing to do with their Liberal circle of friends?

I would note for the public record, and not particularly with glee but with sadness, that there are also many Liberals involved in the contract. Claridge Properties is a company heavily involved. It is controlled by a prominent Liberal Party supporter and fundraiser. There is a Liberal senator involved, a Liberal organizer and a lobbyist. And of course Liberal veteran Bob Nixon was coincidentally named to investigate all the factors in this organization.

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Where there is smoke there is fire and the smokescreen that surrounds this thing is starting to get thicker and thicker. Might there be a possibility that there are prominent Liberals and others we do not even know about who are directly or indirectly involved in this and will be entitled to some compensation?

In order to keep the public interest on centre stage and to take the political favours off the scene altogether the minister should not be making these decisions about compensation. The decisions should be made in public on a non-partisan basis by the Standing Committee on Transport in which all members of all political parties can have a say and invite witnesses to come before it.

Some hon. members: Hear, hear.

Mr. Strahl: This is where everything related to the deal will be made public. If real economic losses have been suffered by innocent parties the committee will make a joint decision in front of the television cameras, in front of the Canadian people to show that no political influence peddling has been involved.

The Reform Party does not believe that it is cost effective to go to the length of having a royal commission on this. We do not think that is necessary. However, we would prefer to see the issue discussed openly before the standing committee with a good number of guest speakers and all willing witnesses coming forward to give their perspectives on the issues.

This royal commission, despite all of the other Pearson flaws, would be like using a hammer to kill a fly and would undoubtedly become a prime example of yet more millions spent uselessly. Therefore, it is becoming more and more obvious that the old line parties are no longer focusing. They need to focus on the public interest rather than on the political interest or the line of friendship that I talked about earlier.

Even when they try to address political corruption they are no longer able to act without making sure that their friends are being taken care of, or at least that impression may be given. Section 9 is claiming no compensation is owed but it is already mitigated and contradicted by section 10 which says that the minister, if he feels so inclined, may give any compensation he feels fit to give.

This whole issue highlights the crying need for change in Canada's political system. It is time for a new political association to wipe the old ones off the map for a while, to erase the old blackboard covered thick with old IOUs. It is time to start with a clean political slate. I would suggest it is time to start with the Reform Party of Canada.

(1025)

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve): Thank you, Mr. Speaker. I would also like to acknowledge all those taking part in this debate. I understand that we do not all share the same views. I would also like to remind those listening to us that it was two weeks ago that the Official Opposition undertook to shed some light on the now unfortunate tale of Pearson Airport.

The more we debate this issue, the more this sad tale reminds us of how the traditional political parties equate politics with favouritism and lobbying. Indeed, lobbying, favouritism and politics are often viewed as one and the same thing. That is why the Official Opposition, being the responsible group that it is, wanted to shed some light on this transaction. Surely you have never doubted that we are a responsible party because we have never acted other than responsibly since being elected to sit as the Official Opposition.

Mr. Speaker, could you ask the hon. members to applaud my comments?

Some hon. members: Hear, hear.

Mr. Ménard: We must not, however, lose sight of the fact that this is a serious issue. Since my hon. colleague is speaking about facts, it would be a good idea to remind him that as we speak, the Liberal government has yet to make the details of this deal public. Yet, we are discussing a transaction that has major financial implications. Our listeners should know that we are conducting this debate without the actual contract in hand, without knowing in detail the contractual obligations which bound the former government to the consortium in question.

Perhaps it would be a good idea to review some of the events leading up to this transaction. They clearly show that in our political system, until such time as we have lobbying legislation with teeth, it will always be possible for a government to indulge in favouritism.

The following question arises then. How is it that this government, when in opposition, stressed many times the need to review the lobbying legislation and even made this issue a priority? And how is it that six months after coming to power, it still has made no attempt to conduct such a review? We are critical of the government for its failure to act on this matter.

While we may agree with its decision to cancel the Conservative deal, we can only wonder why it did not see things through to their logical conclusion. Since the two parties are in agreement, something that does not happen often during the life of a Parliament, why will the government not attack the root of the problem by urgently introducing legislation here in the House to deal with the explosive issue of lobbying? Both the Reform Party and the Official Opposition would be ready to move on this matter immediately and would make themselves available.

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There would have been no question of an agenda or of a timetable. We would have devoted all of our energies and efforts to studying this legislation as quickly as possible.

It so happens that, like the Conservatives, the Liberals have their political friends. Therefore, they are duty bound to support them. When you have a national party like the Liberal Party and you are looking for financial backup like they do, it is understandable that you be bound by the election fund that allows you to be in politics.

Of course, we, in Quebec, have freed ourselves from such a thing. This is part of René Levesque's legacy, this great political figure Félix Leclerc said was part of a much too short list of liberators of the people. The main thing we have inherited from the Levesque era was this piece of legislation he gave the National Assembly, one of the very first ones introduced in the Parti Québécois government's mandate. Those were the days, the early days of the Parti Québécois government, days that will come back though!

(1030)

You are aware of the political situation. I will not elaborate on the subject, but some optimism is permitted on this side of the House. The reason we are in this predicament is because we do not have legislation "that has teeth" respecting lobbyists.

So, in March 1992, the government called for tenders—also known as bids in government language—for the privatization of Terminals 1 and 2 at Pearson Airport.

If you were the least bit concerned by the issue, you were already wondering: Why privatize Pearson Airport? In terms of public facilities, can you think of something more common, more public than an airport? Why privatize Pearson Airport then, if for one thing, it was the main airport in Canada and, for another, it was profitable? This was an airport that actually showed profits on its books, an airport that did not carry losses. Already, people were wondering: why privatize a piece of our national heritage which is crucial to the Ontario economy, as we know, when it showed profits?

You will tell me this is typical of the silly way of thinking of a Conservative government in bed with—and almost incestuously so—the private sector. That is what the ideological motivation was.

In the end, in June 1992, two bids were received. Strangely enough, the public tendering process on such a major public stake had produced only two bids, both bidders already having ties with the airport administration. And, let us not forget the time limit potential suppliers were given to submit tenders; the entire process lasted but 90 days. That was the first technical irregularity. Every member who knows anything about administrative law knows, for instance, that the labour standards com-

mittee gives 90 days to initiate whatever collective agreement grievance, even for matters much less binding. That is the minimum time allotted in the notice of dispute.

Yet, it was decided to apply this minimum time limit to something as major as a multimillion privatization process. So, that was the first irregularity, and observers did not fail to point it out. That is the crux of the controversy and this is where we really get the feeling of doing our job as the opposition, by raising these facts.

Who were these bidders? Who are they? Paxport is a consortium controlled by Don Matthews group. Don Matthews was president of Brian Mulroney's leadership campaign in 1983. My apologies to Joe Clark for saying this, but Don Matthews was president of Brian Mulroney's leadership campaign. This man is part of the Conservative Party machinery. He is so much a part of it that he was the mastermind behind four or five national fund-raising campaigns. And you know that Tory national fund-raising campaigns generally involve several zeros and that most of the money comes from private enterprise.

So the first bidder is directly linked to this great Tory family, now a kind of nuclear family, we agree, but once a little more extended than it is now.

An hon. member: Almost a single-parent family.

Mr. Ménard: Almost a single-parent family, I am told, Mr. Speaker.

The second bidder, Claridge Properties Inc., is a company owned by Charles Bronfman, who is not exactly the most destitute of Canadians or the closest to the Optimist Club or the Salvation Army. He is, however, quite close to the Liberal Prime Minister. And we saw during the campaign the tenuous cocktail-circuit links connecting Charles Bronfman to this Liberal family he is still a part of.

(1035)

The two bidders are going to merge and, whether Tory or Liberal, it all amounts to the same thing. Our two bidders are going to merge into T1 T2 Limited Partnership, which will be the new company responsible for privatizing Terminals 1 and 2. It reeks of scandal, patronage, nepotism. That is why the Official Opposition thinks we must shed light on this issue. And to do it as expeditiously as the government wants—a government that has still not made public the legal text of this privatization deal—we say a commission of enquiry is needed to deal with this blot on, this breach of democracy.

This case reminds us that the federal administration will be faced with this kind of situation until we have, as demanded by the Official Opposition and the Reform Party, a lobbyists law with teeth. The government must resolve the issue.

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Mr. Osvaldo Nunez (Bourassa): Mr. Speaker, I too would like to take part in the discussion on the cancellation of the contract to privatize terminals 1 and 2 at Lester B. Pearson International Airport in Toronto, a very profitable airport. The former Conservative government concluded these agreements only two and a half weeks before the election of October 25, 1993. They would have turned over to private sector interests for a 60-year period the development and operation of terminals 1 and 2 at the largest airport in Canada.

In the last election campaign, the Liberals promised to cancel this outrageous contract that by all appearances was a case of patronage and end-of-mandate political manipulation. Clearly, this questionable transaction is contrary to the public interest and the Conservative government's only purpose was to enrich its fund-raisers.

Some provisions of Bill C-22 are contradictory and controversial; for example, clause 9, which says that in principle the government will not have to compensate the parties concerned. However, further on, the bill gives the Minister of Transport full discretion to conclude agreements on payment of money, to pay these same parties the amount he deems appropriate under this law. I think that no compensation should be paid in this case. This latter provision is disturbing. It leaves the way open for lobbyists involved with the Liberal Party and the Conservative Party to obtain the compensation they want.

Furthermore, I very strongly support the proposal of the member for Lac-Saint-Jean, the Leader of the Official Opposition, to create a royal commission of inquiry to get to the bottom of one of the biggest scandals I have seen in Canadian public life and politics since coming to this country in 1974.

Obviously, there was no openness in this affair.

(1040)

Even the investigator appointed by Mr. Chrétien, Mr. Nixon, says that: "The public should have the right to know the full details of the agreement". Besides examining this questionable transaction, this commission should also deal with the administration of all federal airports in Canada.

This transaction that the Conservative Party wanted to put through was condemned at the time by the labour movement, especially by my old union, the National Automobile, Aerospace and Agricultural Implement Workers Union of Canada (CAW), by the Canadian Union of Public Employees (CUPE) and by the International Association of Machinists and Aerospace Workers. These unions also represent the employees of Pearson Airport.

Consequently, I want to pay tribute to the union movement for its clear and firm position against the privatization of that airport, and in particular to CAW president, my former colleague Basil "Buzz" Hargrove, as well as to Cheryl Kryzaniwsky, president of local 2213 of the same union, which represents 8,000 workers from that industry. I spent the last two days in Banff, close to your riding. I met with over 100 delegates from this local chapter representing airline industry employees. These people passed excellent resolutions to face the current crisis in this industry.

These unions opposed policies to privatize and regulate their sector of operation at any cost. For example, they opposed the privatization of Air Canada. Indeed, as a consequence of these policies, several Canadian and Quebec companies have gone bankrupt, thousands of jobs have been lost, and big American carriers are now exerting greater control over those companies which are still in operation.

I want to take this opportunity to draw your attention to the fact that TAP-Air Portugal will stop flying to Canada, that is to Montreal and Toronto, after doing so for 25 years. I was informed of that decision in the last couple of days by the CAW union, which represents employees of that company in Canada, and also by the Portuguese community, which is one of the largest ethnic communities in Canada with close to 500,000 members who reside mostly in Ontario and Quebec. Its leaders have formed a coalition and unanimously oppose that decision.

I therefore ask the Canadian government to make representations to the Portuguese government and to the management of TAP-Air Portugal, to have that decision reversed, because it could have a very negative impact for the travel industry between the two countries, and it will result in the loss of numerous jobs.

At Pearson Airport alone, 56,000 workers depend on direct and indirect airport activities. The annual total payroll for these workers is \$1.9 billion, an amount which greatly contributes to the economy of the Greater Toronto Area, including the \$630 million in taxes paid to the three levels of government. This gives an idea of the impact of that industry on Canada's economy.

In conclusion, Mr. Speaker, I submit that any agreement of any nature must have, as one of its primary objectives, the protection of the rights and interests of workers.

[English]

Mr. Grant Hill (MacLeod): Mr. Speaker, I want to review some of the red book promises this morning.

The red book promised more integrity in government, it promised frugality, it promised to reduce perks and modify the MP pension plan, and change some of the Order in Council appointments. It talked about transparency in appointments. Appointments would be made to highly qualified people only. It talked about cleaning up patronage.

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(1045)

The third issue was changing the way committees worked. There would be more consultation, earlier consultation and more power to make changes in the committee structure.

I thought I would review how I think the government is doing on these issues. Polls say that the Prime Minister's popularity is excellent. Politicians have risen in public estimation. They are no longer lower than a rattlesnake's belly in some people's estimation. I hope that is true. I would have to say then that the mark for more integrity in government is quite acceptable on these issues.

Integrity is somewhat fragile, however. There are watchful eyes looking for lapses in integrity: the watchful eyes of the media, the watchful eyes of the public and the watchful eyes of opposition parties. One thing we are ordered to do in opposition is to watch for breaches and lack of integrity.

I thought I might mention some of the stumbles that the government may have made in these issues. NAFTA was promised in the election campaign a very specific review; it was signed pretty much as is. Cruise missile testing, something the Liberals had consistently talked against, has been passed.

On the Ginn takeover, a tiny odour settles around that takeover. The issue of election boundary revision is an issue that has a slight odour to it. I picked up a couple of little items from recent news clips. One is entitled "Pork barrel grows larger". In his ongoing investigation of patronage in federal advertising contracts, Greg Weston reports that the ad industry in Toronto is abuzz with rumours that some cabinet ministers are hoping to influence contracting by crown corporations. Such agencies are supposed to be run as independent businesses on behalf of taxpayers, with no patronage.

I refer to little item in the Ottawa *Sun*. It reports that a junior cabinet minister has been using a chauffeur driven limousine, unauthorized by the Prime Minister. There is a tiny odour in those issues.

I do not want to be overly critical. As I said before the marks on integrity given to the Liberal government at this stage of the game are quite acceptable, but if principles are solid integrity will follow meekly behind. If I could rephrase that, one does not have to work hard at maintaining integrity if one's principles are founded upon a granite base.

Bill C-22 has also a very slight or faint odour about it. It is a faint odour but a definite odour. The cancellation was correct. The desire for fair compensation is correct. However the government needs to bring the bills for fair compensation to the transport committee, have them reviewed in public, and there would be no odour or taint about the cancellation at all. Those

bills need scrutiny. They need open review and there would be no problem with cancelling the Pearson airport deal.

There is no room for ministerial approval. There is no need for backroom deals. On this issue integrity is not difficult at all.

For example, in my young life I did some mountaineering. We went on an expedition to Gondeau Traverse which was technically very difficult. We had fixed pitons in place. We hooked up our carabiners and were able to make this traverse with technical difficulties. We took our less talented friends along to show our prowess. When we got to the middle of Gondeau Traverse we had to rappel straight down an unclimbable cliff.

(1050)

Without failure, when pulling our rope down from Gondeau Traverse it would hook on a large rock above. A friend of mine, a good chum, had done this traverse numerous times. I must say we were showing off when we did it. We thought we were excellent mountaineers. The last time we did Gondeau Traverse we pulled the rope and the huge rock above us came loose. A 2,000-pound granite chunk fell. The two of us scattered and were very lucky to survive. The rock crashed on the ledge below us and ruined the climbing rope. We both looked upon that as a close miss.

I believe the faint odour that relates to Bill C-22 may just simply be the rope hooking on the rock above the government. There is no need for this to happen. It is completely avoidable.

Why would the Reform Party be so free with this advice to prevent the taint on this issue? I say very plainly that it is because the Reform Party frankly would like the Liberal government to be a success. That may be an issue that some would laugh at. I am particularly keen to see the government bring Canada back to its senses and not stumble on issues where there is no need to stumble. I give this advice freely and openly. There is no need to have the taint on Bill C-22.

An example of how keen we are to see the government succeed as a party is when our leader during comments on "The House" was asked if he were disappointed there was no tax revolt after the finance minister made his budgetary statements. His answer was very revealing. He said to the interviewer: "My desire is not to have a tax revolt. My desire is not to see the budget fail. My desire is to see Canada function at the highest level".

He was saying with those comments that his desire was to see the government succeed. We will stand as reminders to the government if it makes mistakes. In my view it is making a mistake with the bill by not having an open, transparent process as it promised. There is no need for a big review. There is no need for a fancy royal commission. There is a need for transparency.

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I say for my children's sake: "Don't do this with a taint, don't do this with an odour, don't have the rope hang up on the rock above. It is easy to make this transparent, and I beg you to do that".

[Translation]

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies): Mr. Speaker, Bill C-22 before the House today aims at cancelling the privatization of the Pearson Airport, and the government, by introducing this piece of legislation, wants to fulfil the commitment it made during the election campaign.

This morning, my colleagues reviewed in detail all the process surrounding the negotiations of this privatization deal, and the Reform member who spoke first this morning mentioned that Conservative as well as Liberal lobbyists were involved in this deal since the very beginning.

In his report, ordered by the government, Mr. Nixon concluded that this contract had to be cancelled, and I quote: "My review left me with but one conclusion. To leave in place an inadequate contract arrived at through such a flawed process and under the shadow of possible political manipulation is unacceptable. I recommend that the contract be cancelled". Of course, in such circumstances, the Bloc also agrees that the contract must be cancelled.

(1055)

But today, we are addressing the issue of political manipulation, the transparency of these contracts and the involvement of lobbyists, people close to the government and the friends of the big political parties.

Let me remind you that the Nixon report, as my colleague mentioned briefly, also made the following recommendation: "Failure to make public the full identity of the participants in this agreement and other salient terms of the contract inevitably raises public suspicion. Where the Government of Canada proposes to privatize a public asset, in my opinion, transparency should be the order of the day". He adds what has already been quoted: "The public should have the right to know the full details of this agreement". That is why the Bloc Québécois is requesting a public inquiry on this matter, on this contract which we never saw.

With this bill, the government wants not only to cancel the privatization of the Pearson Airport, but also to leave it to the minister to settle all of the financial problems related to this agreement. All of these details will be up to the minister. We ask that the amounts and the names be made public and that there be real openness.

We remember that, according to the red book, which the government delights in quoting more and more in this House, the Liberals were probably elected on the promise of wall-to-wall openness. We know quite well that people everywhere in Canada and in Quebec are starting—I dare say—to be fed up with politicians with a tight-lip policy.

If the Liberals were lucky enough to be elected, it was especially on their promise of openness. But what is the reality? When we ask for an inquiry and for the documents on the issue of privatization of Pearson Airport to be tabled, we do not nor will we get anything. The answer is no.

Ever since the beginning of this 35th Parliament, in January, we have been asking the government to open its books to the public and to examine one by one all items of public spending, including tax expenditures. The answer is no. The Prime Minister said recently in the House that if we wanted details on government spending, we only had to ask the committees, since their mandate is to study these expenditures. The Bloc Québécois asked all committees that sit and the answer was no.

In the case of the Hibernia Project, which is now losing billions of dollars, I for one asked the Committee on Natural Resources to let me see the Hibernia original contract. The answer was no.

This afternoon, we will resume debate on a motion by the hon. member for Richelieu regarding the funding of political parties by individuals. When this motion was first moved, we could see right away that members of the Liberal government were against it. Again, they refuse to make things more transparent.

Meanwhile, the situation is very bad in Canada. According to some figures reported last week, there are 790,000 welfare recipients and 400,000 unemployed in Quebec. We heard this morning that the number of unemployed in Canada grew by 65,000 in the month of April, an increase of 1 per cent in some areas. These unemployed people are concentrated in three provinces: Newfoundland, Quebec and British Columbia.

Faced with this situation, the government cannot find anything to say other than it is the unemployed who are the problem, they are a bunch of beer-drinking couch potatoes. That is why things are going bad in Canada. Also, and this is again related to the policy of transparency, when things are going bad, there has to be a reason. If the government cannot be transparent, it has to find a scapegoat. When things are going bad in Canada, we hear that it is because Quebec is too demanding. We all know that since the beginning of the Canadian Confederation, the whole history of this country could be described—

The Speaker: I am sorry to interrupt the hon. member. He still has a fair amount of time left for his speech. When we resume debate around noon, he will have the floor.

[English]

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

STATEMENTS BY MEMBERS

(1100)

[English]

BOSNIAN CHILDREN RELIEF

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, for several years now we have seen unrelenting images of destruction from the former Yugoslavia. Canadian peacekeepers have been deployed to protect innocent civilians. Parliament has debated our role there and even the possibility of air strikes. But the war continues and so does the suffering of innocent children.

This morning a press conference was held in honour of some very special children who have been brought to Parliament Hill by the Basic family of St. Catharines, Ontario. Saban and Fatima Basic established Bosnian Children Relief in 1992 to aid the most helpless victims of the Bosnian war, the young.

The Basics have travelled to Bosnian refugee camps several times to help provide food and shelter to orphans of the war regardless of their ethnic origin.

These children remind us of the bloodshed and terror they have endured in their homeland, but they also bear a message of hope. Let us congratulate their courage. Let us support their mission and let us all pray for peace on Bosnia.

* * *

[Translation]

EATON YALE LIMITÉE

Mr. Osvaldo Nunez (Bourassa): Mr. Speaker, Westinghouse, now known as *Eaton Yale Limitée*, has announced that it will shut down its plant in Saint-Jean-sur-Richelieu, Quebec, on August 31, 1994, throwing 175 people out of work.

As a former union representative with Westinghouse, I am deeply troubled by this announcement, particularly since Saint-Jean is still reeling from the decision to close the military college.

I call upon the federal government to take action to prevent the shutdown of this plant and the loss of hundreds of jobs. Westinghouse is a supplier of electrical equipment. From now on, the U.S. division of Westinghouse will supply the Canadian and Quebec markets. If the government, which has made job creation its top priority, wishes to be consistent, it will not allow any further erosion of the manufacturing sector which employs thousands of workers.

S. O. 31

[English]

MOTHER'S DAY

Mr. Randy White (Fraser Valley West): Mr. Speaker, Sunday is Mother's Day and I would like to give my best wishes to all mothers across Canada.

All of my colleagues I am sure have a special lady in their lives. The special lady in my life disciplined me for lighting matches in the woods many years ago in Lakeside, Nova Scotia. What she did not know is that I put comic books down the back of my pants and I did not feel that stern hand upon my backside. I even acted out a five minute crying spree, a skill I am finding quite useful in the House of Commons today. While trying to keep one step ahead of my mother was exciting, I now know she was three steps ahead of me.

Whatever we are in Canada today is a reflection of what our mothers taught us to be. It is Mother's Day this Sunday but let us not wait until then to tell our mothers how proud we are of them.

Happy Mother's Day, mom.

* * *

[Translation]

MOTHER'S DAY

Mrs. Eleni Bakopanos (Saint-Denis): Mr. Speaker, it is a pleasure for me to speak today about Mother's Day which we will be celebrating this coming Sunday, May 8. Across Canada, tributes will be paid to mothers for the invaluable contribution they have made to our lives.

[English]

As a mother I know that no sacrifice can be too great for one's children and that no joy can be greater than seeing your children grow to be healthy, happy and responsible members of Canadian society.

I wish to extend my very special thanks and love to the mothers in the riding of Saint-Denis and across Canada and finally to my mother for her unabiding love, her countless sacrifices and for standing by me so that today I can sit in this House.

Happy Mother's Day. Joyeuse Fête des mères.

* * *

[English]

ISRAEL

Mr. John Bryden (Hamilton—Wentworth): Mr. Speaker, this week a historic agreement was signed in Cairo between Israel and the Palestine Liberation Organization.

Israeli troops are now free to pull out of the Gaza strip and the west bank. After 27 years of strife peace in the Middle East is at last at hand.

S. O. 31

A few weeks ago the children of Beth Jacob Hebrew School in my riding gave me a poem they had written. I would like to share their words:

Peace is special, it means love
The symbol of peace is the dove
Peace means to hope and care
And make new friends everywhere
There has been a lot of wars
We don't need this anymore
Enough of all the fighting, killing
Too much blood is all we are spilling.

The prayer of these children, all between 10 and 11 years old, has been answered. The dove of peace flies over Jerusalem.

* * *

(1105)

VICTIMS OF WAR

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, the deplorable situation of children living in war torn regions around the world has been condemned by several members of this House.

Whether it be the situation in Rwanda or the situation in Bosnia, we have all witnessed the senseless slaughter of human life. We have mourned such waste and violence.

What is most unfortunate is that innocent children are caught in the middle of such violence between the bullets, the bombs and the carnage—

[*Translation*]

—and must suffer the consequences and be the victims of the foolish actions of adults. I applaud those European countries which have opened their hearts to these children and I hope that Canada, a just and humanitarian nation, will see fit to do likewise.

* * *

QUEBEC'S MAJOR CENTRAL LABOUR BODIES

Mr. Philippe Paré (Louis-Hébert): Mr. Speaker, in view of the government's inability to check unemployment, Quebec's major central labour bodies must be praised for their show of social understanding this past week in taking new steps forward in restoring hope to the hundreds of thousands of unemployed Quebecers who, needless to say, did not choose to be out of work. By coming up with new ideas like eliminating overtime and dual employment, the CNTU, CEQ and FTQ are leading the way to a better distribution of collective wealth.

I urge all the people of Quebec, employers and workers, to seek concrete solutions to a difficult problem: lack of jobs. What is at stake is the social and economic well-being of our society, a society which has to come to the rescue of a generation of sacrificial victims: youth. Our young people can only gain from initiatives taken by local stakeholders who must take over for an overliberal government.

[*English*]

ARNOLD SMITH

Mr. Grant Hill (Macleod): Mr. Speaker, Dr. Arnold Smith is a well known professional and public spirited citizen from High River, Alberta.

He came to practise dentistry in 1956 and has just retired after a very distinguished career. His wife and three children now wonder whether he will be busy enough. I know that he will.

He has served his community with distinction in Rotary, town council, the recreation board, the memorial centre board, the library board, the development appeal board and the Otter's swim club.

I recognize Arnold Smith as a proud contributor to his community and wish him well in his retirement.

* * *

MENTAL HEALTH WEEK

Mr. John Murphy (Annapolis Valley—Hants): Mr. Speaker, for the past 27 years I have worked in the psychiatric mental health field. It gives me great pleasure to rise today to inform my colleagues that this past week was National Mental Health Week.

I had the opportunity to attend the kick-off events earlier this week in my riding of Annapolis Valley—Hants. The focus of the week has been on the need to place greater emphasis on the integration of physical and mental health in our society.

Groups and individuals must work together to promote greater awareness of the mental health issues and to decrease the stigma often involved with mental health care.

I ask all members of this House to join me in praising the work of the thousands of professionals and volunteers in the field. Let none of us leave this important work to someone else, but rather join all Canadians in promoting active and healthy lives.

* * *

CANADIAN FEDERATION OF LABOUR

Mr. Andrew Telegdi (Waterloo): Mr. Speaker, the Canadian Federation of Labour is completing its national convention in Ottawa today based on the theme building Canada's future.

This organization has developed Working Ventures, a capital fund with nearly \$300 million. This fund is used to start and expand businesses to create jobs to get Canadians working.

The Canadian Federation of Labour is to be applauded for developing good labour relations and eliminating the adversarial system of confrontations. As well, it is very approachable because of its non-affiliation to any political party.

The key to a prosperous and united Canada is co-operation which is being demonstrated by the Canadian Federation of Labour. We should all follow its example.

* * *

[Translation]

2002 WINTER OLYMPIC GAMES

Mr. Patrick Gagnon (Bonaventure—Îles-de-la-Madeleine): Mr. Speaker, Quebec City is about to present a bid to host the 2002 Olympic Games. If its bid is successful, investments totalling hundreds of millions of dollars will be required from the various levels of government, including the government of Canada.

The mayor of Quebec City should be required to commit to investing or spending 20 per cent of the olympic budget in rural areas of Quebec.

(1110)

For example, men's and women's downhill racing events should be held in the Gaspé Peninsula, because the railway and airport facilities required to welcome athletes and visitors are already in place.

Some hon. members: Ha, ha.

Mr. Gagnon: Go ahead. Laugh. We are the only defenders of the regions, you know.

Some hon. members: Hear, hear.

Mr. Gagnon: Quebec 2002 is the perfect opportunity to revitalize regional economies and will provide a forum to promote these areas of Quebec throughout the world. We demand nothing less than a fair distribution of the Olympics' spin-offs between Quebec City and the surrounding areas.

* * *

QUEBEC CITY-WINDSOR HIGH-SPEED TRAIN

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies): Mr. Speaker, today saw the inauguration of the tunnel under the English Channel which will join Great Britain and France via high-speed train. This train will cross the border of these two sovereign countries with the speed for which it is known. The borders of sovereign countries do not stop trains or communication lines.

So how can the Liberal government still drag its feet on the Quebec City-Windsor high-speed train? This project will be good for the economy, whatever Quebec decides about sovereignty.

The high-speed train must not become a political football; rather, it must be seen as an economic issue that could create thousands of jobs.

[English]

CHILDREN IN BOSNIA

Mrs. Jan Brown (Calgary Southeast): Mr. Speaker, I wrote this because of the plight and tragedy of Bosnian children and I wrote this because I am a mother. It is called "Picture This":

Picture this
 Little stories, horror of the war zone
 on the late night news.
 Picture this
 Bosnia's joyless children,
 a reminder of war's human face.
 Picture this
 Small sad voices surge to wild cries
 exploding in a rush of flesh and steel and bone.
 Picture this
 Pillows wet with acid tears,
 cameos of babyhood, a grieving reminder.
 Picture this
 Tiny broken bodies languish in therapy
 crippled limbs, mindless thoughts, blistered experience.
 Picture this
 The sweet and precious face of your child
 and surely we all wanted to help

* * *

YOUNG OFFENDERS ACT

Mr. John Maloney (Erie): Mr. Speaker, I rise today to speak of a serious concern in the minds of many Canadians, namely the often inadequate protection of society from some of the criminals who fall within the terms of the Young Offenders Act.

Under the present legislation these individuals may commit serious violent crimes and subsequently not be profoundly inconvenienced by the response of the criminal justice system.

The Young Offenders Act needs to be revisited in the light of 10 years of experience and the results thereof which are often not laudable when dealing with crimes of a violent nature.

Later today I will be presenting a petition which thousands of Canadians have signed throwing their support behind the Pinard and Racine families in their crusade to have youths convicted of serious crimes severely punished and kept in custody longer than they are at present.

The Pinard family lost its eldest daughter, Carrie, to senseless violence on August 10, 1992 in a Toronto apartment building. A companion, Cheryl Racine, was scarred for life both physically and mentally. This tragedy is an example of our inability to eradicate the use of guns in our society and to control violent behaviour in general, especially among our youth. We have yet to find the balance between protecting our society and helping our troubled youth. At present neither benefits.

* * *

SOUTH AFRICAN ELECTIONS

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I was honoured to be part of the Canadian election observer team in South Africa for two weeks under the very able leadership of the Secretary of State for Latin America and Africa.

Oral Questions

We were treated to a rare and historic opportunity to watch the peaceful transition to majority rule in South Africa as the black majority got the right to vote for the first time.

The warmth of the welcome for us, the enthusiasm of the voters and the great goodwill exhibited by all of South Africa's citizens toward one another were an inspiration for each one of us.

We were all satisfied that the election was free and fair, notwithstanding numerous delays and poor organization in some areas.

We were all optimistic that with continued goodwill South Africans can work together to forge a new, prosperous, multiracial and multilingual South Africa that will be an example for all peoples of the earth.

* * *

UNEMPLOYMENT

Mr. Nelson Riis (Kamloops): Mr. Speaker, just days ago the government was celebrating six months in office and toasting its achievements in reducing unemployment. Well, the party is over. Cork up the champagne bottles; today's unemployment figures represent a growing hangover for this government.

(1115)

Unemployment is up and the hardest hit are Canadian young people. This is before the job market is flooded with college and university students.

In spite of the election promise of jobs, the reality is that the job future looks bleak as Canadians wait for the Liberal government to deliver on its job creation promises. The Prime Minister said that job prospects were improving. Everyone wanted to believe him and hoped he was right but unfortunately he was not.

It is interesting to note that the bright light in the job creating area of Canada is in the province of Ontario, where the government has created an economic atmosphere which saw 49,000 jobs created in the past three months.

I urge the Prime Minister to get beyond Peter Pan economics, get real and take action on jobs now.

* * *

JOCELYNE FLEURANT

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, as we approach Mother's Day it is appropriate that I stand in recognition of a member of my constituency, Jocelyne Fleurant, a proud mother of a Canadian peacekeeper in the former Yugoslavia.

Mrs. Fleurant began a nation-wide campaign of support for our men and women serving overseas after her son left CFB Chilliwack for his first tour of duty in Croatia during the spring of last year.

Symbolizing this support for our Canadian peacekeepers abroad, Mrs. Fleurant has made and distributed thousands of hand-made UN beret blue ribbons secured by a small Canadian flag pin.

I commend the tireless efforts of this mother to remind Canadians of the need to keep up the morale of our Canadian peacekeepers. Her commitment should be and is an inspiration to us all.

ORAL QUESTION PERIOD*[Translation]***UNEMPLOYMENT**

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Mr. Speaker, my question is for the Deputy Prime Minister.

This month, unemployment statistics were not deliberately leaked by the government because, unlike the March ones, they show that the unemployment rate went up by 0.5 per cent to reach 11 per cent. In Quebec alone, the situation is a lot worse with an unemployment rate which went from 11.7 per cent in March to 12.6 per cent in April.

Is it not time for the Liberal government to implement concrete and structuring initiatives to deal with unemployment, instead of sitting tight on the record of its first six months in office?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, on this side of the House, we are not pleased with these numbers, not so much because of the numbers per se, but because they are a blow to the unemployed.

However, it is interesting to note that if there are 65,000 more people looking for a job this month, it is because they believe that the economic indicators are favourable. For instance, house sales have gone up by 30 per cent, consumer confidence is up by 13 per cent. People are regaining hope in increasing numbers and we are hoping that, as our economic recovery program is taking hold, the unemployed will keep on finding jobs.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Mr. Speaker, taking into account the population growth, does the Deputy Prime Minister realize that to get back to pre-recession employment levels, I do not mean full employment, just pre-recession employment levels, more than 900,000 jobs would have to be created in Canada?

[English]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, since the month of February we have created 115,000 jobs. In the province of Quebec since last August there have been 74,000 jobs created.

*Oral Questions**[Translation]*

That is 74,000 jobs in Quebec alone. We are not satisfied. We tried to do something in the first six months. We presented the Budget, we have the infrastructure program, and we are trying to do better than that.

The good thing though, if you can look at these statistics in a positive light, is that Canadians and Quebecers are now starting to look for a job because they feel better about the economy as a whole. That is why 65,000 more people have joined the labour force this month when they realized that there was work to be had.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Mr. Speaker, with rising unemployment rates and the arrival, in April, of 66,000 new workers on the job market, does the Deputy Prime Minister not agree that the first six months of Liberal government are a failure, a deplorable and appalling failure when it comes to job creation?

(1120)

[English]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, it has not been a failure. In fact since the month of February, we have created 115,000 jobs. We do not think enough has been done but we do feel that with the signing of the infrastructure programs and with the budget of the Minister of Finance, we are on the right track.

This month 65,000 Canadians thought that the job prospects were getting good enough that they decided to get back into the market. We see consumer confidence on the rise. We see the sale of houses up over 30 per cent.

We are on the right track but we are not going to solve the problems in six short months. We need more time and we need continued consumer confidence, something that we see as the bright light at the end of a very long tunnel for a lot of unemployed people.

* * *

*[Translation]***DEFENCE INDUSTRIES**

Mr. Réal Ménard (Hochelaga—Maisonneuve): Mr. Speaker, I would like to address my question to the Deputy Prime Minister. It is said in the Liberal Party's red book that a Liberal government will implement a conversion program to transform defence industries into civilian ones. However, the Minister of Industry quite surprisingly said yesterday that the government will not invest in such a conversion. In that sector, more than 10,000 high-technology jobs have disappeared since 1988.

How can the Deputy Prime Minister, who would do me honour if she would listen to my question, how can she reconcile the commitment of her party and the amazing declaration of the Minister of Industry who said during debate yesterday that it is the responsibility of the management and shareholders of those companies to solve their own problems?

[English]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry): Mr. Speaker, the hon. member is only quoting part of what the Minister of Industry said yesterday in the debate.

He did say that we would want to look to industry to make sure all of its strategic plans were being redesigned and reinvented in light of a very tough fiscal framework. He also said that in the budget we were redesigning DIPP so there would be less giving of cheques and grants but more of a situation where there would be loans for those industries that qualified and ones that were especially sensitive to conversion to peacetime activity.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve): Mr. Speaker, before I address my supplementary to the Minister of Finance who, I can tell, is dying to participate in this debate, I would like to mention to my hon. colleague that one of the headlines in this morning's papers said: "Ottawa will not finance the conversion of defence industries".

The Speaker: Order please! Members are not to show papers or documents of any kind during question period. The member for Hochelaga—Maisonneuve will put his question.

Mr. Ménard: Mr. Speaker, I would like to ask the Minister of Finance how he can accept such a turnabout on the part of his colleague the Minister of Industry when he knows perfectly well that if nothing is done in a very near future, thousands of jobs will be lost in the defence industry. Does he accept the declaration, does he agree with the Minister of Industry's statement?

[English]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry): Mr. Speaker, the hon. member does not seem to have understood the point I was making in my first answer.

We are working very hard to assist corporations which are in the process of conversion. It is just that the approach and the design of DIPP is going to be different from what it was in the past. Part of that has to do with the fact that we have a very tough fiscal framework within which we are dealing.

The hon. member should also know there are many examples of good solid success stories. People with their own expertise are using other resources like the Export Development Corporation and the banks which have been more progressive in the last little while as well as enhanced marketing. These are all new approaches that help bridge this period of conversion.

Oral Questions

As we redesign DIPP eventually this will deal with this issue in a way that will satisfy most of these industries.

* * *

(1125)

THE DEFICIT

Mr. Ray Speaker (Lethbridge): Mr. Speaker, my question is for the Minister of Finance.

The budget presented yesterday in the province of Ontario is evidence that the provinces and the federal government can no longer operate in budget isolation of each other.

This government is initiating through the Minister of Human Resources Development a national strategy on social reform. The Prime Minister is chairing a national forum on health care. Is it not time for the federal government in consultation with the provinces to initiate a national strategy on deficit reduction?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, certainly the thrust of the hon. member's question is one we would agree with completely.

As the member knows, at the first federal-provincial finance ministers meeting we discussed that very subject and at the second meeting in Halifax we put a great deal of meat on the bones. In fact we want to develop a common effort between us toward reducing the terrible burden of deficit and debt that the nation suffers from.

We recognize very clearly that there really is only one taxpayer. There is one Canadian who shoulders the burden of federal, provincial and municipal debts. We intend to deal with it jointly.

Mr. Ray Speaker (Lethbridge): Mr. Speaker, in light of the hon. minister's answer, I ask the minister the following:

First of all, what are the targets and objectives that the minister is establishing for the federal government along with the provinces in terms of a deficit reduction strategy?

Second, in co-ordination with that question, is the minister prepared to make this the number one item on the agenda of the finance ministers meeting in June? Out of that meeting will there come specific targets and objectives not only for the federal government but the provinces as well?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, the hon. member knows the federal government's point of view is that we have explicit deficit reduction targets.

We are certainly prepared, as we have done at the previous two meetings, to have that on the agenda. I can assure him it will be on the agenda for the meeting that will be held in June. Depending upon those discussions, if we are able to come up with national objectives, this is one Minister of Finance who would certainly support the concept.

Mr. Ray Speaker (Lethbridge): Mr. Speaker, in the government's plan for deficit reduction one of the objects is to reduce the transfer payments to provinces. The minister knows the consequences of doing that.

First of all, we offload part of the federal deficit problem on the provinces. Second, by removing funding from the provinces in terms of transfers without easing the obligation in terms of funding services, we create a problem for the provinces.

Will the minister deal with that question in full co-operation and full discussion with the provinces so that the provinces know what the actions of the federal government will be? They could therefore plan on a longer term basis their deficit reduction programs in co-operation with the federal government.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, that is exactly what we did at the January meeting. It is precisely what we did in the budget.

At the January meeting I notified the provinces that we would not be unilaterally shifting debt on to them as previous governments had done simply in advance of their budgets.

We told them there would be a moratorium of two years under which we would attempt through the good auspices of the Minister of Human Resources Development to renegotiate the whole fabric of our social programs. Therefore what we would really end up with would be more efficient programs, more cost effective programs. These programs in the end would not only save the federal government money, but would save the provincial governments money because they would be far more efficient.

In other words, our goal is not to shift the burden on to the provinces; it is to give Canadians better service at a better price.

* * *

(1130)

[Translation]

MIL DAVIE SHIPYARD

Mr. Antoine Dubé (Lévis): Mr. Speaker, my question is for the Minister of Transport.

Oral Questions

The General Investment Corporation, the main shareholder of MIL Davie, yesterday approved the firm's business plan, which was also forwarded to the federal government. The General Investment Corporation said it would be willing to add \$135 million to help revive MIL Davie.

Will the minister admit that by postponing his decision, the way he has done for the last six months, on the construction of a ferry for the Magdalen Islands and on the development of the smart ship, he is also postponing this shipyard's recovery and putting in jeopardy thousands of jobs in the Quebec City area?

Hon. Douglas Young (Minister of Transport): Mr. Speaker, I find it rather strange that in the same question the hon. member can say that the business plan of MIL Davie was given to us yesterday and then accuse me of having delayed my decision six months. Please, let us be serious.

The reason why the decision on the ferry has not been announced yet, and why the Minister of Transport is waiting, is that we want to act in the best interest of the Magdalen Islanders. We want to provide them with a ferry service between the islands and Prince Edward Island which would be adequate, effective and safe. To that end, we are trying to negotiate a solution with MIL Davie.

You should learn to be fair and to react positively to government initiatives taken precisely with a view to help you.

Mr. Antoine Dubé (Lévis): Mr. Speaker, the minister should remember that the Prime Minister and his chief of staff saw the business plan before and during the election campaign. Now that he has everything in front of him, now that all the interested groups—the unions and the Conseil du patronat—in the Quebec City area are in agreement, what he is waiting for before deciding?

Hon. Douglas Young (Minister of Transport): Mr. Speaker, since this matter is of great interest to the people who use the ferry, I will try to be as objective as possible.

To suggest that the Prime Minister and his chief of staff had the business plan during the election campaign, after saying it was handed to us yesterday, this is assuming that we are damn stupid.

The Speaker: I would ask the minister to talk to the Chair.

Mr. Young: Mr. Speaker, the service between Prince Edward Island and the Magdalen Islands is absolutely essential and part of my responsibilities as Minister of Transport. We would have liked to have been able to answer months ago the legitimate request, made years ago, to replace the *Lucy Maud Montgomery*.

Now that a business plan has been made public, I am sure that with Minister Tremblay from Quebec, whom I met this week

with my colleague the Minister of Industry, we will take all the necessary means to find a solution, not only for the people who need a ferry, but also for the workers of MIL Davie. It would help if hon. members knew the case a little better.

* * *

[English]

BILL C-18

Mr. Stephen Harper (Calgary West): Mr. Speaker, my question is for the government House leader. In spite of twice trying, the government House leader has been unable to persuade the Senate to pass Bill C-18 and stop electoral redistribution.

Yesterday a Senate committee passed substantial amendments to the bill. Will the government give serious consideration to these amendments, or better yet, withdraw its support for Bill C-18 and stop the waste of Parliament's time and money on this legislation?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, first of all, it is the government's intention with Bill C-18 not to stop redistribution but to give the House an opportunity to review and update the process which has not been reviewed fully since it came into effect in 1964.

Second, I do not think it is appropriate for me to comment on a report of the other place. The other place as a whole has not yet dealt in a final way with Bill C-18. When it does we here will have to take into consideration the final decision of the Senate and I am sure we will do that very actively.

(1135)

Mr. Stephen Harper (Calgary West): Mr. Speaker, the minister knows that Bill C-18 in its present form will stop redistribution until after the next election.

[Translation]

My supplementary is for the same minister. The readjustment process has reached a point where, even if public hearings were cancelled, not a penny will be saved.

Is the government ready to accept the Senate Committee recommendations and allow the public hearings to go on in order that the commissions may submit their reports without undemocratic and unconstitutional intervention called for in Bill C-18?

[English]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): First, Mr. Speaker, the government's position is that the bill is totally constitutional. It bears the certificate of the law officers of the

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crown that it meets the requirements of the Charter of Rights and Freedoms.

Furthermore, it would be inappropriate for me to comment on the activities of a committee of the other place before the other place has even made a final decision.

If the hon. member is concerned about this matter he should reflect on why, when this bill was before the House, he was indicating that if it only capped the number of seats at the present level he and his party were ready to support it.

* * *

[*Translation*]

INDIAN AFFAIRS

Mr. Maurice Bernier (Mégantic—Compton—Stanstead): Mr. Speaker, we heard this morning that Indian Affairs was about to intervene in order to prevent the Quebec Department of Revenue from revoking the license of 12 aboriginal service stations owing \$3.8 million to Quebec Revenue. Indian Affairs was also rumoured to have accepted that an equivalent amount of \$3.8 million of transfer money granted to the band council be used to pay the amounts owed.

Can the Minister for Indian Affairs confirm that his department is about to take extraordinary steps to prevent Revenue Quebec from revoking the licenses of 12 service stations at fault?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development): Mr. Speaker, I want to tell the hon. member that this is not true. Yesterday and this morning I talked with Mr. Christos Sirros about the service stations. There is a problem, but there is no agreement between us. Even if I had the money I would not do it.

[*English*]

Our problem is with 12 stations, private businesses, and we have the band year. I am a fiduciary and the government's fiduciary of the funds that belong to the band. Not only can I not do this, I would not use band moneys to solve a government tax problem between basically private enterprise and the government.

[*Translation*]

Mr. Maurice Bernier (Mégantic—Compton—Stanstead): Mr. Speaker, since the Minister confirms that there is no such transaction or dealings between the Quebec government, his department and the band council, what guarantee does he have that the funds granted to the band council will not be used for that purpose?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development): Mr. Speaker, there are two guarantees: my word and the law. The hon. member can rely on both.

EMPLOYMENT

Mr. Randy White (Fraser Valley West): Mr. Speaker, my question is for the Deputy Prime Minister who said in the House just a few minutes ago that 115,000 new jobs were created since February. She also indicated that 74,000 of these jobs were created in Quebec. That is about 64 per cent of these jobs.

Now that unemployment is up to 11 per cent from 10.6 per cent, what has the government done with its infrastructure programs? What has the red book done? What has the sunny sky scenario done for Newfoundland, for P.E.I., for British Columbia, Alberta and Saskatchewan?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, I think the member should be very careful about characterizing the issue of employment or unemployment as a Quebec versus Canada issue.

If he will review what I answered, what I said was that there were 115,000 new jobs created since February across the country and that in the province of Quebec since August of 1993 there were 74,000 jobs created. Those numbers are not for the same period: 74,000 jobs in Quebec since August 1993; 115,000 jobs created across the country by the government since February. That is what I said. That is what I stand by.

(1140)

Unfortunately the member continues this vicious attack on unemployed people, whether they be in Quebec or any other part of the country. We want to find jobs for every unemployed Canadian.

Mr. Randy White (Fraser Valley West): Mr. Speaker, the Deputy Prime Minister has no idea what a vicious attack is.

Quite frankly the government has talked about infrastructure programs, about red book programs. What it has delivered in the House of Commons, to the country, is an unemployment rate that is increasing.

What is the Deputy Prime Minister's forecast for next month? Perhaps in June she will know what an attack is if those numbers go up again.

Some hon. members: Oh, oh.

The Speaker: Order, order. If the Deputy Prime Minister would care to answer the question I will permit it. But forecasts, unless we have crystal balls, are a little bit difficult.

I will permit the Deputy Prime Minister to answer.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, I am thankful that for probably the sixth or seventh time in the last six months the Reform Party has actually stood to ask a question about unemployed people. We are not happy with the statistics.

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However, what we hear every day from the members of the Reform Party is that we are supposed to cut back on support for the unemployed, cut back on programs for medicare, cut back on payments for senior citizens.

The member should join us in a solid attack on unemployment and help create jobs for Canadians through small business, through wise investments, through government getting its act in order. We are on the right track. We are not where we want to be and we are going to keep working.

* * *

[Translation]

TRANSPORTATION IN REMOTE AREAS

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, my question is for the Minister of Transport. Transportation deregulation in Canada has had a negative impact in that it brought down the level of service and made it more expensive to travel to remote areas. The Minister of Transport talked with fervour of action and co-operation. I should remind him that he was asked three times by Rural Dignity of Canada to hold public hearings on regional transportation.

My question is quite simple: When will the minister take action on the request of Rural Dignity and hold public hearings on transportation in remote areas?

Hon. Douglas Young (Minister of Transport): Mr. Speaker, coming as I do from the northern part of New Brunswick, I can tell the hon. member I am quite familiar with the challenges the transportation network in Canada must meet. Over the years, public consultations in which many members took part were held about all issues concerning VIA Rail.

There is a national consensus on the need for a national highway network throughout Canada. But all those consultations and all the findings always come up against the same problem. I would be ready to hold public hearings to look for ways and means to finance the transportation services that are needed. We did identify problems, we did listen to people, and we continue to do so. We have consultations with provinces and interest groups, but the big problem nobody has ever found a way to solve is the financial problem.

Mr. Gaston Leroux (Richmond—Wolfe): Mr. Speaker, if the minister admits there is a serious problem, how does he intend to solve it since the cost of regional transportation is rising at the expense of citizens? And how does he intend to solve this problem and help people find solutions?

[English]

Hon. Douglas Young (Minister of Transport): It is a very good question, Mr. Speaker.

The need to find solutions and to prepare proposals that we can present to the House and to the people of Canada are what we are working on every day.

(1145)

We expect to come before the House to present what we consider to be alternatives to existing situations, but I want to point out that the fundamental problem does not change. It is how to finance an efficient national transportation system that includes road, rail, maritime and air.

No one professes, and certainly not the Minister of Transport, to have the answer to all those problems. We have studied the problems to death. We know the solutions rest entirely on our ability to pay for that affordable integrated national transportation system. That is what we will try to present to the people of Canada and to the House as soon as we can.

* * *

PUBLICATIONS

Mrs. Carolyn Parrish (Mississauga West): Mr. Speaker, my question today is for the President of the Treasury Board.

Given the frugal style of our current Prime Minister and members of Parliament, with no Cadillacs, no massive redecorating and no Gucci shoes, what plan does the minister have to review the printing budgets of various crown corporations and government agencies so that the publications reflect this image, particularly with respect to cutbacks in the costs of producing flashy annual reports?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure): Mr. Speaker, I congratulate the hon. member for bringing the matter to the attention of the House both in the question today and in the member's statement a few days ago.

Crown corporations operate independently. They make their own decisions about their annual reports. Indeed their annual reports are frequently used as sales tools in advertising and promotion of their products or services.

I appreciate the point the hon. member makes. Frugality is a style of the government. I will bring that to the attention of crown corporations and ask that they look at the cost factor in what they are putting together and look at the recyclable aspect of the paper they are using.

I invite the ministers to whom many of these crown corporations report to join me in bringing it to their attention and asking them to review it.

*Oral Questions***ABORIGINAL AFFAIRS**

Mr. David Chatters (Athabasca): Mr. Speaker, my question is for the minister of aboriginal affairs.

On April 30, Phil Fontaine, Grand Chief for the Assembly of Manitoba Chiefs, said:

Aboriginal self-government includes gaining jurisdiction over everything governments now do for First Nations, including control of lands, health care, justice, education and other areas which now constitutionally belong under provincial jurisdiction.

Does the minister agree with Mr. Fontaine's definition?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development): Mr. Speaker, under the Tory regime, as the hon. member knows, gaming was transferred to the provinces. Several of the provinces are putting up gaming regimes and are dealing with aboriginal people.

For instance, the best example I can give is in the province of Saskatchewan where an agreement was worked out with the FSIN for two casinos, one in Saskatoon and one in Regina, and there will be a split on income.

If the provinces decide to proceed to move jurisdiction over to the aboriginal people, to share jurisdiction or to have co-management, I think it would be a favourable result. As far as whether it is part of the self-government negotiations, it is not as far as federal government is concerned.

Mr. David Chatters (Athabasca): Mr. Speaker, I am not sure my question was answered. My question was not on jurisdiction over gaming. My question was on jurisdiction over health care, justice, education and lands. Perhaps the minister could answer my question.

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development): Mr. Speaker, I apologize; I did not hear the subjects.

In Manitoba right now there are four subject matters being negotiated. I think the hon. member is familiar with them. We will be negotiating health, education, fire and police protection, and aboriginal courts. At least 10 subject matters will be negotiated with aboriginal people that will eventually define self-government.

* * *

[Translation]

SEXUAL ORIENTATION

Mr. André Caron (Jonquière): Mr. Speaker, my question is for the Deputy Prime Minister.

Yesterday, the Government of Alberta appealed a decision prohibiting discrimination on the basis of a person's sexual orientation and an Ontario court refused to recognize the rights of same-sex couples, invoking the definitions of marital and

spousal status contained in the Ontario's Charter of Human Rights.

(1150)

What is the government waiting for to present in this House a bill prohibiting discrimination based on sexual orientation?

[English]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada): Mr. Speaker, we have the intention of bringing forward an amendment to the Human Rights Act to prohibit discrimination on the basis of sexual orientation this year, probably in the fall.

That is a commitment we made during the campaign which was repeated in the Throne Speech. It is a course to which we are committed.

[Translation]

Mr. André Caron (Jonquière): Mr. Speaker, does the minister agree then that it is urgent to legislate on this in order to prevent the legal battle which seems to be starting on this question?

[English]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada): As I said, Mr. Speaker, our timetable contemplates introduction of the legislation probably in the fall.

Speaking for myself, I do not think matters of public policy should be determined in the courts. It is expensive for the litigants, and one ends up with a patchwork of public policy that is not always in the interest of Canada.

We are going to approach it with legislation. The amendment to the Human Rights Act will be introduced here. The House has our commitment in that regard and the House can expect to see the legislation the year.

* * *

HEALTH CARE

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, my question is for the Deputy Prime Minister.

One week ago today she told the House that Hillary Clinton asked her how the Americans could put in place a health care system which would mirror or be similar to the system we have in Canada. However American media reports yesterday, including the *Wall Street Journal*, indicated:

Mrs. Clinton is telling Americans just the opposite, that she wouldn't dream of proposing the Canadian system for Americans.

Would the Deputy Prime Minister explain the contradiction between her remarks and what the American media is widely quoting the President's wife as saying?

Oral Questions

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, I had a conversation with Mrs. Clinton, and Mrs. Clinton expressed broad support for the approach that Canada has taken in ensuring that universal health care is a cornerstone of public policy in this country.

As a result of that conversation we have agreed to share information. I have been in discussions with our Minister of Health. In fact I am receiving from Mrs. Clinton some good ideas about how their operations are going to work once they are able to break through the kinds of logjams of lobbies that have unfortunately stymied the American health system to date.

Mr. Chuck Strahl (Fraser Valley East): Mr. Speaker, I believe some day the government will learn that Canadians are more impressed by and more desirous of an efficient, compassionate health care system than they are with a name dropping Deputy Prime Minister.

Some hon. members: Oh, oh.

The Speaker: I am sure the hon. member will want to put his question.

Mr. Strahl: My supplementary question is for the Minister of Health.

In June the Prime Minister will be chairing a national forum on health care. At that time will the Minister of Health be prepared to open the Canada Health Act and amend it if the forum says it is necessary?

Hon. Diane Marleau (Minister of Health): Mr. Speaker, I have just spent the last months meeting with ministers of health from across the country. At no time has one minister of health asked me specifically to reopen the Canada Health Act. As a matter of fact I have actually been asked to strengthen it.

* * *

[Translation]

PULP AND PAPER INDUSTRY

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle): Mr. Speaker, my question is for the Minister of Environment.

For some time, the minister has been negotiating with provinces to harmonize the implementation of the regulations in the pulp and paper industry. Can the minister give the House a status report on that very important issue?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment): Mr. Speaker, I am very pleased today to announce that I signed with my Quebec counterpart, the Minister of Environment and Wildlife, the first agreement in Canada to bring regulations on the pulp and paper industry together in one place.

(1155)

But harmonization does not limit itself to the province of Quebec. We expect to sign a similar agreement with all the Atlantic provinces at the end of May. Negotiations with Ontario, British Columbia, Alberta, Manitoba and Saskatchewan are going well and we expect to have a similar agreement with these provinces within the next two months.

* * *

NATIONAL DEFENCE

Mr. René Laurin (Joliette): Mr. Speaker, my question is for the minister of National Defence. A \$365 million contract for the procurement of heavy logistic vehicles ending in 1995 has been entered into with UTDC providing that this company guarantee economic spin-off estimated at 156,6 million dollars. However, when the last vehicle was delivered, in May 1992, only \$16,7 million had accrued to the government.

Since that contract is almost over, could the minister of National Defence tell us why that company has not met the federal government requirements with respect to the \$156,6 million economic spin-off that had been promised?

[English]

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, I am somewhat amused the Bloc Québécois, a party that campaigned in the federal election campaign for reduction of defence expenditures by 25 per cent, is so preoccupied with defence contract matters.

With respect to the specific question the hon. member raises, I should tell him that about 50,000 contracts are let at national defence. There are about \$2 billion to \$3 billion worth of acquisitions on the go at any one time.

I do not have the details to answer the hon. member's question, but I am sure like many of the questions that party has posed in the House it is based on false premises. However I will get the answer to satisfy him.

[Translation]

Mr. René Laurin (Joliette): Mr. Speaker, since the minister of National Defence is not able to answer my question today, could he tell us when a report on the nature of the economic spin-off will be available?

[English]

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, again I will get that information for the hon. member.

* * *

NATIONAL REVENUE

Mr. Bob Mills (Red Deer): Mr. Speaker, my question is for the Minister of National Revenue.

Routine Proceedings

Recently we learned that the overseas tax credit, a tax initiative for Canadians working abroad, is not applicable to Canadians who work for foreign based companies. This tax credit allowed foreign companies to hire qualified Canadians, thus providing us with jobs and foreign income that was spent in Canada.

Could the minister explain why he did not grant an exemption to foreign companies already receiving the credit so that they could maintain foreign income, Canadian jobs, and that the revenue and jobs would not be lost?

Hon. David Anderson (Minister of National Revenue): Mr. Speaker, as I understand the law that would be beyond my powers.

Mr. Bob Mills (Red Deer): Mr. Speaker, that is a very hard answer or non-answer to take.

While jobs have been lost, while investment has been lost and now because the department is going back to 1991, people are actually going to lose their homes. It is very difficult to understand why the minister cannot explain his policy. I would ask him to examine this again and come back to the House with an answer.

Hon. David Anderson (Minister of National Revenue): Mr. Speaker, I will certainly accept the suggestion of the hon. member to re-examine the case. As I explained in my response to the first question, I understand this is in fact something that is beyond my powers because the law is written in a certain way.

As members of the House know, the Minister of National Revenue is very circumscribed in what he can do by laws made by Parliament.

I do feel, however, that it does show a substantive difference between the attitude of the two parties, ours and theirs. On this side we definitely believe that laws should be followed by ministers as well as by other people.

Mr. White (Fraser Valley West): Amend the law, change the law.

Mr. Anderson: On the other side I have been urged to ignore the law. I find that to be a significant difference between our two parties.

* * *

[Translation]

AGRICULTURE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Minister of Agriculture. The minister recently came back from an economic mission in Asia.

Can he tell us what the positive economic benefits will be for the Canadian farming industry following his visit to China, in particular?

(1200)

[English]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food): Mr. Speaker, the diplomatic and trade mission that has just been concluded to Japan, Korea, China and Hong Kong involving the Governor General, myself and a number of Canadian agri-food business leaders was a significant success for Canada.

We were able to conclude certain transactions during the course of our travels. More important than that, we have laid significant foundations and opened some new doors for future business and trade for Canada in the Asia-Pacific region which is the fastest growing economic zone on the face of the earth.

The opportunities include obviously the grain trade, wheat, barley and malt, canola, alfalfa, livestock, animal genetics, animal husbandry, livestock feeds, agriculture technology, education and training, potash, fertilizer, value added in the food—

* * *

[Translation]

PRESENCE IN THE GALLERY

The Speaker: I wish to draw the attention of members to the presence in our gallery of the Hon. Pierre Paradis, Minister of Environment and Wildlife of Quebec.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[Translation]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to certain petitions.

* * *

[English]

NATIONAL ADOPTION AWARENESS MONTH ACT

Mr. Don Boudria (Glengarry—Prescott—Russell) moved for leave to introduce Bill C-246, an act respecting National Adoption Awareness Month.

He said: Mr. Speaker, I am pleased to have the opportunity to present to this House a bill to recognize November as National Adoption Awareness Month.

November has traditionally been recognized as National Adoption Awareness Month even though this has not been the case in legislation. Furthermore the province of British Columbia by proclamation of the premier does recognize November as being Adoption Awareness Month.

I am pleased to present this bill today. I am pleased to indicate that this bill is presented with the support of the Adoption Council of Canada.

(Motions deemed adopted, bill read the first time and printed.)

* * *

INCOME TAX ACT

Mr. Jim Silye (Calgary Centre) moved for leave to introduce Bill C-247, an act to amend the Income Tax Act (child care expenses).

He said: Mr. Speaker, I am pleased to rise today to try and correct an injustice we found through the Income Tax Act in its efforts to drive and dictate social policies.

The Income Tax Act currently discriminates against stay at home parents because the child care expense deduction is only available to families who pay institutions to look after their children. Because stay at home parents are not a "discreet and insular minority" the courts have ruled they do not qualify for a child care expense deduction.

(1205)

The purpose of this bill is to amend the Income Tax Act to allow parents to choose the method of child care and allow the deduction of a fixed amount as child care expenses of \$5,000 up to age 7 or \$3,000 between ages 8 and 14, regardless of the income of the parents and of the amount of child care expenses actually incurred.

(Motions deemed adopted, bill read the first time and printed.)

* * *

BUSINESS OF THE HOUSE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I think you will find unanimous consent for the following motion. I move:

That, on Tuesday, May 10, 1994, the House shall continue to sit after 6.30 p.m. for the purpose of considering government business Motion No. 12 in the name of the Minister of Agriculture and Agri-Food, provided that the Chair shall not receive any dilatory motions or quorum calls and that, when no additional member wishes to speak, but in any case no later than 10 o'clock p.m., the Speaker shall adjourn the House to the next sitting day.

(Motion agreed to.)

Mr. Milliken: Mr. Speaker, I think you also will find unanimous consent for the following motion. I move:

Routine Proceedings

That, notwithstanding any standing order, the sitting of the House on June 6, 1994 shall commence at two o'clock p.m.

(Motion agreed to.)

* * *

PETITIONS

CRIMINAL CODE

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I have yet another petition from constituents of mine requesting that section 745 of the Criminal Code of Canada be repealed. I would like to table this pursuant to Standing Order 36. I do concur completely with the petition.

CRIMES OF VIOLENCE

Mr. John Maloney (Erie): Mr. Speaker, today I have the solemn responsibility pursuant to Standing Order 36 to table a certified petition.

The petition prays for more severe penalties for those convicted of violent offences, the release of names of those young offenders convicted of murder, sex crimes and other violent assaults and the automatic transfer to adult court for those young offenders charged with sex crimes and murder.

The petition results from the fatal shooting of Carrie Lynn Pinard in the summer of 1992. The Pinard and Racine families of Welland who are with us today in the gallery have worked hard to bring this issue and this petition to the government's attention.

It is sad that such a petition has to be brought to the attention of the House. It is significant that over 54,000 people have signed it.

CRIMINAL CODE

Mr. Morris Bodnar (Saskatoon—Dundurn): Mr. Speaker, I have two petitions identical in form today both asking that section 745 of the Criminal Code be repealed by this Parliament.

YOUNG OFFENDERS ACT

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, it is my honour and duty pursuant to Standing Order 36 to present a petition on behalf of numerous residents of my constituency.

They join many others in Canada in urging the Government of Canada to make definite changes to the Young Offenders Act in order to prevent more serious crimes from happening and to provide the protection for the innocent persons of this country.

(1210)

The petition is motivated by the tragic murder earlier this year of Mr. John Jarvis of Whitehead, Nova Scotia. The first signature on the petition is that of his widow, Mrs. Reta Jarvis, who herself was shot during the same incident.

*Government Orders***QUESTIONS ON THE ORDER PAPER**

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

The Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

PEARSON INTERNATIONAL AIRPORTS AGREEMENT ACT

The House resumed consideration of the motion and amendment.

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies): Mr. Speaker, before the break in the question period, like all of my colleagues present here today, including the Reform Party members, I mentioned the non-transparency of the government in the cancellation of the Pearson Airport privatization. Afterwards, I spoke of the general lack of transparency on the part of the government each time they are asked to open the books to the public whether in the House or in committee.

Added to that is the fact that when there is no transparency, someone has to be blamed for the way things are going. So they talked about welfare recipients and the unemployed. I heard the Deputy Prime Minister say this morning, in reply to a Reform Party question, that the question was a vicious attack on the unemployed when in fact it was absolutely reasonable.

I would like to remind the Deputy Prime Minister that the most vicious attack against the unemployed and welfare recipients was made by her own government and the Prime Minister himself when he accused all the unemployed of being beer-guzzling couch potatoes.

Then they tried to blame the whole thing on Quebec's whims. If everything is going wrong in Canada, it is due to some passing fancy of that province. But it is a well-known fact that all of Canada's history can be reduced to Quebec's attempt to obtain real powers within Confederation. We only have to remember the various commissions that followed one after the other and that cost an enormous amount of money: Laurendeau-Dunton, Pépin-Robarts, Spicer, Beaudoin-Dobbie, Castonguay-Dobbie, Dobbie-Dobbie, and so on ad infinitum, up until the Meech Lake and Charlottetown Accord failures.

Non-transparency also in the way the facts are presented. Another issue was raised this morning. Another 65,000 Canadians have joined the ranks of the unemployed. When the

Deputy Prime Minister was asked how she could explain this, she told us that these 65,000 people had regained hope at last. In reality, these 65,000 people have lost their jobs, so we have non-transparency in the way the facts are presented.

They suggested that if things were not going well in the country, it was because of separatists, when we know full well that the Moody's credit-rating agency has just issued a warning to the government. If things are not going well in Canada, it is not because of separatists, it is because we owe \$500 billion to our bankers, because we are unable to pay them and because we swear to them that in three years we will owe them \$600 billion. That is serious.

As far as separatists are concerned, I remind this hon. House that Senator Ted Kennedy, who has been around for a while, said that Quebec sovereignty would not be a problem, that they could live with it. If Quebec opted for sovereignty, Americans would not have a problem with that.

And this too is part of the non-transparency. I remember the Prime Minister jokingly indicated to this House that construction of a high-speed train could not be seriously contemplated because there could be a border between Quebec and Ontario. In fact, there has been a statement on this subject today. In Europe, high-speed trains run across all the countries and nobody seems to have a problem with that. A high-speed train running through the recently opened Chunnel will link two countries and that does not seem to cause any problems.

(1215)

Every day, hundreds of trains circulate freely between the United States and Canada, and that does not appear to create any problem. Yet, there seems to be difficulties when trains travel between Quebec and Ontario. Therefore, I think that the facts are totally misrepresented. The presentation of those facts lacks transparency.

It is also suggested—again by the Prime Minister—that we are afraid of him coming to Quebec during the next election or referendum campaign. Indeed, I must recognize that we are afraid, but we are afraid that he might not come.

There are many issues which require greater transparency, and there are many people in Quebec who have very specific questions to ask to the Prime Minister on these issues, including his role in the decision to impose the War Measures Act in Quebec, which resulted in hundreds of people being beaten up, imprisoned and deprived of their rights. In fact, all Quebecers were deprived of their rights. Yet, the facts clearly demonstrated later that there was no justification for such action.

Quebecers also have questions to ask the Prime Minister regarding the unilateral patriation of the Canadian Constitution, a decision which was unanimously rejected by Quebec's Na-

Government Orders

tional Assembly. They have questions to ask him about the night those long knives were planted in Mr. René Lévesque's back. They also have questions regarding the kiss to Clyde Wells, when the Meech Lake Accord failed, and when, unfortunately, the Quebec Premier was on his knees, and even crawling, to get a *minimum minimorum* for our province.

The major issue which will have to be debated in a few months with absolute transparency, although I am not sure that we can trust the government to do that, is this: Why should Quebec keep 25 per cent of the voting shares of a country which is literally going bankrupt?

To conclude, I believe that greater transparency is required on the government's part and we will monitor its actions.

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

Some hon. members: Question.

[*English*]

The Deputy Speaker: We are getting into bad habits. Members who wish to speak have to stand if they want to be recognized.

[*Translation*]

Mr. Laurin: Point of order, Mr. Speaker. I thought we agreed this morning that there would only be 10-minute speeches, with no question or comment period.

The Deputy Speaker: I think the Chair is partly to blame, but you have to remember that, in practice, members of all parties can rise if they want to carry on with the debate. That is why when I rise and see that no one wants to take the floor, I feel kind of compelled to ask the question. I will now recognize the hon. member for Brome—Missisquoi.

Mr. Pélouquin: We should follow the right order, Mr. Speaker, if you do not mind. According to the list, I think you should recognize the hon. member for Louis-Hébert.

Mr. Philippe Paré (Louis-Hébert): Mr. Speaker, this morning, the Parliamentary Secretary to the Minister of Industry accused the official opposition of using stalling tactics to delay the passage of Bill C-22.

I want to tell the hon. member that he is absolutely right. By opposing this piece of legislation, we are delaying compensation payments the government cannot wait to pay to its friends, under section 11 of Bill C-22.

The Bloc Québécois put forward an amendment to Bill C-22 respecting certain agreements concerning the redevelopment and operation of Terminals 1 and 2 at Lester B. Pearson International Airport, which gives me the opportunity to complete the picture I began to draw last week. In fact, I began to compare the situation at airports in various cities with the situation at the Jean-Lesage Airport, in my riding.

I wanted to demonstrate how unfairly the Quebec airport was being treated, by raising a number of issues, including the areas occupied by airports in several provincial capitals. As you will remember, Mr. Speaker, except for the airports in St. John's, Newfoundland, and in Charlottetown, Regina, Yellowknife and Whitehorse, airports in every other capital city occupied larger areas than the airport in Quebec City. I also provided data on the terminal facilities themselves. You will remember that airports in Ottawa, Winnipeg, Halifax and Edmonton have no cause to envy the Jean-Lesage International Airport, quite the contrary since they all have a greater surface area, that is an additional 6,000, 12,000 and 24,000 square metres respectively.

(1220)

The demonstration I made last week also showed that, between 1988 and 1992, transborder and international flights have increased much more at the Quebec airport, at an average ratio of 10 to 1 compared to other airports.

After that speech, instead of being outraged at such an injustice towards the people of the Quebec City area, a member opposite said my evidence was "bordering on slander". Let me remind this House that the data supporting my demonstration all come from Transport Canada reports. In these days when communication techniques have improved by leaps and bounds, such abysmal ignorance is totally inadmissible, even more so for a member of the House.

Therefore, I wish all members of the government, instead of refusing to admit reality and resorting to insults, would examine quite objectively the motivations supporting Quebecers' desire to leave the Canadian federation; they are simply convinced that it is not beneficial for them and that it cannot be improved.

Last October 25, Quebec elected 54 members from the Bloc Québécois because voters were convinced that the defence of Quebec's interests could not be left to the two big national parties, both of which having centralizing tendencies. It is therefore in keeping with my mandate to defend Quebec's interests that I pursue in the same vein as last week.

We see the same unfairness in the area of research and development applied to transport. According to the Transportation Research and Development Board, Quebec had 45 per cent of the research capability in 1987 and 55 per cent in 1989; however, it only got a few crumbs as far as investment is concerned: 19 per cent from 1983 to 1986; 16 per cent from 1986 to 1991; and 12.3 per cent in 1991.

Therefore, the more research and development capability we had in the transportation sector, the less money we were getting. It is like trying to square the circle. You probably have to be federalist to understand. When confidence is lost, the responsibility for restoring it does not rest with the one who lost it.

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I will continue to accumulate proofs that Quebec City airport is being treated unfairly. In the summer of 1993, the federal government, to try and woo some voters, gave Quebec City airport international status. Considering how antiquated and small the terminal is, a promise of modernization should have been made at the same time. But it was not forthcoming, Mr. Speaker, on the contrary.

Since then, Transport Canada is continuing its demolition derby at the Quebec City Airport. Despite all attempts by economists and politicians from the area, it is sticking with its plan of shutting down the radar air and traffic control room. On April 1st, the security services normally provided by the RCMP were withdrawn. It is important to note that out of the eight airports affected by this mean decision, Quebec City airport is by far the most important.

To be convinced of this, suffice it to name the other airports affected by this decision: St. John's, Newfoundland, Moncton, Windsor, London, Regina, Saskatoon and Victoria.

But the carelessness and lack of responsibility of Transport Canada did not stop there. Against its own safety rules, Transport Canada is poised to reduce the fire fighting service at Quebec City airport. According to Transport Canada this airport belongs to group 6. In an international airport of this category, the fire department must be operational 24 hours a day; however, at the Quebec City airport, there is no service between 1 a.m. and 7 a.m.

At the Quebec City airport, the category 6 rescue service is geared to handle planes measuring a maximum of 128 feet in length. However the Air Canada Boeing 767 which serves Quebec City three times a week is 160 feet long; the Air Transat and Royal Lockheed 1011s, which use Quebec City airport several times a week, are 180 feet long; the Air Transat Boeings, which land regularly in Quebec City, are 155 feet long.

(1225)

Far be it from me to prevent these planes from coming to Quebec City; it is up to Transport Canada to make its fire department comply with its own regulations and not to air carriers to abandon a lucrative market.

The Minister of Transport, who can only talk about safety when asked questions in this House, is poised to eliminate one fire truck and to lay-off one fireman. Because of this decision, Transport Canada will probably have to downgrade the status of the Jean-Lesage Airport. This is how it develops air transportation in Quebec, and prepares for Quebec 2002 and the increasing needs for efficient and modern means of transportation. If the federal government wanted to make sure that Quebecers would vote in favour of sovereignty at the next referendum, it could not do any better than this.

Let us now compare Toronto airport with Montreal airports. When the government decided to privatize major Canadian airports, Transport Canada turned over the most profitable one, the Toronto airport, to the private sector, and Montreal airport to a non-profit corporation. This is much to the credit of stakeholders in Montreal, but the same cannot be said of those in Toronto.

As if this picture of political power at work in Canada were not bleak enough already, in Transport Canada's newsletters for February and April, you can read about investments the department plans to make in construction projects in Canadian airports. In Thunder Bay, construction from January to October; in Toronto, from April to December; in Ottawa, from May to December; in Lac-du-Bonnet, Manitoba, from May to August; in Saskatoon, from June to August; in Vancouver, from June 1994 to June 1995. And back in Ontario, from May to October, construction in the Hamilton, Oshawa, London, Muskoka, Sault-Ste. Marie, Timmins and Windsor airports. In Quebec, sweet nothing!

To conclude, I would like to quote remarks from the Minister of Transport himself, as reported in a press release from Transport Canada dated February 10, 1994: "The federal government will not patch up Lester B. Pearson International Airport. Decisions regarding development plans will be tied directly to those regarding the administrative structure of the airport. I am anxious to hear what all the federal members of Parliament from the greater Toronto area, members who are here to represent the interests of their constituents, will have to say on the subject. I am confident they will reflect faithfully the majority opinion of their communities. If they can achieve a consensus on the future of number one airport in Canada, the government will comply with their recommendations".

That is precisely the attitude the Quebec City region is asking from the Minister of Transport, because a consensus has existed for quite a while in our region to keep the terminal control unit, build a new control tower as well as expand and modernize the Jean-Lesage International Airport.

As for the hon. Parliamentary Secretary to the Minister of Industry's agog over the delays caused by this debate on investments to be made at the Toronto airport, it leaves me cold as a January morning.

Mr. Gaston Péloquin (Brome—Missisquoi): Mr. Speaker, Bill C-22 is a perfect example of these "scorpio" bills to which the Liberal Party has accustomed us. Innocuous at first sight, it can become disastrous if one is not careful. Bill C-22 is only four pages long and contains only twelve short sections. But beware! The fatal sting is in clause 10, which provides that developers who lose a deal as a result of public pressure may be entitled to compensation. Liberals could not really drop their

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old friends. They found there a particularly deceptive way of giving them satisfaction.

(1230)

By introducing Bill C-22, the Liberal government gives even more strength to the Bloc Québécois' campaign slogan which roughly translates as: "Giving ourselves real power". Indeed, last October 25, Quebecers gave themselves real power in Ottawa. Not the power to favour friends of the government, not the power to grant lucrative contracts to companies that gave money to the party or are able to hire the services of large lobbyist firms. No, Mr. Speaker, real power! The power to defend the interests of real people, the interests of all those who are indignant about questionable initiatives such as Bill C-22.

It is no wonder that some members opposite question the legitimacy of the Bloc Québécois. It is difficult for them to accept the presence, in this House, of members whose party did not get any financial support from large corporations. It is not necessarily because of ideological or political differences that the financial establishment did not support the Bloc Québécois during the electoral campaign. In fact, several companies have clearly expressed their support to the Bloc and wanted to give it funds. Our party simply refused to play the games of the lobbyists. Our legitimacy rests on people, not on corporations.

As you know, when a company or an association asks to meet a member of the Official Opposition, that member does not have to follow the same ritual than a Liberal member. It is not necessary to look on the electoral list to decide upon the length of the interview or the interest that must be given to it. The only criterion which is used to determine the political agenda of a member from the Bloc Québécois is the defence of the interests of the people from Quebec. Do the Liberal members really think that people are stupid enough as to believe that a person who contributed five dollars to the Liberal Party fund is going to get the same attention as a multinational which contributed \$100,000?

I would like to clarify one thing just to make sure I am not going to be misunderstood here. I am not saying that the ministers and government members who received contributions from companies are all corrupt and ill-intentioned. Not at all! I rather look at those poor Liberal or Conservative members as victims. They are the victims of a legislative tradition that allowed the institutionalization of a patronage system in which only the rich can be heard. The only way to restore the system would be to eliminate the donations companies make to political parties by amending the legislation.

The old parties reject such a measure. According to them, there is no need to amend the federal legislation on political financing which is so beneficial to them. If people want to be

heard, they can turn to a lobbyist firm. This mentality is so deeply entrenched in Canadian political habits that the government members feel they have to do things as usual in order to be true to tradition. I can understand that, but I do not understand why they refuse to amend the rules that force them to figure out all kinds of schemes to please their generous donors.

(1235)

As our dauntless Prime Minister often says, it is a question of dignity. I would even say it is a question of public morality. Not an obtuse and puritan kind of morality, but one that is based on honour and respect for the most fundamental principles of a democracy such as ours.

By giving compensation to those who tried to swindle the country, Bill C-22 confirms the opinion of some who are increasingly convinced that the House of Commons is there to defend the interests of the rich like Power Corporation and Seagram's and not those of the ordinary people.

If the original sale of Pearson International Airport was a flagrant mistake on the part of the Tory government, the compensations provided for in Bill C-22 are nothing short of criminal. As the member for York South—Weston rightly said in this House, it is a sting of the worst kind. I say to the government it should be careful because, as dangerous as it might be, a scorpion can always be crushed. As we have seen on last October 25, Quebec's population knows very well where to stomp.

Mr. Stéphane Bergeron (Verchères): Mr. Speaker, you will remember that in the last election campaign, the Liberal Party and its leader kept on saying that if elected, they intended to lead this country with honesty, integrity and openness and that they wanted to consult the people and Parliament, either in this House or in various committees.

However, I think that we can question this government's real desire to really consult and to be open. Yes, we have had some debates in this House that are rather unique in Canadian history, debates on fundamental issues like the presence of Canadian UN troops in Bosnia—Herzegovina and in Croatia, and on cruise missile testing on Canadian territory.

But often we feel that we are involved in these debates in a very symbolic way, since we sense that the debates are being used to legitimize decisions that have already been made by the government. One reason that I think we can question the government's real desire to listen to what is going on in this House is Bill C-22. For two weeks, my colleagues in the Bloc Québécois and in the Reform Party have spoken in this House to explain why we think this bill is unfair and unacceptable, but the government seems to pay no attention to what we say in this House.

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Liberal members rise one after another to defend this bill which we think is completely unacceptable. We think that the very principle of privatizing Pearson Airport is questionable.

The unethical nature of this affair and the shady dealings surrounding the signing of the contract to privatize Pearson Airport have been brought to light. My colleague from Hochelaga—Maisonneuve this morning raised a very interesting question: why were they so keen on privatizing Pearson Airport?

It was and still is the most profitable airport in Canada. In 1993, it generated profits of about \$23 million, according to what we were told. So why privatize it, especially since the approach proposed by the Conservative government at the time was to entrust airport administration to local authorities, to turn the administration of airports over to those people who were most aware of the needs of the region. Even so, and in spite of its own airport management policy, the government decided to go ahead and privatize Pearson Airport.

(1240)

We saw how swiftly they proceeded with the privatization of Pearson Airport, and called for tenders within 90 days for the contracts to manage Terminals 1 and 2. As of 1992, only two bids had been received, one from Paxport and the other from Claridge, which already managed Terminal 3. The government awarded the contract to Paxport, without even bothering to check the financial stability of the company.

What happened next? Paxport was forced to merge with Claridge. Yet, Paxport had been the preferred choice precisely so that Claridge would not have a monopoly over the management of the three terminals. Finally, the two companies merged under the name of Pearson Development Corporation, and a contract with the consortium was concluded within one day, at the very end of the election campaign. Up to then, the Liberal Party had kept relatively quiet about the deal.

Considering the public's reaction, the Liberal Party promised to cancel the contract as soon as it took over the reins of government.

There was then some consensus among the public, the media, the Liberal Party, the Ontario Government and the Bloc Quebecois that this deal, which was especially profitable for the parties concerned and especially harmful to passengers, had to be cancelled. It was said that the Pearson Development Corporation intended to raise passenger fees from \$2 to \$7, which would have generated additional revenues of \$100 million.

The first logical thing for the government to do would naturally have been to cancel this deal without any compensation whatsoever and to undertake a serious, independent and open public inquiry into the circumstances of this deal and into the role played by lobbyists. Such an inquiry could have helped

to distinguish stakeholders who acted in good faith from those who did not. And it could have allowed us to eventually compensate, if need be, parties who are entitled to compensation and to do so according to a public and open process.

The government might also have ensured that this never happens again by amending the Lobbyists Registration Act, thus allowing greater control of lobbyists. It might also, as the Bloc Quebecois keeps proposing in this House even if its proposition is never taken up by the government, have passed an act on the funding of political parties similar to the one in Quebec, which stipulates, first, that only voters have a right to contribute money to political parties, second, that there is a maximum contribution not to be exceeded and, also, that any donation in the amount of \$100 or more must be made public.

Of course, such an act would prevent any suspicious collusion between major corporations and old federal political parties. Any new attempt on the part of the government to interfere in the Pearson Airport situation should be based upon openness, integrity and co-operation between all three levels of government and the various local groups involved.

(1245)

Instead, after the election, the government decided to proceed with an internal inquiry, led by a former treasurer of Ontario, Mr. Robert Nixon, a very respectable man, I agree, who came to some very harsh conclusions about this famous contract signed by the previous government. Despite all of this, the government introduced Bill C-22, which leads us to believe that it is payback time for its old political friends.

Clause 9 of Bill C-22 states that there will be no compensation for any loss of profit or any fee paid for the purpose of lobbying. But in clause 10, the Minister of Transport is given the authority to provide, as he sees it, any compensation he considers appropriate to businesses he feels are entitled to be compensated.

In conclusion, I just want to add that section 8.6.3 of the request for proposal clearly stated that the companies would not be compensated. It said that all costs and expenditures incurred by the bidders for the preparation of the proposals are payable by the bidders. The government will not be obliged to cover these costs and expenditures, or to reimburse or compensate promoters, under any circumstances, including the refusal of the proposal and the cancellation of the project.

If those companies were aware, at the time of the tendering process, that they could not be compensated, why are they now expecting compensation from the government? This is unacceptable, and we will continue to oppose this measure and to use all our allotted time to stop this bill from being passed and get to the bottom of this.

The Deputy Speaker: Before recognizing the next speaker, I want to apologize to the hon. member for not warning him that his time was almost up.

Mr. André Caron (Jonquière): Mr. Speaker, I want to discuss the privatization of Pearson Airport, in Toronto, from the perspective of a resident of Saguenay—Lac Saint-Jean. What does a resident of Jonquière or Saint-Félicien see when he watches TV and hears about this project? He sees that the privatization of Pearson Airport was quickly and hastily decided during the last election campaign. Pearson Airport is not a lame duck; it is not a venture in deficit. It is profitable airport; in fact, it is one of the most profitable airports in Canada. Some civil servants in Ontario claimed that this privatization would cost somewhere between \$140 million and \$240 million annually.

The resident of Saguenay—Lac Saint-Jean who is watching sees hundreds of millions go by. However, behind the scenes he also sees lobbyists who are friends of the government. He sees Conservatives, Liberals, former deputy ministers and senior civil servants hired by lobbies, and businesspeople used to getting lucrative government contracts and attending Conservative and Liberal fund raising dinners at \$1,000 a plate.

The resident of Saguenay—Lac Saint-Jean then compares this situation to the needs of his region, which are important needs. The history of our region goes back 150 years. It is a region with a glorious industrial past. Our region's development was based on natural resources: our forests provided paper, while lumber and hydro-electricity were used for primary aluminum.

In my riding, Alcan's Arvida plant was at one time the world's largest aluminum plant. Back in 1943, the Shipshaw hydro station in my riding generated the most hydroelectric power in the world. That is what I mean when I refer to our glorious past.

(1250)

As for the present, the region is still fairing relatively well. It is home to seven pulp and paper plants and to four primary aluminium plants. However, it is also experiencing major economic problems. In the past few months, the official unemployment rate—not the unofficial, but the official rate—in the greater Chicoutimi—Jonquière region was the highest in Canada. The rate is unbelievably high. For a region that lived through the golden age of industry, this situation raises a number of questions.

We all know the reasons for this situation and we have analyzed them on different occasions in the region. One reason cited is technological conversion, the fact that our major industries have modernized their operations. That is quite normal. Another reason is globalization. A company like Alcan is investing around the world. Finally, the region's economic woes can also be attributed to the fact that more money is flowing out

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of, instead of into, the region. The Health and Social Services Board produced a study which found that our region experienced an annual shortfall of more than \$100 million. Imagine what could be accomplished with an extra \$100 million in a region such as the Saguenay—Lac-Saint Jean, considering its needs and its population of roughly 300,000 people.

Regional development policies have also been ill-conceived. Both the federal and the provincial governments have resorted to the old trick of divide and conquer. Year after year, the region is given several million dollars and left to decide how to allocate the funds. It is somewhat like throwing a bone to a pack of dogs and watching them fight over it.

Meanwhile, no new regional development policies specifically geared to a region such as ours have been formulated. This too raises some questions.

Despite everything, the region's future still seems bright. I can say this because residents are resisting the exodus of young people, the loss of jobs in our major industries and the rise in unemployment. At the Abitibi-Price and Alcan plants, the unions have taken steps, in co-operation with the different companies, to increase production and performance levels. Their actions are supported by the politicians.

At the Vaudreuil plant, in Arvida, a plant providing employment to about 1,200 people, the union asked Alcan to make investments in order to make that plant even more profitable than it is now. The 54 Bloc Québécois even supported in a petition the Vaudreuil plant workers who are asking for investments.

Politicians then, particularly in the sphere of influence of both the Bloc Québécois and the Parti Québécois, are doing all they can to get new investments for the region.

As people from the region, we are also asking for multinationals to re-invest locally some of the profits they derive from the development of our natural resources. Natural resources have been leased to big companies, whether it be Alcan or Price. Since these companies have been granted access to our resources, people ask that more substantial spin-offs benefit the region.

(1255)

This happened last year, when Alcan sold to Hydro-Québec tens of millions of dollars in surplus electricity. This money was probably invested abroad or went to shareholders. If Alcan was allowed to develop our rivers, it is because it promoted job creation and not dividends to its shareholders.

We ask that these funds be reinvested in the region. I would even go so far, Mr. Speaker, as to ask that an investment funds be set up with the money generated from these surpluses in order to promote the development of small and medium-sized business in that area.

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In conclusion, Mr. Speaker, what we really need are the tools for our development: a radical decentralization and the powers required to make our decisions. In the same way that Quebec wants to acquire these powers by becoming a sovereign State, at the regional level, we want to have a say in the decision-making process.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have been hearing for several days now what members opposite are saying about this Bill C-22 and I note the interest that my speech seems to generate. Several members are getting ready to listen carefully to what I have to say. I can feel it, Mr. Speaker.

You see, members opposite are telling us, by way of an amendment, and I will read it:

This House declines to give second reading to Bill C-22, An Act respecting certain agreements concerning the redevelopment and operation of Terminals 1 and 2 at Lester B. Pearson International Airport—

and please take note of this,

—because the principle of the Bill is flawed due to the fact that it contains no provisions aimed at making the work done by lobbyists more transparent.

In other words, according to them, legislation to amend the Lobbyist Registration Act should be part of Bill C-22. I think that someone just said yes.

Mr. Speaker, if the government had dared to amend public morality legislation, such as the acts on lobbyists or conflicts of interest, without the prior consent of the House, and had introduced it as a government bill, can you imagine what the members opposite would have said?

I have worked on several occasions in the past on bills dealing with public morality. You will recall, I am sure, the bill of 1987, which came after the unanimous report of a parliamentary committee. I recall that members from all sides of the House were saying: “Finally, we will have legislation on lobbyists because we worked together and not because the government dictated it, since a public morality matter must be part of a consensus”.

[*English*]

All right. Then had we today introduced as a government without consultation with the opposition an amendment to the Lobbyist Registration Act inside a bill for the Toronto international airport, first of all we would have likely been out of order because that would have been an omnibus bill with no binding provisions in it to join the bill together. The Reform Party member across will know that is a prerequisite. In other words, there must be a mechanism to hold those two things together. If they were inside a bill there clearly would not have been then, and so it would have been out of order.

Second, in the unlikely event that the bill would have been in order, those people across the way would have been the same ones to pooh-pooh—not to use any other words that would be unparliamentary—the efforts of the government because they would have said this is not the way to introduce a lobbyist registration bill.

An hon. member: Oh, yes.

Mr. Boudria: It is the way, says the member across the way. I think he had better make up his mind. I am looking forward to his speeches. How do they expect us to introduce those amendments to the LRA, the Lobbyist Registration Act?

[*Translation*]

It was an honour for me to work on two parliamentary committees dealing with lobbyist registration. Because of the defeat in the last election of certain members of other parties, I am the only member in this House left among those who worked on that issue.

(1300)

[*English*]

We as a government have promised in the red book on page 94 that we would amend the lobbyists—

An hon. member: Read the red book.

Mr. Boudria: My colleague challenges me to read the red book. I will read from the red book, page 94. All members must pay attention to this, it is very important—lobbying reform:

The lobbying industry has expanded enormously in Canada during the nine years of Conservative government. The integrity of government is put into question when there is a perception that the public agenda is set by lobbyists—

Serious concerns have been raised in the minds of Canadians—

It goes on to say that a Liberal government will move decisively to address these concerns. We will produce amendments to the Lobbyist Registration Act based on the report of the committee, the report that I have here. That is what we are going to do. That is what the opposition says it wants. Except that today it is asking us to put these amendments inside a bill for an airport. Is that a way to propose a bill involving public morality? I say no.

My learned colleague from Moncton, learned in the law, says no. All my colleagues who know far better about these things say no. I am sure the members across say no.

Some hon. members: No.

Mr. Boudria: I say to the hon. members, why do they not just withdraw this superfluous and trivial amendment? It has nothing to do with the subject that we are talking about. It is there to delay the passage of a bill, a bill that was promised as part of our commitment to the people of Canada that we would stop the nonsense that the Conservatives got into which was the giving away of one of our largest national assets, the Toronto international airport, more commonly known now as the Pearson airport.

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[*Translation*]

I have here the June 1993 Holtmann report to amend the Lobbyists Act. In its red book, the Liberal Party promises to enact the amendments proposed in this report.

Mr. Bergeron: When will Bill C-22 be passed?

Mr. Boudria: Soon, dear friends opposite.

Mr. Speaker, I bet you that the day the bill is brought before this House, the members opposite will tell us that it should not be passed right away, that there must be a consensus, that it must be referred to a parliamentary committee, that hearings must be held. That is what they will tell us. And rightly so—

Some hon. members: Oh, oh!

Mr. Boudria:—because it is a matter of public morality. That is the way it should be examined and not the opposite as proposed in today's motion.

You see, they said yes to a bill with consensus, in-depth study and everything, but at the same time they tell us to hurry up and put it in an amendment to the bill before us. Make up your minds, ladies and gentlemen. You cannot have it both ways.

It is one of our commitments to the Canadian people. We will honour this commitment despite the efforts of members opposite to prevent us from delivering on our promise to the people. We will do as we promised. We were elected on this commitment, and Liberals, as you know full well, always keep their promises.

Mrs. Monique Guay (Laurentides): Mr. Speaker, Bill C-22 proposed by the federal government is flawed since it contains no provisions aimed at making the work done by lobbyists more transparent.

This bill just cancels one of the most important political scandals concocted by political friends and well-connected lobbyists. The government simply wants to put out the fire without anyone knowing how it was started in the first place.

(1305)

Moreover, Liberals do not want to lift the veil on the whole issue of lobbying. If they are behaving in such a way, it is because they want to spare the people around them and not smear anyone, since they too are stuck with some powerful friends in the Pearson affair. And yet, the Prime Minister had promised to get right to the bottom of the circumstances surrounding the negotiation and agreement on the airport privatization.

The results coming out of that promise are very small: a mere study done by a former Ontario Liberal minister behind closed doors and explaining to us that the political staff and lobbyists played an uncommon role in that affair. If the government wants

to show that it is clean and transparent, it should order a public inquiry in the Pearson matter.

I remind you that several Liberal members of the Toronto caucus were in favour of such an inquiry. But after realizing that the interests of some friends of the party were at stake, and not only of the Conservative Party, the government, or I should say the Prime Minister unenthusiastically fell back on a mere report produced behind closed doors, that is the Nixon report.

When going through the list of people involved, one can easily make a close connection between these friends and lobbyists, and the previous Conservative administration and the present Liberal one.

I would like to name a few actors that took part in the deal: Pat MacAdam, Conservative lobbyist and schoolmate of Brian Mulroney; Bill Fox, a crafty fox of lobbying and a Conservative, ex-media relations officer and personal friend of Brian Mulroney; Harry Near, lobbyist for the Conservatives and an old member of the party. Also, Hugh Riopelle, lobbyist and strongman of the Mulroney cabinet; Fred Doucet, always closely or remotely tied to that party that was almost wiped out of this House. There is also John Llegate, a good friend of Michael Wilson. And finally Don Matthews who is the king of the ex-president of the nomination campaign of Brian Mulroney in 1983, ex-president of the Conservative Party and ex-president of the fund-raising campaign for the same party.

All those people gave a helping hand to cook the biggest Tory pie in the history of Canada. But with pies, it is the same as with puddings: the proof is in the eating. We did not swallow that. However all those Tory angels, who always considered public interest as a priority, were not alone in the kitchen of the Pearson Airport.

There were also Liberal angels and that is probably where the shoe pinches. It is surely for that reason that the royal commission of inquiry suddenly became the Nixon study. Transparency went out of the door. There were a few actors, namely senator Leo Kolber who is the specialist of private dinners at \$1,000 a plate. For that price you can shake hands with the present Prime Minister. There must have been more than bread and butter served to guests on that evening, among whom was Charles Bronfman, also part of the Pearson deal.

Bread, butter, dignity, pride, openness—all words used to excess by the people opposite. Come on! Let us have a bit of decency and respect for the low-income people of our society. Those people have a clear eye and know pretty well what friends discuss about during picnics at \$1,000 a plate.

In the Liberal group there was also Herb Metcalfe, a lobbyist for Capital Hill, representative of Claridge Properties and former organizer of the present Prime Minister. Ramsay Whitters, a Liberal lobbyist closely related to the Prime Minister. A

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pretty nice bunch! A bunch of heavies exerting undue influence on the government decision-makers in an unspeakable manner.

Their domination puts our institutions in danger. It produces harmful effects on decision-makers who see and rub shoulders only with one reality, the reality of rich people and large firms. That is very disturbing for ordinary people because decision-makers get disconnected from real social and economic problems that affect the poorest.

The social and human issues are over-shadowed by financial and economic interest linked to profit. All those ex-friends and lobbyists wandering around government offices are looking for profits and they have exceptional tools and means to reach that goal. They can easily open all the doors that give access to ministers and senior officials, and it is not to discuss the weather. All the pressure and influence peddling often gives good results. Decision-makers yield to the requests of friends and lobbyists who are often working for firms that will not hesitate to contribute to the old parties' election funds.

(1310)

What becomes of ordinary citizens in that system? What becomes of those thousands of organizations without money that are working to improve the well-being of groups and individuals? Do ordinary citizens and those organizations have the same powers, the same access and the same opportunities as those who use their considerable means to influence decision-makers? I do not think so. Certain results are very revealing. The poor and people living in difficult conditions are increasingly forgotten. There are more unemployed workers and more people on social welfare. There are more people who are hungry, more children living in unacceptable conditions and more elderly living alone and receiving less treatment.

As a matter of fact, there are more poor people. And the poor are getting poorer, and the rich are getting richer! Is that the kind of society that we want? Do we want a society increasingly divided into categories? That is what is happening on the field. Figures and statistics are clear. Decision-makers must absolutely come back to reality and try to ensure a better distribution of disposable income between social classes, and they must find a solution to all those excruciating problems. I do not believe that ex-friends and lobbyists can be trusted to see to that. As regards the airport and big profits, I agree they do an excellent job; but when it comes to social problems, we should look elsewhere.

It is urgent that the government establish strict rules for lobbyists. The population has the right, and it is essential, to be informed of all activities pertaining to public administration. The population has that right because at the end of the day it is the one who pays.

Those rules must allow us to know everything about lobbyists. Who are they? Who hires them? Who pays them? What are the goals and results of their activity? Whom do they meet? Actually they should be X-rayed and they should be followed around by a little bird so that we can know everything they do. If the government does not address that problem, the confidence of the population in its elected officials and in our institutions will continue to deteriorate even more rapidly.

I ask the people opposite to wake up because the population is awakening and it is getting fed up with favouritism, bribing on the part of the friends of the party and lobbying of the rich at the expense of the ordinary citizens.

You have denounced for years the absence of openness. I think time has come for you to act.

Mr. Maurice Bernier (Mégantic—Compton—Stanstead): Mr. Speaker, it is a pity that the member for Glengarry—Prescott—Russell decided to go to lunch right when I was going to tell him why the Bloc Québécois had moved in this House the motion that we have been debating. I see that he is back. I would not want to paraphrase the minister of Transport who said in this House, this morning, about us, the members from the Bloc, that we thought he was stupid because we did not seem to understand his answers. I think that my colleague from Glengarry—Prescott—Russell has the same resentment towards us.

I am going to read again the motion moved by the Bloc. It is important to understand the meaning of it. The motion asks that the motion be amended by striking all the words after the word "That" and substituting the following:

"this House declines to give second reading to Bill C-22, An Act respecting certain agreements concerning the redevelopment and operation of Terminals 1 and 2 at Lester B. Pearson International Airport, because the principle of the Bill is flawed due to the fact that it contains no provisions aimed at making the work done by lobbyists more transparent".

(1315)

It sounds clear to me. The member said that the Bloc would have wanted that bill to settle the case of lobbyists. I think that we might as well specify something for the member without necessarily writing it down. We are talking about the lobbyists who were involved in the Pearson deal, not about the lobbyists who, day after day, stick around the Liberal Party to get favours.

It is crystal clear. Those who reject that motion must not understand its relevance. The motion says that the bill contains no provisions aimed at making the work done by lobbyists more transparent. We are talking about those numerous lobbyists that can be found sometimes on the side of the Liberal Party, sometimes on the side of the Conservative Party but, at all times, on the side of the government. We want to know about that, and that is why we are asking for a royal commission of inquiry.

Government Orders

Of course the Bloc would like the government to present a bill on lobbyists; we will support any measure that would determine the scope of their work. Contrary to what the member for Broadview—Greenwood said this morning about there being Bloc lobbyists one day, Quebecers elected 54 lobbyists and they are all here in the House defending the interests of Quebec, day after day, openly and publicly. That is transparency.

Besides, several members from the other side tend to agree with Bloc Quebecois members on that point. I will even mention one, and I am sure the member for Glengarry—Prescott—Russell will appreciate that greatly; I am talking of course about the member for York South—Weston who said repeatedly in this House during this debate that, and I quote: “There were a lot of backroom negotiations and much manipulation. There were a lot of payoffs”. It is in *Hansard*. I am sure my colleague will consult it the minute I finish my speech.

He added: “It takes a lot of audacity on the part of Mr. Bronfman and other principals in the Pearson Development Corporation to put forward a claim of close to \$200 million for compensation after all of the shenanigans that took place”. Finally, he said: “One could almost conclude that the activity bordered on the criminal. I have considerable respect for M. Nixon, but he conducted his investigation and prepared his report in private”. There you have it! That is why the Bloc has presented this amendment; its purpose is to shed light on the role played by lobbyists in this issue and not to settle the case of lobbying in Canada once and for all.

Therefore, as I said last week, it is very disturbing to see not only that this bill does not clarify the lobbyists’ role, but also that it hints that there is a deal somewhere. As colleagues in the Bloc Quebecois and Reform Party have said, there is an obvious contradiction between clauses 7 and 10. I repeat it for the information of my colleague who was not here last week when I made my remarks. Clause 7 states that no proceedings for damages can be instituted against the government or its representatives concerning Pearson airport. Clause 10 specifies that if the minister considers it appropriate to do so, the Governor in Council may enter into an agreement recommended by the Minister of Transport. Paragraph 10(3) specifies that such an agreement must be concluded within a month after passage of the bill.

(1320)

What I explained last week, and I will conclude with that, is that people involved in that scheme are told not to worry, that they will not have to litigate and pay legal costs because the bill prohibits legal proceedings. On the other hand, they are told they only have to go to the Minister of Transport right away, make a deal with him, and Cabinet will ratify the deal. But they have to move fast because everything must be done within a month.

If the government took such care to include so many details in the bill, surely a deal has already been made. Otherwise, there would be no need to say it must be settled within a month. The evidence speaks for itself.

If we want to go to the bottom of this issue, and know once and for all what happened with these dealings, we need a royal commission of inquiry. I will repeat for the information of members opposite, we need it in order to know about the work of lobbyists involved in this scheme. Of course, this will teach a lesson to the government, at least we hope so, but we will also get relevant information that will enable us, in the near future, to pass satisfactory legislation to restrict and control lobbying.

Mr. René Laurin (Joliette): Mr. Speaker, I am sorry, I was told that there was another speaker before me.

We cannot support Bill C-22, an Act respecting certain agreements concerning the redevelopment and operation of Terminals 1 and 2 at Lester B. Pearson International Airport.

Even if the purpose of this bill is to cancel an inadequate contract which, as Mr. Robert Nixon noted in his report to Prime Minister Jean Chrétien, was “arrived at with such a flawed process and under the shadow of possible political manipulation”, it sets cancellation conditions which, in our opinion, are just as irregular and make us think that they are the result of more political manipulation to protect friends of the party in power.

We must first ask the following questions: Why did the government want to change the management framework of Lester B. Pearson Airport? Was the airport losing money? On the contrary, in 1993, this airport made a profit of \$23 million, excluding revenues from renting Terminal 3. Did the government believe that the new consortium would offer customers better services at a lower cost? On the contrary, since the deal provides that, for air carriers, the costs would be raised from \$2 per passenger now to \$7 at the end of construction. And we know that carriers pass their costs on to passengers.

(1325)

There was only one acceptable reason, and it was the implementation of the new policy on the future framework for the management of airports in Canada that was published by the Conservative government in April 1987. But there again, the Conservative government at the time departed from its own policy by entrusting the modernization of Terminals 1 and 2 of Lester B. Pearson Airport to a private consortium.

Indeed, the new policy on the future framework for the management of airports in Canada called for the implementation of the new approach chosen by Transport Canada; one of its two main thrusts was to emphasize the commercial orientation of airports, their possible contribution to economic development and their taking into account of local concerns and interests.

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That approach called for private sector involvement, especially in traditional or innovative airport services as much as possible.

Instead of delegating the management of Pearson Airport to a local public authority similar to the ones in place in Montreal, Vancouver, Calgary and Edmonton, the government decided to favour a private consortium, thus going directly against its general policies.

It has not been proven that the decision to change the management framework of Lester B. Pearson Airport was made according to generally recognized principles of good public management. One has to look elsewhere to find the real reasons that prompted the Conservative government to sign in a rush, in the middle of an election campaign, the October 7, 1993 agreement.

We would have more luck finding the real motives behind this transaction if the present Liberal government appointed a royal commission of inquiry. We would get answers to some troubling questions. On June 22, 1987, the Conservative government selected Airport Development Corporation to build and operate terminal 3 at Pearson. Airport Development Corporation and Claridge Properties Inc. are essentially the same corporate entity. What do we know about Claridge Properties Inc.? It is a real estate company owned by Charles Bronfman, who is associated with the Liberal Party of Canada. The key people in the company are: Peter Coughlin, the president; Senator Léo Kolber, the manager of Claridge Properties; Herb Metcalfe, a lobbyist representing Claridge Properties and a former organizer for Jean Chrétien; and Ray Hession, an influential former deputy minister who had recently been appointed to the board of Paxport.

On December 7, 1992, Paxport's proposal for the privatization of terminals 1 and 2 was accepted. There were only two proposals, the other one being the one made by Claridge Properties. The companies had only 90 days to submit their bids.

Paxport was then given two months to demonstrate the financial viability of its proposal. That condition was never met. What then do we know about Paxport Inc.? It is another consortium made up of six companies associated with the Conservative Party through some key people, and I will name a few: Don Matthews, president of Paxport Inc, the former chairman of Brian Mulroney's nomination campaign in 1983 and former president of the Conservative Party; Otto Jelinek, a former Conservative minister, now a member of Paxport's board of directors; Fred Doucet, who was mentioned earlier, a lobbyist representing Paxport and long-time friend of Brian Mulroney; Bill Neville, another lobbyist representing Paxport, the former chief of staff of former Prime Minister Joe Clark and a member of the privileged transition team of former Prime Minister Kim Campbell.

What happened next? On February 1, 1993, having been unable to demonstrate the financial viability of its proposal and

experiencing some difficulties, Paxport merged with Claridge under the name T1 T2 Limited Partnership. Again, T1 T2 is made up of the same companies: Claridge Properties, Paxport Inc. and the Allders Group.

All of these people have ties to either the Liberal Party or the Conservative Party.

(1330)

In short, Mr. Speaker, during the whole process, the whole time these transactions were prepared, the present Prime Minister never complained and never said anything about what was going on in this matter.

It was only a few days after the announcement of the general election that the Prime Minister opposed the way it was done. For these reasons, I ask the Liberal Party and some of its supporters why they are afraid of revealing the hidden aspects of this privatization?

The Deputy Speaker: I am sorry. You have three minutes left for next time.

[English]

Colleagues, I have received written notice from the hon. member for Burnaby—Kingsway that he is unable to move his motion during private members' hour on Monday, May 9. The member's office, I am told, indicated yesterday that he would not be in Ottawa on Monday and could thus not proceed with his matter on that day.

[Translation]

Since it was not possible to arrange for an exchange in the order of precedence, pursuant to Standing Order 94(2)(a), I ask the Clerk to drop the order to the bottom of the order of precedence.

[English]

It seems proper to add in the interests of all private members in the House that this is unfortunately the fourth time this has happened since Private Members' Business began on March 14th.

[Translation]

The hour provided for the consideration of Private Members' Business will consequently be suspended. Pursuant to Standing Order 99(2), the House shall meet at 11.00 a.m. for the consideration of Government Orders.

Mr. Milliken: Mr. Speaker, I rise on a point of order.

The Deputy Speaker: The member has the floor on a point of order, but very briefly, since it is now time for private members' business.

Mr. Milliken: Mr. Speaker, I wonder if the hon. member for Joliette could conclude his remarks. He is almost done, with two minutes left. I am sure he will get unanimous consent to finish his speech.

The Deputy Speaker: Is there unanimous consent to let the member finish?

Some hon. members: Agreed.

The Deputy Speaker: Agreed. The member for Joliette has again the floor.

Mr. Laurin: Thank you, Mr. Speaker. I had reached August 30, 1993, when the Minister of Transport in the Conservative government announced that a general agreement had been reached with the Pearson Development Corporation concerning the management of all three terminals at the Lester B. Pearson Airport. What is Pearson Development Corporation?

It is a corporation specially created to manage the three terminals and that incorporated all the activities of T1 T2 Limited Partnership. This new company was also controlled at about 17 per cent by the Matthews Group—Matthews being the chairman of Paxport—at 66 per cent by Claridge Properties, allied to Mr. Bronfman, and at 17 per cent by public companies which were to provide conventional airport services.

You will agree with me, Mr. Speaker, that this structure closely resembles the one of T1 T2 Limited Partnership. On September 8, as we all know, a general election was called by the Government of Canada.

It is then, and only then, that Mr. Jean Chrétien, the Prime Minister to be, warned that he would not hesitate, once in office, to cancel that deal if completed. Following this statement, the chief negotiator requested written instruction to sign the contract and, on October 7, Prime Minister Campbell demanded that the legal privatization document be signed that very day.

Three days after the general election, on October 28, the Prime Minister appointed Robert Nixon as special investigator to scrutinize the privatization of the Pearson terminals.

At this point, we should note that Robert Nixon was Treasurer of Ontario in the Liberal government of Premier Peterson, and had been leader of the Ontario Liberal Party.

On November 29, Mr. Nixon delivered the report on his findings, opinions and recommendations to the Prime Minister who decided to cancel the privatization deal on December 5.

The government may want to show its good will by passing Bill C-22 which cancels the deal, but how is it that the Liberal Party never denounced the situation while they were in opposition, and while all these dubious dealings were unfolding before their eyes? Why did the Liberal Party not denounce its political friends and those of the Conservative Party who were gearing up for such favouritism?

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Why is the Liberal Party still seeking today to protect its political friends by closing this case in such a way that it will punish the bad Tories who were party to these transactions, but compensate its good Liberal friends who were involved to the same degree in this murky deal?

Why are the Liberal Party and its financial supporters afraid of revealing the hidden side of this privatization?

Why is the Prime Minister still refusing to order a royal commission, the only way to get to the bottom of things?

If such an inquiry is not called, the Bloc Québécois will not side with the Liberal government and will not support this bill which is as unacceptable as the airport privatization deal itself.

[*English*]

The Deputy Speaker: It being 1.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

[*Translation*]

It is understood that the debates will be prolonged by four or five minutes.

PRIVATE MEMBERS' BUSINESS

[*English*]

PARTY FUNDRAISING

The House resumed from March 18 consideration of the motion.

Ms. Margaret Bridgman (Surrey North): Mr. Speaker, I rise in the House today to support this motion which states:

That, in the opinion of the House, the government should bring in legislation limiting solely to individuals the right to donate to a federal political party, and restricting such donations to a maximum of \$5,000 a year.

I wish to thank the hon. member for Richelieu for bringing such an important issue to the attention of the House.

This is a two-part motion in which both parts play very important roles because of the significant changes each will bring to the existing system.

The first part, as it eliminates donations to individuals only immediately eliminates any group of individuals from donating. I use the word group here in its broadest sense; that is, groups ranging from large corporations of individuals united under a common banner, be it a corporation, a union or an association, to the duo team of the Mr. and Mrs. group.

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On the second part of the motion, individual donations limited to a maximum \$5,000 a year, I reflect for a moment on the figure of \$5,000 and admit that the reasoning for this particular figure versus any other tends to allude me at this time. If it is representative of a certain percentage of the average Canadian income I think it is a little on the high side. On the other hand I am very pleased to see that it does not relate to the amount allowed for an income tax deduction because I anticipate, quite strongly actually, that the present income tax system will itself be remodelled during the next decade.

The concept of identifying a maximum amount for an annual donation is a good one. It creates the need for a candidate and his or her team to go directly to the grassroots, to the individuals involved in the election process to raise the funds needed to facilitate their campaign in getting their message across to as many more voters as possible. It will also reduce any undue influence that wealthy individuals or groups of individuals such as corporations, unions, associations, et cetera may have on the political process.

Some people may criticize this analysis, especially the second reason about the undue influence. They will possibly criticize this as being too cynical or for downplaying the role of public policy in an election. In fact this has already been done.

When the motion was first debated in this House, my colleague, the hon. member for Cariboo—Chilcotin, was portrayed by the members opposite as believing that “all those who contribute to a political system expect something in return”. That is from the March 18 *Hansard*, somewhere around page 2510.

(1340)

At the same time members opposite use the standard line of many politicians contending that people donate money to political parties based on altruistic principles. That is, people contribute toward a process because they want good government.

I do indeed accept that many people donate for better government. It is certainly true and I wish to state unequivocally that individuals, corporations, unions, et cetera, do in fact donate to political parties and/or individual candidates for the purpose of good government and good representation.

However, as my colleague tried to point out on March 18, it is also certainly true that some donations are made in the political process for the purpose of influence. How else does one explain the fact that many groups, corporations, et cetera, donate money to two different parties? Do they believe that both parties have equally good policies? Or is it more realistic to believe that they want to retain influence in both parties so that whichever one forms the government they can point out later their financial support?

Another observation along this line would be the movement of some corporations, associations, et cetera, of their donations from probable losers to probable winners as the election campaign progresses. This does not mean we believe that every individual or group that contributes toward the political process is expecting something other than good government in return. However, it does point out there are other possible reasons for donating.

The Reform Party does not have a problem with private citizens spending their hard earned money toward achieving good or better government. What the Reform Party does have a problem with is large corporations, unions, special interest groups, et cetera, donating large amounts of money. I am not talking about \$100, \$1,000 or \$2,000 here, but donating large amounts of money to certain candidates or parties because they may see this as a way to control the political process and to influence or dominate a government's agenda.

That is precisely what this motion is seeking to prevent. We are all aware it is a basic reality of politics that for an individual or a party to get elected it requires funding. As an American legislator once remarked, money is the mother's milk of politics.

That is not to say those with the most money to spend on campaigns necessarily win. That was demonstrated in the results of this last election. However, we in the House must recognize that small donations made by individual citizens are the best way of funding of politics in Canada. It broadens the support needed by candidates to get elected. It also removes the opportunity for undue influence of wealthy individuals, groups, associations, et cetera, on the political process.

Mr. Bill Graham (Rosedale): Mr. Speaker, before delving into the substantive issues raised by this motion I would like to make a couple of general observations.

It is unfortunate that the hon. member for Richelieu chose in presenting his motion to make some disparaging remarks about the integrity of those who participate actively in the political process. For example, he made several references to greed, pay backs, conflict of interest, connections, access to the inner sanctum, smoke and mirrors, et cetera.

He also claimed that Canadian chartered banks “run political parties behind the scenes”. Judging from the record and observation of the Canadian banks in the last few years, they have had enough problems running their own affairs without trying to run the political parties of this country as well.

Throwing aspersions on political parties, on members of Parliament and on those who make contributions to campaign funds does not advance the purpose of this debate. In fact such imprudent accusations reflect badly on the legitimacy and integrity of the House and its members, including the hon. member for Richelieu and the members of his party.

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(1345)

With respect to the issues raised in the course of the previous debate, I note that in presenting his motion the hon. member claimed that the Royal Commission on Electoral Reform and Party Financing, known as the Lortie commission, hardly touched on the question of party financing.

It is important to set the record straight. The Lortie commission did look into all the issues raised in election financing. It looked into the question of financing registered political parties, limits on election expenses, public funding of election participants, disclosure of political contributions, political contributions and undue influence.

Three in depth studies were commissioned and published entitled "Money in Politics", "Provincial Party and Election Finance in Canada" and "Comparative Issues in Party and Election Finance".

The Lortie commission, therefore, was very well informed when it made the following recommendations: first, that there be no ban on political contributions from business, trade unions or other organizations except for political contributions from foreign sources.

In arriving at this conclusion the commission paid particular attention to the historical significance and importance of organizations such as unions and business in Canadian politics and to the danger of diverting funds from political parties to third parties. We have seen in previous elections where vast expenses were made by non-political parties in the political process.

Second, it pointed to the possible problem of charter challenges to such restrictions.

Third, the Lortie commission recommended that there be no limits on the size of contributions to registered political parties. In deciding this the Lortie commission found that there was "an absence of any compelling evidence that the number and value of large contributions to federal parties and candidates raise serious concerns about undue influence".

I listened with interest to the remarks of the member for Surrey North. I am sure she was inspired by a sincere desire and interest in the political system. However, I suggest that a thorough examination of this subject by an independent inquiry looked into the matter and found there was no suggestion of the influence that seemed to trouble the last speaker in the House. Further, the Lortie commission concluded that it would be very difficult to enforce such limits.

We have seen other jurisdictions where such unenforceable or difficult to enforce limits run into problems and bring the whole of the political system into disrepute.

[Translation]

I am sure that Bloc members are aware of the problem in France arising from the funding of political parties. Limits were set, but no pertinent regulations were adopted. It is very important to analyse limits on contributions to ensure they are practical and applicable to individual cases.

[English]

During the last Parliament a special committee on electoral reform was struck to consider the Lortie commission's proposals. In the end the committee did not recommend limits on who could make donations and the maximum amount of such donations. I agree with the final decisions of the Lortie commission and the special committee.

The Canada Elections Act, as it stands, provides the necessary mechanisms to ensure that our electoral system is fair and equitable. Notably there are controls on election expenditures. The transparency of political donations is assured in that registered political parties must provide an annual report setting out the amount of money received and the name of each donor who contributed more than \$100.

I am of the view that these measures are more than sufficient to protect the integrity of the electoral system. We have a saying that it does no good to throw the baby out with the dirty bath water. There is no question there are problems with electoral financing as there are problems with every aspect of the electoral system of the country.

These problems deserve careful, mature examination and reflection before coming to conclusions. I find that the conclusions in the Lortie commission respect those criteria. It is for that reason I cannot support the motion before the House.

(1350)

[Translation]

Mr. Gaston Péloquin (Brome—Missisquoi): Mr. Speaker, I am pleased to continue the debate in this House this afternoon on the motion of my hon. colleague from Richelieu concerning financial contributions to political parties.

Mr. Speaker, we all know how important the financing of political parties is when elections come. Clearly, an election campaign takes money. But do we really have to let just anyone or anything finance our political parties? Canada's electoral system has serious shortcomings that allow multinationals, even American ones, to meddle in Canadian public affairs. If this electoral system does not soon acquire strict rules on the financing of political parties, it is in great danger of no longer being representative.

The Bloc Québécois, which applied Quebec's rules on public financing during the last election campaign, is the only federal political party represented in this House which can boast that its election expenses were financed solely by individuals and that

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it is accountable only to these same people. Not to interest groups, not to corporations or multinational conglomerates, but only to the people whom it proudly represents. We are dealing with the very principle of democracy today. But what do the members opposite fear?

When the Parti Québécois introduced the legislation on political party financing in 1977, some feared that the Quebec Liberal Party would not recover. The party was cut off from most of its financing sources and had to make some adjustments. It had always depended on large corporations to fund its political activities. The party's financial position, although weakened at first, adapted to the change and is doing very well today, relying exclusively on private donations. Political parties in Quebec can survive without corporate financing, and it is much better this way.

What did happen for individuals to start making small donations to their favourite political party? It is simply that, once private donations were accepted, individuals slowly regained confidence in their elected representatives. Voters realize now that their 10 \$ or 20 \$ donations can make a difference. Quebecers know that election results and government decisions no longer depend on the mood of large corporations. The average Canadian, such as the one that we should be representing as parliamentarians, knows that he has a say in the state's business.

When in their ridings, members of the Bloc Québécois are not afraid of being asked THE question so feared by members of other parties, which is the following: "Whose interests are you promoting in the House of Commons?" the Bloc Québécois members simply answer: "The only interests that we promote are those of Quebecers". The least we can say is that the answer from Liberal Party members is likely much more complicated. If you look closely at who funded their election campaign, you soon realize that they are accountable not only to the people, but to others as well.

(1355)

To find out whom the Liberals are indebted to, one only has to look at Elections Canada's report, which reveals that in 1991-92, nearly 50 per cent of contributions to the Liberal Party of Canada's election fund came from businesses and from various commercial and other organizations. How can Liberal Party members say they protect people's interests when half their funds come from companies? Let us not delude ourselves: these big corporations do not give tens and hundreds of thousands of dollars to that party just because of its great democratic values.

French-Canadians used to say, "No taxation without representation." The Liberals and the Tories have made a few changes to this famous sentence over the years. Today their slogan would be: "No representation without contribution". Those who want their voices to be heard in Parliament should

realize that they must make substantial contributions to the election fund or else their demands will disappear under the millions of dollars given to the national political parties by the big corporations. So much for the great democratic principles Canada is so proud of.

Some companies do not take any chances, like CN, which gave tens of thousands of dollars to each of the two big parties last year. They expect something in return, such as favours, contracts or legislative amendments favouring them. We should not think that these companies, which are not used to spending their money needlessly, are motivated solely by noble intentions. If we let these corporations influence through their donations the results of elections in this country, the decisions our governments will make may be biased by their debts, moral or otherwise, to these very companies.

The political parties taking office in Ottawa are supposed to represent the Canadian people, but until the federal government amends, as Quebec did over 15 years ago, its legislation on political party funding, people will always wonder whose interests the government in office is trying to protect. Quebecers have understood the meaning of the word "democracy" for a long time. Today, the federal government has an opportunity to show us it understands it too. It is up to it to seize this opportunity offered by the Official Opposition to restore the democratic reputation of Canada as a whole.

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, I am very pleased to participate in the debate on this motion on party financing put forward by the hon. member for Richelieu.

One of the speakers opposite referred to the Lortie Commission, a commission which has investigated extensively and heard the testimonies of numerous witnesses who wanted to voice their opinions on political financing. At the time, I had seized the opportunity to very humbly submit a brief on party financing because this is a subject I have been interested in for many years, even before I had the privilege of representing the people of the riding of Papineau at the National Assembly. All this to say that my main concern was with the way political parties were funded. I maintain, and I am not the only one, that the way political parties are funded leaves much to be desired. I have read extensively on the subject and I have come across a solution I consider very practical, yet revolutionary. It is from a professor at the University of New Brunswick who was completing a doctorate, and the subject of his thesis was party financing in Canada.

(1400)

In this thesis, it was demonstrated that indeed, the easiest and most democratic way of financing political parties would be to eliminate all contributions from companies, labour and other organizations and allow only individuals to make donations or contributions to political parties. No companies, no legal, architectural or engineering firms. We all know the gamut of contributors to party funds. There is no need to elaborate. I do

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not think that large contributions are made out of love for democracy. We must absolutely look at this issue.

I say this as the member for Gatineau—La Lièvre. I have had many discussions on this with my fellow citizens and they fully support the opinion which I have always expressed, not only in this House, but also in Quebec's National Assembly and before the Lortie Commission, to the effect that changes must be made. If we believe that we are a democratic society, then we must make changes to the financing of political parties.

I want to go back to the New Brunswick professor. I discussed this issue with him and, in fact, I had a question put on the *Order Paper* to get information to help him in his work. That person claims that only a citizen of Canada should make a donation and that the maximum allowed should be one dollar. One might say: How are we going to finance political parties? It is very simple. We are here to represent all Canadians; consequently, we should be elected only by individual Canadians and not by lobbies, law firms or engineering companies. Our fellow citizens should be the only ones allowed to financially help us get elected.

So, that person suggests a one-dollar limit. How would that be done? It is very easy. For all intents and purposes, one dollar per Canadian amounts to \$25 million. That \$25 million would be divided each year between the political parties. I will not get into technicalities here, but it would not be complicated. According to the professor, the procedure would be very simple—it only takes two pages—and the distribution would be done very democratically, thus ensuring that political parties would have the necessary monies to conduct their activities.

Subsequent to the conversations I had with this professor, I learned about the amount of tax refunds the government of Canada grants to people who donated to a political party. You have all heard about tax credits and other such things. I do not have to get technical and go into details. Suffice it to say that such contributions entitle to tax credits. In 1990, in particular, these tax credits reached \$20 million. And this does not take into account the management of the system, etc. In other words, it would almost amount to an economy for the state if people were contributing the funds needed to operate democratically the political parties of Canada.

This idea is very attractive and deserves careful thought. I submitted it to the Lortie Commission, which found it very interesting, but the opinion is divided on this issue. The principle is very simple.

(1405)

If we believe in a democratic society and if we believe that one could represent people in this House without having to

accept contributions from anyone, this would be the ideal situation. That is the goal aimed for in our society, because we know human nature. There is nothing illegal involved, but such is human nature. There are people making contributions who are very sincere in their contributions to a party or a candidate.

However, we have to take into account that we always have to find means to keep it as democratic as possible. I personally felt that this professor from the University of New Brunswick had a magic solution to this problem.

We do not have all the data, but we could have a closer look at it. I would have liked to speak longer, but the principle, the notion is very clear that only individuals, the people, our fellow citizens, should finance our election to this House.

In concluding, I would like to put forward the following amendment:

That the motion be amended by substituting to the figure of "\$5,000" the figure of "\$1".

The Deputy Speaker: We have already dealt with the content of that amendment and it was considered in order. The clerk gave me that assurance. Is there an hon. member who wishes to second the motion? The hon. member for Hamilton—Wentworth is seconding the motion.

Debate on the amendment.

Mr. Ménard: On a point of order, Mr. Speaker. I apologize for my lack of experience, but could you explain to us the implication of this amendment on the unfolding of the debate? I would also like to know whether the mover of the motion, the hon. member for Richelieu, has been informed of the intent of our hon. colleague.

The Deputy Speaker: Good question. In theory, the debate is on the amendment. Actually, it is on the motion and the amendment to the amendment. At the end of the proceedings today, that is at 2:30 p.m., we will still have one hour left when we resume debate next time. In theory, the amendment to the amendment can be adopted with unanimous consent, or members can vote it down. The decision is up to the hon. members. So, we will proceed with the debate on the matter before us. I hope I made myself clear.

The hon. member for Mégantic—Compton—Stanstead has the floor.

Mr. Maurice Bernier (Mégantic—Compton—Stanstead): Mr. Speaker, I am here to stay. I am very pleased to take part in this debate. I know that we are now debating the amendment of the member for Gatineau—La Lièvre, but I would also like to mention that I totally agree with the motion of the member for Richelieu in its present form. Consequently, even though I endorse most of the comments made by the member for

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Gatineau—La Lièvre, I am not in favour of the \$1 limit. I will explain why later on.

Before I do that, however, I would like to indicate why I wished to speak in this debate. There are three main reasons: the first is that, being a long time member and militant of the Parti Québécois, it was an honour, naturally, for me to see that the first thing the Parti Québécois, under the leadership of René Lévesque, did when it was elected in 1976, was to pass a law on political party financing. Mr. Lévesque and his government wanted to solve this thorny problem at the time because integrity was at stake. They enacted such legislation, and I believe it is a fundamental reason, to control the financing of political parties in order to ensure that the people would be able to believe in their elected representatives.

(1410)

Everybody knows, and I will not elaborate further on this, how much the credibility of elected representatives is in question, for all sorts of reasons. They wanted to assure the people, in this regard at least, that elected representatives were democratically elected and that they did not have special ties with any group of society, be it business people, unions or professional corporations. That is the first reason why I wanted to speak in this debate.

The second has to do with François Gérin, my predecessor in this House as member for Mégantic—Compton—Stanstead, who proposed the idea of popular financing to the Conservative Party. Unfortunately, in spite of all its promises, the Conservative government never delivered the goods.

I would, however, like to underscore the considerable efforts of the member for Mégantic—Compton—Stanstead at the time and recall the words spoken by Mr. Gérin when he appeared before the Royal Commission on Electoral Reform and Party Financing, the Lortie Commission mentioned a few moments ago by the member for Gatineau—La Lièvre. Mr. Gérin stated the following: "Limiting donations to individuals will restrict the number of bagmen, the real political parasites who wield a disproportionate amount of influence within their party". He also had this to say: "Canadians now demand more transparency from their government and morals standards that are beyond reproach".

"The lure of a reward is undoubtedly a very human reflect, but it is inconsistent with the political ideal of serving the common good". Lastly, he stated: "Companies do not vote. Neither do associations nor labour unions. There is no longer any reason for these groups to have a dominant role in our electoral or political system by virtue of the fact they fund more than half of the activities of Canadian political parties". This is how the member for Mégantic—Compton—Stanstead, appearing before the royal commission in 1990, justified the need to

move as quickly as possible to a system whereby political parties are funded by individuals.

As I mentioned earlier, this funding method was adopted nearly twenty years ago in Quebec. It is well known and enjoys widespread support from all sides, not only from members of the public, the vast majority of whom support this approach, but also from businesses. Oddly enough, a survey conducted in 1988 by the Canadian Federation of Independent Business, which had over 80,000 members at the time, showed that a majority of directors of companies and small and medium-sized businesses were also in favour of this type of reform. And, like all the members of this House and even people outside this place, the majority of editorial writers who comment on the political arena have spoken most highly and favourably of such reform.

(1415)

Just a word on the amendment moved by the hon. member for Gatineau—La Lièvre. As I said earlier, I think his colleagues from the Liberal Party should read his remarks over carefully, draw inspiration from them and make them their motto, their theme with regard to party financing in the months to come.

I have a small problem however with the \$1 limit on contributions. I think it comes from the right place, but the bottom line for these democratic bodies known as political parties would be near-paralysis.

Obviously, our electoral legislation—the hon. member for Rosedale referred to it earlier—both federally and in the various provinces, already provides for using public funds to refund in part the expenses incurred by candidates or political parties which have presented a number of candidates with a minimum of success. And that is perfectly all right.

However, political parties must continue to function between elections. They must be able to operate, consult their membership to seek advice on the general business of government and, to do so, naturally, they need money. So if we put a \$1 limit on individual financing, it would be very difficult, in my opinion, to support an organization efficiently.

I think what the point of the motion tabled by the hon. member for Richelieu—and on this I agree with the hon. member for Gatineau—La Lièvre—is that political parties must be financed by individuals and not by corporate entities such as companies, unions and professional corporations of all kinds. We already allow a democratization of political party funding.

I am proud to repeat this since I feel I was part of this effort, the example that the Parti Québécois always gives, the fact that all political parties in Quebec are now financed by individuals in a popular and democratic fashion because of the law passed at the beginning of 1977 by the Lévesque government, speaks for itself.

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I heard a Conservative senator who used to be a Liberal, Senator Rivest, if I may give his name, Mr. Speaker, say in an interview on political party funding: "It is quite remarkable that since this legislation was passed in Quebec, no significant case of patronage linked to corporate or other contributions has come to light either in the Parti Québécois government or the Liberal government".

So the results speak for themselves and clearly demonstrate that individual financing of political parties has improved our political ethics. That is what we want to bring in at the federal level.

(1420)

I will conclude because I am told that I have about a minute left. When the member for Mégantic—Compton—Stanstead waged this fierce battle for popular financing within his own party, he obtained an agreement from the leader of the government at that time, Prime Minister Mulroney, who made a formal commitment before the 1988 election to present a bill on the financing of political parties once the House returned, which he never did, as everyone knows. We know what happened to that government, which is represented here in this House by just a captain and one foot soldier.

Mr. Speaker, there is a message in that for the government opposite, an important message, and I say that without partisanship. We must start work now on passing a bill on the financing of political parties along the lines of the motion of the member for Richelieu.

Mr. Speaker, I also say, and this is a point that was raised by the former member for Mégantic—Compton—Stanstead, that such legislation must be completely non-partisan. It must have the unanimous agreement of members of this House. Through the motion of the member for Richelieu, we in the Bloc Québécois reach out to the government and say to it that we are ready to proceed as soon as possible.

[*English*]

Mr. John Bryden (Hamilton—Wentworth): Mr. Speaker, briefly, I must say that I have great sympathy with this motion. However, it is a little disconcerting that the members opposite assume that someone like myself had large corporate donations to my campaign. I would like to set the record straight.

My total personal election spending contributions totalled \$17,000. The largest contribution I received was \$1,000. I received absolutely no money from the Liberal Party, it was all obtained from individuals. Also all the money was obtained during the election campaign. They were donations from individuals. I held a barbecue and did the customary things.

I find myself in sympathy because I feel it is right and proper that MPs who represent the people should be supported primarily by the people rather than by corporations. I want the members opposite to know that the Bloc and the Reform have no monopoly on receiving donations only from individuals rather than from large corporations. I did not enjoy that either.

I support the amendment, however, because the total amount of donations that I received only amounted to \$17,000. If I had received a donation of \$5,000 it would have been significant, almost one-third of what I had available to spend. I would be afraid in such a situation that the person giving me the \$5,000 donation, whether an individual or corporation would expect some sort of favour in return. They certainly would have expected some sort of influence.

I find that the original motion has a weakness in stipulating a sum as high as \$5,000. By supporting the amendment I believe we offer the government an alternative. The motion is flawed not because of any lack of proper motive on the part of those who have moved the motion but because it is something that requires very careful consideration by the government.

If I have a minute or two more, I would like to add to the debate an anecdote which may be of interest to members. When I was campaigning I had the pleasure of being accompanied at one point by an American television crew from the "MacNeil-Lehrer Show". They had come up to my riding of Hamilton—Wentworth because it was seen as a bellwether riding in the election. It had been a Tory riding for 22 years and they were very interested to see what would happen. The camera crew followed me as I went from door to door, as I am sure all members of this House did during the election. I would knock on the door, shake hands and go on.

(1425)

Driving back at the end of the day the producer of this crew asked me how much I expected to spend in total in the election. I said I thought it would be at best about \$30,000. I was counting the amount of money I had raised by donations and the matching money that would come as a consequence. He said: "That is just amazing because in the United States a congressman running for election would expect to spend at least \$180,000". When I asked why he said it was because they would have to spend money on radio and television advertising and that kind of thing.

I hate to say this but he told me that is one of the reasons American politics has such difficulty with corruption and influence peddling. It is because the average individual cannot possibly run for Congress without substantial financial support from corporations and special interest groups.

I asked why they needed all that money. He said: "Because we as Americans cannot do what you as Canadians can do. We cannot go door to door as we saw you doing today. The simple

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reason is that in the United States, in my Detroit, if we went door to door like that on a campaign, we would be shot and killed or attacked”.

I leave that thought with you. No matter what we do as MPs, we do live in a democratic society and a political environment that is absolutely second to none.

[*Translation*]

Mr. René Laurin (Joliette): Mr. Speaker, I guess things are not going my way this afternoon. I think there is not enough time for me to make my 10-minute speech. First, I want to comment briefly the amendment to the motion, which was put forward by a member opposite a few minutes ago and which would limit the contribution to a political party to \$1 per individual.

At first glance, this may seem like a very interesting amendment. For example, there were 85,000 voters in my riding during the last election. With a budget of \$1 per voter or \$85,000, I would have had a lot more money than the law allowed me to spend. I would have had something like \$20,000 more money, without having to do anything, no door-to-door campaigning, no electoral committee, no solicitation for volunteers to work for me. In fact, without leaving my house, I would have been able to receive \$85,000 from all Canadians for my election campaign, just like my opponent. And since I had four opponents, all five of us would have received \$85,000, at \$1 per voter.

This may seem interesting compared to the tax refunds the State has to grant to people who donated to a political party. I know that the tax refunds reached \$20 million, at some point in the last few years, but if the federal government has to reimburse \$20 million, that means that some voters decided, of their own free will, to donate about \$6 million to \$7 million. What is at the root of this action and very important for the preservation of our democracy is that, when, as an individual, I decide to donate even only \$1 to a political party, I get at least the chance to pick the party I want to support.

(1430)

The effect of the proposed formula will be that I will give one dollar to my own party and one dollar to every other party. I will have no other choice but to finance all political parties, whether I like it or not, whether their philosophy is compatible with my own beliefs or not. It would not matter anymore, everybody would be entitled to some degree of financing.

I do not believe that it is the way to build a democracy. Democracy is based first and foremost on a personal commitment, a personnel decision to support one ideology rather than another. I would hate to see legislation giving the government the authority to take my tax dollars to finance anyone who would feel like entering politics. Although appealing at first, this

measure appears rather antidemocratic and would, in the short and medium term, cause people to lose interest in politics since they would be inclined to believe that it is no longer their business. They no longer would have to get involved. All those who would want to enter politics would have the money to do it anyway and to say what they want, whenever they want and to whomever they want, and they could stay quietly at home.

I am afraid that this is not the way to lay the foundation of a sound democracy, a democracy on the move.

To have to raise money during an election campaign has its positive sides too. The objective of today's motion is not to prevent people from giving money to political parties. Not at all. On the contrary, it is to allow private individuals to contribute, but to a reasonable level. The objective is to make sure that when individuals join a political party they can, irrespective of their wealth, express their free opinion, exercise their choice and be recognized.

We do not want any involvement of companies, unions and interest groups which exist for predetermined reasons. Companies, when they request a charter, state their objectives. Unions do the same, as well as professional associations. When they ask for a charter establishing their existence, they state their objectives, and what goals they aim for by forming an association. Most unions, most professional associations would say: to defend the interests of our members. It is not necessarily for the interests of the community, and not necessarily for the interests of Canadians in general, on the contrary. It is to protect the interests of their members. When they do, they do it well.

We should not allow these organizations, these corporations, these special interest groups to have disproportionate influence because of their financial means, in relation to the private citizen who, without a fortune, cannot have his opinion expressed and recognized by his peers in a democratic assembly because he has less influence, not having had the means to contribute as much.

Democracy is based primarily on respect of individuals. If we want to motivate people to work for our election, we should not do it only by asking them for money but also by giving them responsibilities.

It is when people take the time to work for a good cause that they get together and get involved in the political aspect of every day life. In this way, they take an interest in the operations of the organization not only during an election but in between campaigns.

This is a very good way for a political party to survive and to support itself, just as any good parent would find the money to support his or her family. Any political party should also have the decency and the ability to generate its own revenues so that it be truly democratic and allow its members to participate fully.

Private Members' Business

Naturally, I will vote against the proposed amendment while supporting the main motion as is. [English]

The Deputy Speaker: The hour provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

It being 2.30 p.m., this House stands adjourned until Monday next at 11 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 2.35 p.m.)

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