



House of Commons Debates

VOLUME 133

NUMBER 115

1st SESSION

35th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Thursday, October 27, 1994

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Thursday, October 27, 1994

The House met at 10 a.m.

Prayers

[English]

PRIVILEGE

CRTC

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, last March I was approached at my constituency office by a constituent whom I had not met before and whom I have not met since, to write a letter drawing the attention of the CRTC to his application for a radio licence. I explained to this constituent that as minister responsible I could not interfere with the workings of the CRTC, but I agreed as his member of Parliament to do my best to ensure that he was treated fairly.

On March 15, I wrote to the chairman of the CRTC in my capacity as an MP for this constituent asking the commission to give the application a fair hearing. This was the letter of an MP seeking to ensure that a constituent received due process.

I wish to table the letter. The letter was not meant in any way to be an endorsement of the licence application, nor was it intended to exert pressure on the CRTC. I also understand that on March 30 the CRTC acknowledged my letter, categorizing it as a letter in support of the licence applicant. That acknowledgement letter was never brought to my attention. If it had been, I would have immediately rectified the matter.

As soon as I did learn that one of the interested parties wrote to me in September regarding my “alleged support” for the licence application, I took immediate corrective action. I wrote to the interested party, clarifying my earlier letter and clearing up any misunderstanding.

In this letter dated September 30, I wrote:

My letter of March 15, 1994 to the CRTC simply asked that due consideration be given to the application. It is not intended to convey support for or opposition to the application. The CRTC is the body mandated by law to make independent decisions on all such applications. It is therefore for the CRTC to weigh the merits of the arguments raised by the applicants and the interveners.

I wish to table the letter. Members will note that I took these actions before the matter became public. I did my best to clear up and correct the situation not because of public or media pressure which did not exist at the time but because it was the right thing to do.

Being an MP and a minister is not always easy. Among other things it is a learning experience. In hindsight it was imprudent to send that original letter to the CRTC. I regret any misunderstanding it may have caused.

I assure the House that I have never for a moment had any hesitation or misunderstanding about my role or responsibilities as a minister. As I said in the House on October 3 in answer to a question from the member for Rimouski—Témiscouata, the minister of heritage cannot dictate to an independent body like the CRTC, which is also a regulating agency. It would be quite inappropriate for the Minister of Canadian Heritage to tell it what to do.

(1005)

I have held to that position every moment on this job and the House has my commitment that I will continue to do so.

The Speaker: Of course the statement made to the House is a clarification. The hon. minister has not asked me to rule on a specific question of privilege at this time, and so the Chair would accept the statement as given. At least at this point there does not seem to be any reason for me to rule on a question of privilege.

* * *

POINTS OF ORDER

STATEMENTS BY MINISTERS

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I wish to inform the House there has been a standing agreement between the government and the opposition parties that ministers’ statements would be given to opposition parties for their critics’ perusal sufficiently ahead of time so they could prepare to respond to ministers’ statements.

The agreement was that if a minister’s statement were made in the morning, that statement would be given to opposition parties

Routine Proceedings

the night before. This has not happened in this instance. We have had less than one hour's notice. We protest greatly. We are concerned about the minister's mismanagement of this situation and we would ask him to defer the reading of the statement until we have had proper time to review the statement so we can effectively perform our role in opposition.

The Acting Speaker (Mr. Kilger): I will see if I can help the matter. I will come back to the hon. secretary of state if he should so choose. From consultation I understand this is an informal agreement between the parties. Certainly the Chair is prepared to recognize the minister, as is appropriate, to make a statement.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, for the record, we have an agreement between parties that we will give enough advance notice with documents for ministerial statements. This has been respected in the past. I want to assure my colleague that it will continue to be respected.

Sometimes situations arise which we have to deal with immediately. This is the case, as was already explained to the hon. member previous to the opening of the House. We understand his concerns and we give the assurance that we will continue to respect the agreement we have.

This is an exceptional circumstance as the minister will explain to the House. There are some parts already public. We believe it is important to do this as soon as possible since it seems there was no agreement before the House opened that we could have done it during question period. We are proceeding. We will have the statement now.

(1010)

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, B.Q.): Mr. Speaker, since the beginning of the 35th Parliament, it was understood by the party in power and the Official Opposition that the latter would receive prior notice of a minister's statement. We all know that our role in this House is to do our job as well as we can, in the best interest of the citizens of this country. Today, however, this understanding has been compromised by the fact that a ministerial statement will be made without prior notice to the opposition. We feel that this makes it difficult for us to play our role.

The Acting Speaker (Mr. Kilger): I have heard comments from both parties, but I will now proceed with Statements by Ministers.

I therefore recognize the Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency.

ROUTINE PROCEEDINGS

[*English*]

PARLIAMENT HILL

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, at the outset let me say to my colleagues opposite that I apologize for any inconvenience which may have been caused to them as a result of the statement not getting there earlier as opposed to the late time they received it.

Mr. Silye: You knew about it for months and you cannot co-operate.

Mr. Dingwall: If the hon. member finds the subject matter so difficult to comprehend I will read very slowly so that he can understand each and every word. I am prepared to be fully co-operative with the opposition in every way. I was extending an apology for the inconvenience which we caused to the opposition.

However I believe the minister of state and the whip for our party informed the opposition of the miscue which took place. I felt compelled that we would come here this morning to share this information and have members of the opposition add their comments to the decisions which have been arrived at.

I want to take this opportunity to advise members of the House and Canadians whom we represent of the latest initiative related to the long range plan for the preservation and rehabilitation of our most important national symbol, the Parliament Buildings.

Over the last number of years funding for renovations to Parliament Hill has been severely restricted. The Auditor General in his 1992 report noted that the government has neglected to undertake most of the necessary repairs and renovations to the parliamentary precinct identified in the 1970s and the 1980s.

Parliament Hill requires urgent attention. The simple fact is that we can no longer afford to neglect it. Over the next 12 to 15 years, and I wish to underline this point, the buildings and grounds will require considerable attention. During that period we will in turn address the requirements of all buildings on the Hill to guarantee that in the future they remain safe for Canadians and healthy for the occupants.

[*Translation*]

We want to ensure that the buildings and grounds on Parliament Hill are energy-efficient, are relatively cheap to operate, meet environmental standards and are accessible for all Canadians. We must protect and preserve our national heritage.

Routine Proceedings

[English]

The long range plan developed by the Department of Public Works and Government Services addresses in a logical sequence the need for that preservation. As recent visitors to Parliament Hill will have noticed, we are currently undertaking critical repairs to restore the Peace Tower and to stabilize the outside—

Mr. Epp: Mr. Speaker, I rise on a point of order. I would like to call for quorum.

The Acting Speaker (Mr. Kilger): I will ask the clerk to count the members present.

And the count having been taken:

The Acting Speaker (Mr. Kilger): I see a quorum. I will ask the hon. minister to continue.

(1015)

Mr. Dingwall: Mr. Speaker, the long range plan developed by the Department of Public Works and Government Services addresses in a logical sequence the need for preservation.

As recent visitors to Parliament Hill will have noticed, we are currently undertaking repairs to restore the Peace Tower and to stabilize the outside masonry of the Centre Block.

[Translation]

We are also installing new water mains that will make it easier to fight fires on the Hill, and of course the government is taking the requisite steps to make the Parliament Buildings conform to the National Building Code.

[English]

The first scheduled major rehabilitation project on an occupied building is the West Block.

Following the next dissolution of Parliament we will close down the West Block for a few years and use the Justice Building as alternative office space. Complete repairs to the West Block require the removal of asbestos and we cannot put the health of MPs and staff at risk by keeping the building open during the repairs.

New mechanical and electrical systems must be installed. New fire detection, alarm and sprinkler systems must be in place. New waterproofing, windows, new energy saving devices are required. Sewage facilities must be upgraded. Walls, ceilings and roofs require attention. Elevators, doors and washrooms must be modernized to accommodate the disabled.

When the West Block is reopened, renovation of the Centre Block will begin early in the next century, with MPs and staff from the Centre Block moving to the West Block.

A long range plan is absolutely vital if we are to safeguard the Parliament Buildings. The cost over a 12 to 15 year period is

approximately \$265 million. Of course we cannot afford to spend all that money at once nor can we afford to shut down the essential operations of Parliament. That is why the plan is over a 12 to 15 year period.

Given the current climate, we are not talking about a Cadillac renovation here. I want to be very clear on this. Consistent with our Chevrolet approach we have prioritized and addressed only the most critical of the health and safety issues that affect the parliamentary precinct. If not, that figure would have been in excess of \$450 million.

During the course of renovations we will be working with the House of Commons, the Library of Parliament and the Senate to ensure continued access to visitors to Parliament Hill.

All contracts will be awarded through the open bidding system. Since Parliament Hill is the focal point of Canadian democracy, only Canadian businesses and Canadian workers will be eligible to do the rehabilitation work.

This is not about fancy new furnishings or lavish new offices. It is strictly about protecting our history and guaranteeing the safety, health, environment and accessibility of the Parliament Buildings. Canadians expect the Parliament Buildings to be preserved. They are willing to pay for the renovations if they are done in a prudent, fiscally responsible and open manner, and that is what is being accomplished.

As the minister responsible for public works and government services, I would be happy to report to the standing committee on government operations on the progress that has been made, answer questions members or other individuals might have concerning those expenditures to assure all members that the expenditures are prudent, fiscally responsible and have been carried out in a very open fashion.

On a continuous basis all attempts to minimize to the fullest extent possible potential disruptions resulting from noise, dust or interruption of services are being made.

[Translation]

I sincerely want to thank all members on both sides of the House for their understanding and patience during these major renovations.

(1020)

[English]

May I add my thanks to the Speaker and to all parties in the House of Commons for their advice. As members opposite will know and appreciate, the Board of Internal Economy, which is represented by three political parties, proved to be most helpful on this relocation project.

I am very pleased we have the consent of all the major parties to proceed with this vital initiative which protects the health and

Routine Proceedings

safety of visitors and occupants of the parliamentary buildings, Canada's most important national heritage site.

Let me repeat what I said at the beginning. I apologize to my colleagues if these deliberations and the statement has caused them inconvenience, however they are fully aware that information was provided to government employees and not to members, so I thought it only appropriate that I come to the House at the soonest possible time to share this information with all members of Parliament.

As members opposite know, the subject matter has been discussed at the Board of Internal Economy where all parties have been represented and have had an opportunity to participate. I believe that goes back, if memory serves me correctly, to some time in May of last year.

In conclusion, I regret the inconvenience we may have caused colleagues opposite but I want to indicate to them that I believe this is in the best interest of Canada's national heritage site, the parliamentary precinct.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, as my party's critic for parliamentary affairs, instead of responding to the substance of this ministerial statement, I must inform the minister that although there were discussions between the parties on the Board of Internal Economy, that is no excuse for not advising us of the content so that we can do our job.

I repeat that the basic objective of the Official Opposition in this system is to do a good job by monitoring the government and government operations and by defending the interests of our fellow citizens.

Since the beginning of this 35th Parliament, as far as parliamentary affairs are concerned, it was tacitly understood that the opposition would get the information a few hours before ministers made their statements. The purpose of this understanding was to help us do our job as well and as democratically as possible. In this particular case, we seem to be right in the parliamentary stone age.

The opposition's role is to monitor the government's administration. What disturbs us in this particular case, which concerns the Minister of Public Works and Government Services, is that we lack the detailed information we need to be able to respond, and I must say it is particularly difficult for members to obtain information from this department. This is a closed department, a department that distributes contracts and also a department where members find it extremely difficult to get information. For instance, when low-cost housing projects are officially opened in Quebec, the department, according to its own particular protocol, invites all the provincial members, mayors, and so

forth, except the members of the Official Opposition. This is the kind of department and the kind of minister we find disturbing.

This morning, we cannot do our job because of the kind of behaviour that is typical of a department that is so secretive that it tables documents at the last minute.

That is why we cannot respond on the substance of this statement and, in the name of democracy, we regret that we cannot. And again, we may remind everyone, and especially the minister's colleagues, that this is the most difficult department from which to get information.

(1025)

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I begin my speech as my hon. colleague from the Bloc has by once again chastising the minister and the department for the problem of timing.

We understood that the government had an agenda of more openness in government, more accountability. I remember hearing during the campaign: "We want to make Parliament work better" and yet at every turn we have what could almost be called obstructionism from the government. We are receiving inadequate notice of these statements and therefore cannot respond in substance. We cannot possibly hold a reasoned debate on the issue.

I believe that the work in committees is important. I was in a committee meeting where we were talking about the Lobbyists Registration Act and how to improve accessibility and accountability in government.

Ten minutes to the hour I received notice that the minister was going to make a statement. As the critic in that area I had to leave what at that time was very important work. I had no time to arrange for a substitute so no representative of our party is in the committee meeting which is going on as we speak.

Here I am talking about a statement which, admittedly, has very little substance so I do not need five days to look at it, but I really would have appreciated enough notice so that I could have organized my time today. I could have had substitutes in my committee so the real work of Parliament could proceed in a rational, orderly fashion.

I cannot help but applaud the initial statement because we want to keep these buildings up, we want to keep them in a safe condition, we want to be environmentally responsible. Those are all very good goals. However we need time to go through the cost estimates to see whether the taxpayers' money is being spent wisely. I do not know at this stage whether it is but we need some time to do that.

The minister has given some specifics. He indicated for example that we should repair some washrooms and remove the

asbestos in the ceilings. That is pretty good and I do not think we need to spend a lot of time debating that in the House of Commons.

I find it interesting that he made no mention of repairing the tunnel to the East Block. Perhaps he too is writing off the usefulness of the other place. I do not know.

When we talk of repairing and keeping the buildings up, an even more important point is that we ought to be looking at what is inside. The buildings are not nearly as important as the people and the individuals who work here, including the members of Parliament.

What we ought to be doing, because this type of thing should be passed very quickly, is getting on with the job. We need to look at the effectiveness of members of Parliament and whether we will ever in this place have free votes so that members can represent their constituents. That is one of the flaws that needs to be fixed in this place, that needs no public works but is very important and needs to be done.

I really believe that the minister needs to sharpen up a bit. How can I say that politely? This is the second time we have had 10 minutes or half an hour to react. Let us assure the people of Canada that we can run this place correctly and properly.

I would like to say one more thing about the process. This is the only thing to which I have had a chance to respond. I read this thing while walking over from my office, walking and reading, and the only thing I can say at this stage because of lack of time to analyse it in greater depth is with respect to the time.

(1030)

I can hardly believe we need to shut down a building for three years while it is being repaired. That certainly is not the way things are done in private industry. If this were an office building and no rent was being collected we can be assured that whoever owned that building would arrange for contractors to do it. I do not think they would do it on the weekends but I assure the House they would do it much more rapidly.

The West Block has four floors. Surely crews could be assembled so that four crews per floor could work over the summer and the repairs would be finished when we came back in the fall. There is no reason that could not be done.

I cannot believe this is going to take three years. Maybe it is going to be a case of one dumb digger dug into the ditch, the other dumb digger dug out. Maybe that is what is going to happen. I really do not know.

There is an obvious lack of planning when it has been determined it will take that long. There is a considerable disruption to the operation of Parliament by having the displacement away from that building. We should be able to do much better than that.

Routine Proceedings

I suppose that is all we can expect from the present government. We very much look forward to putting the Liberals into their correct place at the next election. Perhaps we will have the opportunity to do better.

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 44th report of the Standing Committee on Procedure and House Affairs.

[*English*]

If the House gives its consent I propose that we dispense with reading the 44th report of the Standing Committee on Procedure and House Affairs which deals with changes in the membership on committees. If that is the case, I move that the 44th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

* * *

PETITIONS

HUMAN RIGHTS

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I have two petitions to present today.

The first petition is from residents of Oliver and Osoyoos, British Columbia. They pray and request that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

ASSISTED SUICIDE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the second petition I am presenting today has 204 signatures. These signatures are mainly from residents of Summerland, British Columbia.

The petitioners note that the Prime Minister has stated that a meaningful debate on the question of doctor assisted suicide will take place in the House. The petitioners oppose any legislation that would permit doctor assisted suicide because it demeans the value of human life.

Therefore the petitioners call on Parliament not to enact any legislation that would allow assisted suicide. I concur with my petitioners on both of these petitions.

Government Orders

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, pursuant to Standing Order 36 I would like to present two petitions today both dealing with the same subject.

Constituents from the city of Burnaby, British Columbia, pray that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide, or active or passive euthanasia.

(1035)

HUMAN RIGHTS

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I would like to present three petitions this morning.

In the first petition the petitioners pray and request that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

RIGHTS OF THE UNBORN

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): In the second petition the petitioners pray that Parliament will act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

ASSISTED SUICIDE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, in the third petition the petitioners pray that Parliament will do two things: first, ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously; and, second, make no changes in law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, pursuant to Standing Order 36 I would like to present a petition today on behalf of Jo Congdon and 52 others praying that Parliament not repeal or amend section 241 of the Criminal Code in any way and to uphold the Supreme Court of Canada decision of September 30, 1993 to disallow assisted suicide euthanasia.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, on behalf of the Parlia-

mentary Secretary to the Leader of the Government in the House of Commons, I ask that all questions be allowed to stand.

The Acting Speaker (Mr. Kilger): Shall all questions be allowed to stand?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): I wish to inform the House that pursuant to Standing Order 33(2)(b) because of the ministerial statement Government Orders will be extended by 20 minutes.

GOVERNMENT ORDERS

[Translation]

DEPARTMENT OF CANADIAN HERITAGE ACT

The House resumed from October 26 consideration of the motion that Bill C-53, an act to establish the Department of Canadian Heritage and to amend and repeal certain other acts, be read the second time and referred to a committee; and of the amendment.

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, I am pleased to participate in today's debate on Bill C-53 creating the Department of Canadian Heritage.

First of all, I think it is essential for all members of this House to be aware that this bill is a technicality.

Since our government has been in office, the Department of Canadian Heritage has vigorously pursued its mandate and played a key role in Canadian society. Its activities reflect a wide range of responsibilities in areas of cultural development, arts, broadcasting, national parks, historic sites, amateur sport and multiculturalism.

The department also administers official languages, state ceremonial and Native programs, which are all fundamental elements of the Canadian identity. In a world where international barriers are disappearing, where technology is altering borders, Canadian identity lies at the heart of our country's growth.

It goes without saying that the federal government needs an instrument such as the Department of Canadian Heritage to carry on its work to develop Canadian culture and promote Canadian identity.

I cannot describe in detail all the responsibilities entrusted to the Department of Canadian Heritage, but I will outline some of its activities that are essential to our society's development.

(1040)

National parks and historic sites are concrete symbols of this country's wealth and an important part of the duties performed by the Department of Canadian Heritage which are designed to promote Canadian identity. Our natural heritage, our vast ter-

Government Orders

ritory, our history and our place in the world play a crucial role in promoting our identity and the values we cherish as Canadians.

Furthermore, the official languages policy introduced by the federal government in the 1970s reflects a generous and creative vision. The Department of Canadian Heritage was assigned the responsibility of ensuring that French- and English-speaking Canadians feel at home wherever they choose to reside.

The principle of respect for both official languages of Canada, combined with respect for the traditions and contributions of aboriginal peoples, respect for our cultural diversity as well as fundamental respect for human rights make Canada a land of open-mindedness and opportunity that millions of people dream of around the world.

New Canadians and their language skills constitute a valuable asset for the Canadian society. Just think of the key role they play in our cultural exchanges and trade transactions with foreign countries. The heart of Canada is beating to the rhythm of our many cultures, and the impact of these new human resources will help us progress.

In the international arena, nations strive to find the way to bind together, with a deep feeling of national identity, populations made up of various ethnic, cultural, linguistic and racial groups. Several countries are currently looking seriously into the purely Canadian model we have come up with. The multicultural dimension of Canada is a rich social reality in our country, a reality that we must preserve.

Giving each Canadian the place he or she deserves in our society and the opportunity to contribute fully to building a stronger country can only benefit us all. In the enactment establishing the Department of Canadian Heritage, I note that the government undertakes to achieve equality for all Canadians in matters relating to the social, economic and cultural life of their country.

The Department of Canadian Heritage recognizes the need to remove barriers which divide Canada and build ties based on trust and respect. Bear in mind that the purpose of multiculturalism is to ensure social unity and strengthen national identity. Greater participation by all Canadians in community life can only serve to increase awareness of our cultural and natural wealth.

As for the policies and programs of the Canadian heritage department, their purpose is to promote a greater understanding of our diversity. Let us not forget that, for many communities, the economic and tourist activity generated by departmental operations is often vital. These are broad responsibilities that the Department of Canadian Heritage is fully capable of carrying out.

In closing, I wish to emphasize the need for Bill C-53 to be passed, to recognize formally the jurisdiction of the Department of Canadian Heritage and to allow the department to continue pursuing the mission it has been pursuing for a year and a half.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, I am very pleased to speak this morning about the motion of my colleague, the member for Rimouski—Témiscouata, on an amendment to Bill C-53 that she tabled on October 4.

This amendment asks that Bill C-53 not be now read a second time, but that the order be discharged, the bill withdrawn and the subject matter referred to the Standing Committee on Canadian Heritage. Mr. Speaker, you will understand that today I would not want to give all the reasons for which I am for or against Bill C-53. I will do that later if necessary.

Nevertheless, I would like to make this House aware of the means it has adopted and which should not be overlooked by a minister who may wish to have his bill approved as quickly as possible.

(1045)

The House of Commons must insist that bills presented to us on second reading have been considered, first of all, by the Standing Committee on Canadian Heritage. The House of Commons created this committee to fulfil its role; otherwise, what would be the use of it?

Among other things, it is supposed to get to the bottom of the issues by the most appropriate means—hearings, forming sub-committees, nationwide tours, consultations with the provinces—and especially by trying to obtain a national consensus, even within the committee.

After that, we will be able to talk about whether it is appropriate to pass a bill establishing the Department of Canadian Heritage. I believe that the standing committee will have a lot of work to do before it comes back to us with a bill that we are sure will be quite different.

Some people, especially some Quebec government departments, I would say, have some very specific things to tell the committee, so it is totally justified to submit Bill C-53 to it for consideration.

First, the committee can find out what this department's mandate is, and it can see that it makes no reference to Quebec as a distinct society, much less any reference to its cultural specificity.

Once again, the committee will realize that the former Liberal government denied the reality of Quebec culture by diluting it in a Canadian cultural entity based on bilingualism and multiculturalism. This department is being created in the wake of the defunct Charlottetown Accord, which proposed a fictitious and deceptive recognition of the provinces' exclusive jurisdiction over culture.

The committee will also be able to note that the straightforward demands of Quebec's former Minister of Culture, Ms. Frulla-Hébert, are not reflected in the future orientation of the new Department of Canadian Heritage. So you will understand

Government Orders

that we must think twice before presenting such legislation to the new sovereigntist government of Quebec.

Without making a list of the areas, and I will come back to this a little later if need be, the committee will see that duplication and overlap in the field of culture will increase rather than decrease with this bill.

Taking Quebec as an example, we are faced with two systems of cultural institutions, each Quebec institution having its federal counterpart, except for the National Film Board.

In summary, Quebec has a budget of \$425 million and Ottawa \$2.8 billion.

Culture is under provincial jurisdiction and the Standing Committee on Canadian Heritage will realize that it must recommend that the House of Commons stop unnecessary spending at a time when social programs are under attack to reduce the deficit and stop allowing interference in provincial jurisdiction over culture.

The Bloc Québécois will demonstrate to the Standing Committee on Canadian Heritage, through the hon. member for Rimouski—Témiscouata, that both the Conservatives and the Liberals developed their respective cultural policies by increasing federal interference in the cultural sector and by denying the distinct identity of Quebecers.

Through its representatives on that committee, the Bloc will present its views on cultural institutions. We do not intend to deny to Canadians the right to their own federal cultural institutions. However, the Bloc will make sure that Quebec's cultural community gets its fair share of subsidies from federal granting agencies and that the waste resulting from duplication is stopped.

The committee would be well-advised to read the report of the consulting group on Quebec's cultural policy, which was tabled in Quebec's National Assembly on June 14, 1991. That document was reviewed by a parliamentary committee over a period lasting almost eight weeks, in the fall of 1992, during which 181 Quebec organizations were heard and 264 written submissions were received. Following the work of that committee, Quebec developed a cultural policy and the Standing Committee on Canadian Heritage will have to examine that policy prior to a thorough review of the cultural issue. If the committee cannot find that policy, I will be pleased to send it a copy upon request.

(1050)

By adopting its own cultural policy, the Quebec government demonstrated its keen desire to provide Quebecers with a cultural development framework which allows them to thrive. Again, the Standing Committee on Canadian Heritage will have to take that policy into account before making any recommendation to this House.

As I said at the beginning, and I will conclude on that note, I did not want to elaborate too much on Bill C-53 itself. I simply wanted to make this House aware of the need to pass the motion tabled by the hon. member for Rimouski—Témiscouata, and to refer the whole issue to the Standing Committee on Canadian Heritage which, I am convinced, will provide us with an amended bill taking into consideration all groups within the population as well as their legitimate aspirations.

* * *

[English]

BUSINESS OF THE HOUSE

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): I rise on a point of order, Mr. Speaker. I think you would find unanimous consent in the House for the following motion:

That notwithstanding any other order of this House that any vote on government bills or private members' bills to be taken on October 27 or October 28, 1994, be deferred until Tuesday, November 1, at the conclusion of Government Orders.

The Acting Speaker (Mr. Kilger): The House has heard the terms of the motion of the chief government whip. Is there unanimous consent?

Some hon. members: Agreed.

(Motion agreed to.)

* * *

GOVERNMENT ORDERS

[Translation]

DEPARTMENT OF CANADIAN HERITAGE ACT

The House resumed from October 26 consideration of the motion that Bill C-53 an act to establish the Department of Canadian Heritage to amend and repeal certain other acts, be read the second time and referred to a committee; and of the amendment.

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, I welcome this opportunity to speak this morning to Bill C-53, which I see as important and essential to Canadian society because of what it represents. All members who spoke to the bill in this House expressed the view that it was basically a house-keeping bill. In fact, the purpose of this legislation is simply to reassign departmental responsibilities.

We have heard criticism from the two opposition parties. Certain details, certain aspects of the bill were criticized, of course, but in addition, and this is what irks me, they took this opportunity to criticize the federal government's role in the cultural sphere. I think that if we are to have a constructive debate, my comments should deal mainly with the federal government's role in this area. According to the opposition parties, the federal government should withdraw from anything that resembles cultural affairs, should stop working with major agencies like Telefilm Canada and, listen to this, should get rid

Government Orders

of an agency as important as the Department of Canadian Heritage.

The opposition parties even claim, and this I found hard to take seriously, that the federal government will use these institutions against the province of Quebec and even against the French fact in Canada as a whole. It takes all kinds, but this takes the cake!

(1055)

Such comments seem unwise, to say the least, considering the current political context in this country.

I want to make it clear that the federal government's role in cultural matters is a fundamental and entirely legitimate one, and I hope that this short speech will reassure opposition members.

Why is this role so important? The federal government's role is important because of the way Canada was built. We all know that Canada is a wonderful mosaic of various cultures, with two official languages. We also know that Canada as a country has opted for social values based on tolerance, mutual respect, multiculturalism and promotion of the Canadian identity. In this respect, the federal government's role as Canadian umbrella, a Canadian vehicle for promoting our identity as Canadians, is fundamental.

As parliamentarians we must take the broader view and keep this debate removed from what I call constitutional squabbles. Quebec and the rest of the country have already suffered enough as a result of this quarrelling which in most cases has been of no benefit to the people of this country and often puts an extra burden on Canadian taxpayers. We should recall the purpose of this bill and especially the Canadian government's role, and stop this constitutional nitpicking.

It is obvious that you have gathered from my remarks that I am wary of what the Official Opposition is affirming, but also of the Reform Party, which wants to go ahead with unweighed and often unjustified cuts that would go against some basic principles stated by the Prime Minister of Canada, principles he has stated and, indeed, states regularly, in this House. The federal government must respond to the budget situation, while remaining at the service of the population and, in this role, promote Canadian identity.

Of course, we must rise above constitutional disputes, but without losing sight of the objectives set by the government in terms of government administration. The government wants to make sure that we can stay away from any form of duplication. It also wants to make sure that we can streamline government operations and I might add that it is desirable that government administrations at all levels be streamlined.

Bill C-53, to establish the Department of Canadian Heritage, is part of this streamlining process respectful of authority, or

should I say the powers inherent to the three levels of government, specifically the municipal, provincial and federal levels.

The department the Bloc Quebecois would like to see abolished is also the backbone of institutions such as national museums, the Canada Council—allow me to list a few more key organizations—Telefilm and the National Film Board and various programs encouraging interprovincial distribution, exportation of our cultural products and promotion of Canadian talent internationally.

In fact, I would add that the federal government is making use of the legislative or statutory instruments within its jurisdiction, such as copyright or income tax, to encourage or oversee artistic creation and cultural diffusion.

(1100)

Of course, the provinces and municipalities, as I said, also have a role and since each government has an important role in these fields of jurisdiction, I should say that they have a key role, a complementary role, in fact, with respect to culture.

Far be it from me to challenge the authority of these levels of government. I would even go further by stating the obvious fact that Quebec's powers are special, since it is the centre of French culture in North America. But, of course, this does not prevent the Canadian government from assuming its own responsibilities of encouraging interprovincial trade, sharing a common heritage, structuring the markets for cultural products by using the tools that it alone has at its disposal.

I understand that the way the Bloc sees things, Quebec's goal is to keep anything federal off its territory; however, to say that the break-up of the country is necessary because the federal government's intervention harms Quebec culture is the kind of intellectually twisted argument that they usually give us, unfortunately, and give all Quebecers especially. I think that this attitude is meant to justify at any cost a case that they consider has been proven beyond question. They deliberately want to tarnish a record in which all Quebecers can take pride.

To conclude, I recently heard some Bloc critics and I was deeply offended as a Quebecer. Some Bloc critics say that they want to confine the whole province within a single definition, that of a nation. I must say that Quebec is not a definition. Quebec is made up of people who have pride, their customs and culture, a culture that they want to extend throughout Canada and internationally. There is also a French community that is alive and well outside of Quebec.

The federal government's role and the purpose of this bill are to make it possible—and I conclude—for this French community to flourish more and for the two official languages to live together better, all for the sake of promoting what we call a Canadian identity, of which I am proud.

Government Orders

[English]

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, it is my pleasure this morning to speak on Bill C-53 respecting multiculturalism.

I do challenge whether government should be involved in this program. It is very important for the government and ministers of the crown to realize the influence they hold over the people who provide government services on a daily basis.

It is also important for those in a position of power to understand that what they say and do will influence and give direction to the bureaucracy. It is important that all ministers of the crown appreciate what intervention is.

The policy of multiculturalism in Canada is a program that the Government of Canada has imposed and forced on Canadians. I believe that the philosophy of the multiculturalism program is very divisive. I am proud of the heritage of many of the people in this great country of ours. I do not think that any Canadians from the beginning have needed government to provide a program in order for them to share their cultural backgrounds with other Canadians. I feel it is a place where the federal government should not be involved. I take great exception to the federal government's using ethnic and cultural backgrounds as a basis for employing people within government services.

(1105)

I am offended that our federal government departments are required to list employees by their gender, by whether they belong to aboriginal people, whether they are a visible minority or persons with disabilities.

I am offended when government officials are proudly announcing that they have either met or exceeded their quotas. I do not believe that government departments have any business in developing quotas.

How do they get the stats they are so proud of which they use so loosely? They are self-identification stats by individuals who are required to fill out a form identifying to what sub-groups they belong.

I feel that these kinds of policies are very divisive not only within Canadian society but certainly within our Canadian government services. The government is not satisfied with just creating hyphenated Canadians. It now wants Canadians to list their lineage.

I believe there is a real question of what is a visible minority. Is this a person of a mixed race? Do they have to look like a mixed race person to belong to a visible minority? Do they just need to have it in their lineage?

If we are basing employment on the appearance of people, I have great difficulty with those people who are judging whether those people belong to visible minorities.

What if there are two people with the same background but one appears to be of a visible minority group and the other one not so much? Does the one qualify for the job in government and the sibling not qualify?

For the government to start looking at a quota system in its employees is going down the wrong way. All we have to do is look at when quotas and the appearance of people were used in history, for it is not in circumstances that we can be proud of.

To establish lineage, ethnic background or what qualifies as a visible minority do we need to be one-half of a particular ethnic group? What about one-quarter, one-eighth or one-sixteenth? Where does it begin and where does it end?

This whole idea is ridiculous. I believe that classifying people by lineage is obscene. History would show us that it is obscene. I would like to question why any government would want to encourage and continue this practice.

A second point that I am concerned about is how the policy of multiculturalism is affecting our courts. There was a case in Vancouver in which the parent of a child was being questioned when the parent was trying to put the child up for adoption. The biological father happened to be of aboriginal origin, not full blooded and not half blooded, but a quarter.

Here was a judge in the courts having to determine what percentage of aboriginal background this child had and whether that child should be given to the father to be raised in the aboriginal community.

It turns out that the child was close to one-sixteenth aboriginal and the judge in making his decision felt that the child did not have enough native background in order to be placed in an aboriginal foster home or family.

Why should any judge be faced with this kind of decision? Why should it ever be important where that child originated? What should be important are the best interests of the growth of that child, the provisions that could be made to that child in its infancy and furthermore in its growing years, not whether it is a member of a visible minority.

The other issue that I find very offensive is this reverse discrimination that we see. I am going to use the RCMP as an example. The RCMP is being asked to impose this affirmative action, judging people's employment ability on their gender, on whether they are a visible minority or whether they belong to a group that is physically handicapped.

(1110)

I would suggest that when we have a government department that in Alberta a few years ago decided it would not accept applications, we are not talking about giving them jobs. We are talking about accepting applications from white unilingual males. I take exception to that. It shows me that all Canadians are not being given equal opportunity. I do not think it solves the problem that the RCMP had with not hiring women and not hiring minority members 20 years ago. It does not solve that

Government Orders

problem by discriminating against young white males today. I do not think those individuals feel they are being treated as Canadians, and I would suggest that they are not.

It is very important for the government to seriously consider whether it has a legitimate right to be involved in this kind of multiculturalism program that does invade and does reach out into all aspects of Canadian society.

I would challenge the government that this program is very divisive and is creating a situation in the country that is very dangerous. I see growth in ethnic groups and youth groups vying for a position of power within our communities, pitting one racial group against the other.

I hear from new immigrants who say they came to Canada looking for and anticipating a new Canadian culture and when they get here they are being encouraged to keep the culture of the place from which they came. They are here with a sense of frustration, of not knowing where to turn. We as the Canadian government have a responsibility to new Canadians to bring together all those things that we share, all those programs and ideals that we are looking to have in this country that will make it a stronger unified country.

I do not think the federal government should be encouraging programs such as multiculturalism and bilingualism that divide Canadians, that bring them up against each other in vying for superiority and power. It is time that the government realized all Canadians deserve equal treatment from the federal government, should be considered equal members of Canadian society and stop this fallacy, this obscenity of creating divisions based on language and ethnic background.

I would encourage the House to reconsider supporting Bill C-53.

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, it is a pleasure for me to rise in the House today to participate in this debate on Bill C-53, an act to establish the Department of Canadian Heritage. My remarks today will be mainly involving Parks Canada's involvement and the role it will play in this act.

It has been said many times that we have inherited a rich legacy and every generation of Canadians has had an opportunity to make a contribution to it. That legacy is our heritage which we share with everyone in Canada wherever they live and whatever their background.

Our natural and wilderness heritage and our sense of history and place are vital elements of this heritage we all share. They are central to who we are and what we value as Canadians.

The new Department of Canadian Heritage reflects the many dimensions of the Canadian experience, an experience that is

always evolving. Protecting areas of natural and historic significance to the nation for the benefit and enjoyment of all Canadians is the responsibility of the Department of Canadian Heritage.

In the past a big part of that job has been done and will continue to be done by Parks Canada, a key component of the new department. The creation of the Department of Canadian Heritage will not in any way undermine the importance we place on issues associated with the protection and preservation of our natural heritage, both natural and cultural.

(1115)

The Department of Canadian Heritage supports Parks Canada's mandate in this area. All parts of the department are working hard to make sure that Canada's heritage and environment are valued today and passed on to tomorrow.

Parks Canada's traditions, now departmental traditions, go back more than a century to the establishment at Banff in 1885 of Canada's first national park. Of course our system of national historic sites started with Fort Anne in Nova Scotia more than 75 years ago.

From Ellesmere Island national park within the Arctic circle in the north to Point Pelee national park at the southern tip of Canada and from the lighthouse at Cape Spear national historic site at the country's eastern edge on the Atlantic to the Pacific rim national park on the west coast, our national parks and national historic sites dot the length and the breadth of Canada. They are Canada's pride, the crown jewels of our heritage.

Canadians have a strong attachment to and affection for the land and the landscape of the country whether found in small towns, in rural areas, in the wilderness or in the historic districts of the large cities.

Landscape is a vital component of our heritage and it forms part of the rhythm of our lives. Our historic landmarks are a vital part of the landscape, a significant and irreplaceable part of Canada's physical environment. Canada's national historic sites, heritage railway stations and federal heritage buildings are located in every province and territory.

Mr. Speaker, as I speak to you today there is construction under way in my riding of Hillsborough, Prince Edward Island, on the building of a memorial park to commemorate the place where the Fathers of Confederation first stepped ashore and began their journey up Great George Street to the steps of Province House in Charlottetown. What occurred over the next few days in Province House was indeed the beginning of the formation of our country as we know it today. From that point on Charlottetown was to become known as the birthplace of Confederation.

Government Orders

These historical sites are a tangible symbol of our national unity and heritage and are of great importance to the constituents in my riding as well as to the many people who come to visit them.

One or more national historic sites are located in over 400 communities across the land, meaning that these communities are direct stakeholders in the national heritage, sharing that heritage with their fellow Canadians and with visitors to our country.

Our country's national parks, national marine conservation areas and heritage rivers add to this shared legacy of outstanding special places held in trust for all Canadians.

As symbols of our national heritage all of these special places speak directly to Canadian identity. They are living laboratories, places where the public can truly experience Canada's past or its wilderness.

Historic sites cover a vast span of human history measured in thousands of years and document the populating of the land, economic and social development, nation building, Canadian achievements in arts, culture, human rights, wilderness preservation and the sciences, as well as a vast number of other human endeavours and activities. As both the product and the witness of the works of our predecessors, they are fundamental to a broadly defined and diverse yet encompassing sense of Canadian identity.

These heritage places provide an excellent opportunity to make all Canadians more aware of their history and to make landed immigrants and new Canadians aware of their Canadian heritage, aware of the places, events, activities and people that have made us what we are. In this respect these places can play a vital role promoting citizenship value.

Because these historic sites are nationally significant they serve as links between the community and the nation and between the subject of commemoration and our national history.

Each national historic site can be said to illustrate an important chapter in a national saga that is constantly unfolding not only into the future but perhaps surprisingly into the past. A number of national historic sites document the fact that our human history is many thousands of years older than we once thought.

National historic sites represent one of the most important and valuable examples of a vital Canadian tradition, the partnership between individuals, corporations and governments in the history of our country.

(1120)

Fewer than one-fifth of Canada's national historic sites are owned by the federal government. The investment, the involvement and the co-operation of others in the preservation of places that have been designated nationally significant by the federal

government is a remarkable and regrettably often little recognized national partnership of achievement.

Federal heritage buildings and heritage railway stations recall an era when federal buildings and railway stations were often the most important and imposing landmarks in communities large and small across the country, serving as symbols of national integration and confidence in the future.

No less significant than national historic sites, federal heritage buildings and heritage railway stations is the program that formally recognizes persons and events that have played an important part in our history. The program fosters knowledge and appreciation of the achievements of Canadians, such as the boxer Sam Langford, the poet Pauline Johnson, the scientist and educator Frère Marie-Victorin, piano manufacturer Theodore Heintzman, and reformer Nellie McClung.

Events or themes that have been officially recognized have included the inauguration of the transcontinental railway service and the assertion of Canadian sovereignty in the Arctic.

I know that my time is running out. I could continue on for many more minutes here but I know, Mr. Speaker, that you are looking at your watch.

The Department of Canadian Heritage will be much more than the sum of its parts. Canada is a country of great geographical and cultural diversity, yet as Canadians we share so much.

Our objective is to foster pride in our achievements as people and as a country. Canada's heritage is evolving. Each generation is making its own contribution to the development of our shared heritage.

Working together in the new department in partnership with Canadians we will achieve more than we ever could do on our own. I invite all members of the House to support the bill to create the Department of Canadian Heritage.

[*Translation*]

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, I am pleased to speak to the proposed amendment to Bill C-53, an Act to establish the Department of Canadian Heritage. This amendment calls for the bill to be withdrawn and the subject-matter thereof referred to the Standing Committee on Canadian Heritage.

I would like to say at the outset that the fears the hon. member for Outremont wants to dispel have been reaffirmed by this bill. There is no place for Quebec or for the distinct society. It is always surprising, not to say sad, to see the illusions of timid nationalists reaffirmed after fighting in vain for 30 years.

When we look closely at the sectors, the functions and the people targeted by this new department, we quickly realize that this is a "grab bag" department, a hodge-podge of programs which clearly show either the Canadian government's incon-

Government Orders

sistency or its less than transparent strategy in dividing up responsibilities, in bringing together parts of the following federal departments: Environment Canada; Multiculturalism and Citizenship; the part of Health and Welfare responsible for amateur sport; part of the Canadian Secretary of State, namely official languages, Canadian studies, Native programs and state protocol; the part of Environment Canada responsible for Parks Canada and historic sites; the part of the Department of Communications responsible for the arts, heritage, culture and broadcasting.

Later, they will add the Registrar General of Canada from the Department of Consumer and Corporate Affairs. The new Department of Canadian Heritage, whose creation was undertaken by the Conservative government, brings together for the first time all of Ottawa's cultural policy instruments, namely the Canada Council, the CBC, the National Film Board, Telefilm Canada, national parks and museums, National Archives, etc.

This department will have a budget in the order of \$2.8 billion, compared with a \$425 million budget for Quebec's Ministry of Culture. In addition, several responsibilities assigned to the Department of Canadian Heritage must be fulfilled in co-operation with other departments, thus reducing the heritage minister's actual power and political say in administering his own department. After this morning's statement by the minister, we can conclude that even his moral power is affected.

Moreover, responsibility for telecommunications policy and programs was transferred from the Department of Communications to the new Department of Industry. All this with little or no staff or spending reduction in sight. So what is the real purpose of this reorganization? The real powers granted to the Minister of Heritage are like jam: the less you have, the more you spread it around. In this case, the new department's responsibilities are well spread out.

(1125)

The culture portfolio has undergone two major reorganizations since June 1993; things are getting more and more complicated, the number of players keeps increasing, and jurisdictional overlap is getting worse. The government must have followed an increasingly popular rule: Why simplify when you can make things more complicated and a little more expensive? A highly centralizing Canadian Heritage.

To say the least, the Canadian government has obviously decided to make this Department of Canadian Heritage the main instrument to promote Canadian values and it will also encourage the whole country to fully participate in that exercise.

But what about the distinct character of Quebec's culture and what about the sectors which are under exclusive provincial jurisdiction according to the Constitution of 1867? The bill is totally silent on that. The government is deliberately trying to hide that reality. The old centralizing reflex of the federal government is still just as strong. The government persists in

trying to fool Canadians and Quebecers. Obviously, this new department tries to bury the specific character of Quebec's culture by progressively diluting it in a hypothetical Canadian culture which is, would you believe, unique and multicultural.

Make no mistake about it: The mandate of the Department of Canadian Heritage is twofold. Indeed, it must create from scratch an artificial Canadian identity based on Canada's multi-ethnic mosaic and, consequently, that identity must be multicultural. However, that identity and that feeling of belonging based on bilingualism and multiculturalism sounds hollow to Quebecers.

That double mandate goes totally against Quebec's fundamental interests, since it rejects the distinct and specific character of Quebec's culture. The hon. member for Outremont talked about complementarity, but he should have used the word overlapping.

Such is the new federal cultural policy: A policy aimed at levelling out everything with a steamroller!

On June 21, the hon. member for Rimouski—Témiscouata said in this House, and I quote: "The concept of Canadian identity does not include the Quebec identity. In fact, its purpose is to assimilate or even deny it".

The new Canadian multicultural identity which the government is trying to impose is in fact a ploy to acculturate Quebecers. Even worse is the fact that it will not slow down the growing assimilation of French speaking people who live outside Quebec.

In the promotion of this glorious Canadian multicultural mosaic, the government is rather quick to forget the concept of two founding nations. The Liberals, both as party and government, recognize the first nations but do not recognize the Quebec nation. As I said: If there is an Acadian community, there is also a Quebec nation. In June, the current Prime Minister stated, regarding the operations of CBC, that there is an act regulating these operations and that he would ask the corporation to comply with it.

Among the requirements contained in this legislation, there is an obligation to inform people of the benefits related to our country. However, Canada is not the only one financing CBC. Quebec also pays its fair share, but has hardly any say in the administrative decisions of that federal institution.

Let us not forget that, in recent years, numerous regional TV stations in Quebec, including Rimouski, Matane and Sept-Îles, had to shut down their operations. In addition to being underprivileged in terms of resource allocation, Quebec is about to absorb more than its fair share of budget restrictions. For example, *Prime Time News*, the 9 p.m. TV newscast on the CBC, has an annual budget of \$15 million, or \$60,000 per show. By comparison, the SRC budget for *Le Téléjournal* and *Le Point* in Quebec barely exceeds \$8 million.

Government Orders

In a brief submitted yesterday to the Standing Committee on Canadian Heritage, Mrs. France Dauphin, from the Coalition for the Defense of the French CBC network, the raised a number of issues. For example, investment in programs per hour of broadcast time has increased by approximately \$7,000 as far as the English network is concerned, but only marginally in the case of the French network. In just five years, from 1987 to 1992, investment rose from \$30,500 to \$37,500 at the CBC while rising from \$17,500 to \$18,300 at SRC. In other words, a mere five per cent increase for the French network, as compared to a 20 per cent increase for the English network. What does this mean? It will become obvious later.

(1130)

The Canadian Broadcasting Corporation has made strategic choices that favoured the English network programming over that of the French network. These choices were made in spite of the objective the CRTC had set for the CBC in February 1987, i.e. to strike a fair and equitable balance between production, distribution and the scheduling of regional and network programs, on both networks.

In addition, over \$380 million were recently invested in building new headquarters in Toronto. Jean-François Lisée wrote in *Le Tricheur* that we can see how, in spite of Trudeau's efforts to attach a Canadian identity to Quebecers, the inclination to go the opposite way is strong and resists the hazards of election policy. In 1990, 59 per cent of the people of Quebec perceived themselves as Quebecers first, 28 per cent as French Canadians and nine per cent as Canadians.

In fact, it is normal for Canada to describe itself more and more as an English-speaking multicultural entity in an attempt to differentiate itself from its American neighbour.

At the same time, it is not considered either normal or legitimate by this centralizing administration for Quebec—a clearly defined nation, the cultural vitality of which is recognized around the world, a truly distinct nation on the basis of its specific culture and its language among other things—to promote its own culture and specificity. It does not require a constitutional amendment to do so.

Finally, the multicultural Canadian identity. The issue of multiculturalism, which is to say the least debatable, must not be overlooked.

Professor Claude Corbo, dean of the Université du Québec in Montreal, concludes it is a failure. According to Corbo, the solicitude shown by the federal government for ethnic communities is suspicious. He says that such a policy could well exacerbate the minorization or the trivialization of the Quebec identity.

The fact of the matter is that, in Quebec, the principle of ethnic diversity must center around the French dimension of our culture which is present in all of our institutions and serves as a

basis for Quebec's specificity. Above all however, structures are required to facilitate the integration of immigrants into their host society.

So, I intend to support the amendment put forth by my hon. colleague from Rimouski-Témiscouata, asking for the bill to be withdrawn and deferred to the Standing Committee on Canadian Heritage.

[English]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, it is a privilege to address the House in relation to Bill C-53 and the amendment put forward by my colleague from the Bloc. I am supporting the amendment but for very different reasons from those put forward by the Bloc Québécois.

Apparently the operative word in the whole bill is reorganization, but in light of recent events perhaps the operative word we should be discussing this morning is resignation.

It appears the minister in charge of the Department of Canadian Heritage tabled a letter this morning which indicates he had approached the CRTC concerning specific licensing of a special language radio program. The fact that the document was stamped with the word "intervention" causes great concern. The fact that the letter was written on the minister's letterhead also causes great concern.

I join with the many Canadians who last night and this morning called for the minister's resignation. It is unfortunate to see this type of intervention in a quasi-judicial branch under the minister's control. I hope he will reconsider his decision to stay on as minister and will do the honourable thing and step aside.

As has been stated by my colleague for Calgary—Southeast, the bill should be renamed the special interest funding bill because that will be the effect of the legislation. Bill C-53 will create a ministry comprised of all the odds and ends of the government intervention in Canadian culture under a minister whose sole responsibility is to dole out handfuls of cash to whichever groups the Liberal government has decided to favour.

(1135)

The scope of this ministry would be large and sprawling with at least 24 areas of responsibility that include—now hang on to your hats: the Canada Council; the CBC; Telefilm Canada; the Museum of Civilization across the river; the Museum of Nature; and the CRTC which I have spoken about. Also included are: the National Archives; the National Arts Centre; the National Battlefields Commission; the National Film Board; the National Gallery; the National Library; the Museum of Science and Technology; the Public Service Commission; the Advisory Council on the Status of Women, as well as Status of Women Canada; amateur sports and official games; official languages; Parks Canada; Historic Sites and Monuments; Canadian Race

Government Orders

Relations Foundation; Canadian Heritage Languages Institute; multiculturalism; and copyright.

This is an unruly collection of agencies which has been lumped together arbitrarily. It truly is the ministry of lost souls, a ministry put together consisting of many irrelevant and outdated agencies with nowhere else to go. That being said, there are some valid reasons for the government to have a role in a select few of those areas outlined. However in the majority of cases those functions could be performed more effectively in either the private sector or by individual Canadians and private organizations.

All this government intervention costs Canadian taxpayers over \$4.4 billion. We have put forward constructive suggestions that would save over \$1.6 billion in program spending alone. Once the spinoff reductions in the bureaucracy and overhead are factored in the savings could go much higher.

I want to focus the remainder of my remarks today on the multicultural funding programs within the department. My colleague from Port Moody—Coquitlam asked the government for a list of multicultural grants given in 1993. What she received was astounding. It was a 703-page document listing over 1,300 separate grants totalling over \$25 million. Most of these grants are questionable. I will mention one or two which I think my constituents in Kindersley—Lloydminster would be very concerned to discover that their hard earned tax dollars have gone to pay for.

One grant was to the Toronto Arts Council. It received \$25,000 for phase two of a national forum on cultural equity in Toronto as well as the training of a pool of cultural equity consultants. What in the world does cultural equity have to do with reality? What does it have to do with the real world? Also, the Folk Arts Council of St. Catharines Multicultural Centre received \$28,000 for a community needs assessment. The council was to carry out a community needs assessment and prepare a strategic plan.

It really makes one wonder what the priorities of this government are when it would support initiatives like those when the health care system is starved for funds. We are closing hospitals in Saskatchewan in part because the federal share of health care funding is being so drastically reduced.

A few months ago I received notice of an application for one of these grants from within my own province of Saskatchewan. I was sent a letter from the Ukrainian Canadian Congress, Saskatchewan Provincial Council asking for a grant of \$45,000. The money was to help perform a needs assessment study intended to determine the following four things.

First is that access to information about government departments, agencies and services is available to Ukrainian seniors. Second is the development of outreach programs to address specific health care and sociocultural needs, interesting. The

third one is a real winner. Can we believe this? It is for the development of seniors advocacy and lobbying skills; \$45,000 to teach seniors how to lobby the government. The seniors I know are very intelligent. I do not think they need that kind of education. Fourth is another lulu. It is to develop a model for ethnocultural wellness. Why in heaven's name do we need a grant for Ukrainian seniors to help them develop a model for ethnocultural wellness?

This is quite amusing. The NDP jumped on the special interest bandwagon immediately. The member for The Battlefords—Meadow Lake wrote to me and implored me to support such a giveaway. So much for the NDP discovering its roots and returning to reality.

I wrote to the Minister of Canadian Heritage, the minister who is under so much criticism today, to inform him that I did not support the approval of that application. I did so for three main reasons.

First, I reject the premise that health care needs should be met on the basis of ethnicity. If a senior citizen in Canada or any citizen for that matter is in need of health care services those services should be available on the basis of need, not based on any ethnocultural criteria. If you are sick or you break your leg on the job, it does not matter if you are a Canadian of Ukrainian, Polish, Chinese or Norwegian descent, I would think the doctor is going to treat your case in pretty much the same way.

(1140)

I can see no reason for special health care for Ukrainians. Most of the Canadians of Ukrainian descent who I know would be deeply offended to learn they were being categorized as a special case. They are proud Canadians, proud of their culture and very capable of looking after their needs and interests without the paternalistic help of the government.

Second, giving people tax dollars to teach them how to lobby for more tax dollars is not effective stewardship of Canadians' tax money. Unfortunately the government does this sort of thing all the time, but I would not and I will not endorse this activity.

Third, I felt that the \$45,000 the Ukrainian Canadian Congress was asking for would have been put to much better use if it were spent on health care in general. This way it would benefit all senior citizens, in fact all Canadians in Saskatchewan and the rest of Canada regardless of ethnicity.

The minister's office was kind enough to phone me and let me know that the grant was being approved anyway. This is one more example where the government makes a show of involving individual MPs but goes ahead and does what it wants in any case.

Government Orders

I am curious as to why the minister approved the grant. It may be the minister feels there is some legitimate reason that Canadians of varying ethnic backgrounds need different health care services. Maybe he thinks that. It may be the minister feels that giving people tax money so they can lobby for more tax money is an effective spending restraint.

Perhaps the minister is naive, but I believe the objective here is more politically motivated. It is clear that all these special interest and lobby group grants are being done in a crass old style politics attempt to buy the support of Canadians with their own money. It is the old politics.

In fact the entire Department of Canadian Heritage is nothing more than an entrenchment of special interest funding and Liberal giveaways. That is why I am supporting the amendment to send the subject matter to the Standing Committee on Canadian Heritage. In the committee perhaps the wheat can be separated from the chaff. Perhaps the government can get out of the business and be told to get out of the business of designing culture and buying support with other people's money, often with their own money. We can save the taxpayers of Canada a lot of money in the process.

There has been a lot of talk about Reform versus the status quo. I appeal to members and say that status quo multicultural policy cheapens our rich and diverse culture. The Reform position of placing the onus on lower levels of government, private associations and individuals to preserve and promote their cultural heritage deepens and ensures the future of our rich and diverse culture. Let us deepen rather than cheapen the multicultural nature of Canada.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, how ironic that today is the day we are looking at the reorganization of this department, particularly in light of the allegations that have been made against the minister of this department. I once had a boss who told me that a fish always rots from the head down. Today we should see a reorganization of the department starting at the top.

Last spring I sat in on the committee on Canadian heritage. I sat 10 feet away from the minister when he told us that agencies like the CRTC are to be at arm's length from the government. He has said it on countless occasions and now we are going to make him live up to his words.

Implicit in that letter he sent no matter what he says because he is a minister of the crown is the fact that he is the one who approves along with cabinet orders in council for the positions on the CRTC. His department sets the guidelines. His department sets the budget for the CRTC.

(1145)

I remind the minister and the members across the way that it was not long ago when the hon. member for Sherbrooke was facing the same sort of situation. The leader of the Conservative Party was facing the same situation and Liberals across the way screamed for his head. They got it. They should have. Now they should hold themselves to the same standards at least of the Mulroney government, a government that did not have very high standards.

I encourage members across the way to get to their feet and tell the Prime Minister in no uncertain terms that this is absolutely not acceptable. I encourage them to move today while they still have a chance to cut their losses and ensure that no more damage is done to the credibility of the government.

That is at the top of the department. I want to move through the department now and talk about some other issues. When we look at all the issues that are within that department; multiculturalism, CBC, status of women, the Canadian Heritage Languages Institute, the National Film Board, there are so many targets. It is an embarrassment of riches. So many boondoggles, so much waste, so little time.

I want to talk in general about Canadian heritage and how it protects Canadian artists and the whole idea of government intervention in the artistic community. This is a relatively new occurrence in western civilization, to have a government involved in protecting particular artists, choosing some and saying they are worthy of the support of the government while others are not. In ancient times when patrons regularly supported artists, those artists were at least accountable to that patron. If they did not produce art work it was guaranteed they would not be supported again by that particular patron. Such is not the case in Canada.

For instance, the Canada Council uses peer juries to select which artists should be worthy of support by the government. This is a closed system. It is like a bell jar, the jar they use in scientific experiments. There is no accountability to the public, the people who are paying the money. At the risk of repeating what I said the other day in a member's statement, they "breathe each other's air". We do not get input from regular people about what constitutes real art.

It is well and fine for artists to produce art for their own pleasure but it should be at their own expense, not the expense of Canadian taxpayers.

Who does not stop and wonder about the huge distortion that government intervention in the arts community has had after they tour the National Gallery. I have talked on this issue before

Government Orders

but I must repeat what I have stated because it is so utterly unbelievable.

I remember distinctly the first time I went to the National Gallery. I was impressed with some of the art work. There were pieces of art work from classical artists which are universally accepted as great art. That rightfully belongs in a national gallery.

I remember like it was yesterday walking into a huge room and seeing in the corner boxes of Brillo pads stacked to the ceiling. This was not a supply room. This was a display of art, believe it or not, in a corner, brightly coloured boxes of Brillo pads.

In another room there was what I thought was some construction in progress. It was carpet underlay lying in the middle of the floor. This was a work of art according to the National Gallery. It was paid for by Canadian taxpayers. This piece of art, if you want to call it that, was called "256 pieces of felt" and it was a pile in the middle of the floor.

Another room had bricks lying on the floor in a line coming out from the wall—

Mr. Strahl: At least they were in a line.

Mr. Solberg: "At least they were in a line" the hon. member says. This was also art work.

If these people want to do this for their own pleasure, fine. If they want to put some underlay in the middle of their living room floor and marvel at it, that is great. We support that. On the other hand, if they expect Canadian taxpayers to shell out money so this can be displayed in the National Gallery it is crazy. The people are fed up with the waste in government. If it wants some areas where it can cut it can start with Canadian heritage. There is no end of waste in that department.

(1150)

I remember reading about Charles Dickens. In England in those days there was no support from the government for artists. One fall that great writer was pressed to come up with a new book because he had a large family to support. Christmas was coming and he needed some revenue. Therefore, this prolific writer, who was prolific probably because he knew that if he wanted to survive he had to produce these works of art, was facing this Christmas deadline and knew he had to get something out so he could have an income. Faced with those pressures and faced with the fact that he had to be excellent in what he produced if he wished to sell his book to have some money, he produced one of the great classics of all time "A Christmas Carol".

I do not see why the principles of that time cannot apply today. Why do we have to have the Canada Council involved at every step of the way? People who have no business publishing a book because their work is not worthy are getting grants from the

Canadian taxpayer to do it. That is crazy. I again urge the government to look at all these areas where it intervenes into the artistic community, to get out of there and allow real artists to blossom and do their thing.

We have great artists in the country from every area of the artistic community. They will prosper irrespective of whether or not they get grants from the Canada Council or protection from the Ministry of Canadian Heritage. We do not need to worry about them. We do not need to feel that we are somehow inferior. We have shown time and again that we have people who can compete in the international community with respect to the whole Department of Canadian Heritage and artistic accomplishments.

We have a deficit of \$40 billion a year, a debt of \$535 billion a year and the high taxes that go with that. Canadians used to have some disposable income to spend on art. By running up the deficit because of this ridiculous boondoggle of handing out grants, now they have less disposable income to go out and buy the art that we would all like to see produced. The government across the way is therefore cutting off access that Canadian people have to art.

I urge the government not only to reorganize the department but to cut spending dramatically and reorganize it right at the top starting today with the minister.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am delighted to also add a few comments, thoughts and ideas on the bill.

I cannot help but wonder why it is that we feel it is a legitimate role of government to pluck the pockets of the taxpayers by the coercive process called taxation without giving them a choice. We are forcing them against their will to support any and every cause which some bureaucrat or some deputy minister or some head of a department decides is worthy.

My hon. colleague from Medicine Hat has just gone through some of these ridiculous decisions which have absolutely no defence in terms of representing the mainstream of Canadian society.

I am one of those proud Canadians who was born here. I am a first generation Canadian. My parents did not speak English. My first language was neither English nor French. I could be called one of those ethnic immigrants although I was born in Saskatchewan, a point of which I am justly proud.

(1155)

When we were growing up we had absolutely no access to public funds. As a matter of fact, my grandfather would have dutifully declined if it had been offered because he firmly believed that it was his responsibility to provide for and look after his family.

My grandfather and his sons, my dad and his brothers worked out at a very low wage in order to keep their identity and their

Government Orders

pride. I am very happy that is my heritage. I learned too that hard work and self-effort was required in order to get ahead.

When different people are able, by the spending power of the federal government, to merely access money at will and use it however they wish without accountability, whether or not it has any measure of support out there in the public, promotes and extends a standard of dependence. There is no excuse for that in the long run.

We are sometimes criticized in the Reform Party for harping on the debt. I cannot think of anything that is more important. Whether it is an individual, a family, a business, a province, a municipality or a country, we need to be sound financially if we want to be sound in other ways.

This morning I could not help but think of this when one of my colleagues from the Bloc was speaking. Perhaps part of the reason for the desire of divorce is the fact that we have such tremendous fiscal mismanagement. I read in a book not long ago that fiscal mismanagement and debt is one of the leading causes of divorce in families. Perhaps that is one of the reasons why Bloc members are representing a lack of trust and a lack of consideration for remaining in our Confederation.

We need to start looking at the use of our federal moneys much more carefully than we do. This whole department is a sinkhole of money that does not go anywhere. I cannot overemphasize this any more than I just have.

We have the problem of grants to different societal groups. I think about the past generations. In my area there are a number of Ukrainians and German speaking people as well as English speaking people in great numbers. Most of them, when they came out west, were independent, rugged pioneers. They would not accept handouts.

We keep talking about how we want to be tolerant and loving, we want to be multicultural. I agree with that profoundly. We need to reach out and touch each other, as the good phrase goes. We are building resentment by these programs. One group asks for a grant and they get so much. Another group asks for a grant, but because they do not have as powerful a connection to the decision makers, the grant is less or perhaps is even denied.

This can only produce one result. One group now resents the other group. The only real way of having a level playing field among all these different ethnic groups and promoting true ethnicity in our country is to treat them the same. Allow them to fund themselves at whatever rate they want to. Frankly most of the practice of ethnic culture does not require any money.

I was proud the other day to attend the meeting in this city with the Greeks, the AHEPA, their educational society.

(1200)

They had put on a dinner and they wanted to inform us about their society. A wonderful thing happened. This was a formal occasion and those who could afford it—of course I was not among them—had tuxedos with black ties. It was a very elegant situation.

Suddenly some of those people gathered around the piano. There was one person there playing piano and two or three people came and started singing. It did not take long until there were about 20 people crowded around the piano. In this formal setting this little informal occasion had arisen.

We did not need a federal grant for that. That happened. It was spontaneous. It was genuine. It was real. I liked it. That is the kind of thing we need to promote. The federal government should be in the role of guaranteeing the freedom to speak in the country any language we want, guaranteeing the freedom to practise our culture any way we can legally. We ought not to be in the business of taking money and transferring it from the taxpayers, often against their will. We know there is an increasing resentment and a decreasing support for this involuntary taxation.

We can help renew that trust of the Canadian people by reducing the amount of money that we take from them in order to promote and give grants to people without just cause.

I want to say something about the CBC. My hon. colleague from the Bloc made mention of funding and that it was not equitable between French and English. I wrote it down while he was speaking that in the area whereof I speak, and this is just a statistical fact, the English speaking people in Alberta outnumber all of the others.

We also have a great number of people who speak Ukrainian. There are German people and I believe the French place fourth, although they may now be even lower in numbers because of quite a bit of immigration from the Orient in recent years.

We have a French television channel there, CBC. Most of the time it broadcasts the test pattern and plays nice music. I admit I sometimes watch it because I like the background music that is on while it displays the test pattern. That is other than the times it just has the 1,000 kilohertz signal.

We found that. I do not know how new my statistics are, probably two or three years ago, but only about one per cent of Albertans speak French, and of those if I remember correctly only one-quarter spoke French but not English.

If our objective is to communicate with one another it is only important that we speak the same language. How I wish I could speak French so that I could debate and enter into discourse with

my colleagues to my right here. I wish I knew that language. Unfortunately when I was a youngster I did not learn it and I am discouraged at trying now. It is difficult. It is so important for us to be able to communicate with one another. Spending federal money on promoting French broadcasting of the test pattern in Alberta makes no sense, absolutely none.

I would like to see those funds, if continued to be expended, to be used in an area where at least the people hearing the programming can understand it and benefit from it.

It is atrocious that when we have television and radio stations that make a profit—I am told by some of my contacts that radio these days is very competitive—we need to subsidize the CBC at the rate of over \$1 billion per year. Surely we can get management in there that will produce a profit for the Canadian taxpayers and not be a continual drain.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, I appreciate the time to debate this reorganizational bill today.

(1205)

I must start by mentioning what some of my colleagues have already brought to the attention of the House. I should bring to the attention of those listening to this debate and watching on television to the crisis within the department, starting right at the top.

In *Quorum* I read a couple of days ago, although I do not remember the exact quote, where the minister said that we would now see a whole new way of protecting Canadian culture. A couple of days later we find out that the whole new way of protecting that culture involves personal letters from the minister on behalf of friends to the CRTC, an independent quasi-judicial body.

That whole new way of protecting Canadian culture will not wash in the House or with the Canadian people. It did not wash with past ministers who tried that. We are probably seeing the first serious case that at the minimum the ethics commissioner should investigate. Preferably the honourable thing will happen here in the next few hours and we will see a minister step forward with his resignation. It is unfortunate but I think to clear the air this will be necessary.

What is the cultural background of the country? We on the foreign affairs committee, of which I was member for a few months, found this to be a very controversial issue. Some would bring up the idea that culture is a personal thing, that it follows our actions, that it is a legacy and the heritage we pass down to the next generation. Other people would argue that culture only thrives when the government is behind it and spends money on it and forces it, when the government regulates it and decides which culture is good and which is bad.

Government Orders

The Bloc Quebecois brings the issue up very forcefully that the Canadian federal government has very little reason to be involved in promoting and selecting the culture Canadians would enjoy.

This is not a job for the federal government. The federal government's job is to protect against discrimination, to ensure that people are not discriminated against because of their ethnic background, not persecuted or prosecuted unduly because of their choices.

If individuals, lower levels of government, the provinces and other people and private organizations want to enhance culture, then by all means that is where it should be done. For the federal government to spend billions of dollars on what its idea of culture should be does not wash with the Bloc Quebecois and it does not wash with me and the Reform Party. Culture is not something a bureaucrat can choose from.

The Canadian film board has put forward several pieces of questionable, dubious trash and these are now available to the school boards. I told witnesses who came before the committee: "If you ever got out of the cloistered halls where you are making these decisions and to Fraser Valley East where I live and told the citizens there who do not understand this difficult issue that what they need is a government grant to the Canadian film board to show how lesbian relationships are the way of the future and that this is an excellent thing to promote, the citizens would want to do the old tar and feather routine". They would say that if somebody wanted to put out that film, by all means. There are probably thousands of those films put out every year. Is it the job of the federal government to support that? The answer of course is absolutely not.

We are going in the hole financially—in many ways in the country but financially especially—\$110 million per day. How can a government that says it is trying to wrestle the deficit and debt to the ground continue to spend money on discretionary spendings when some priority items in the country are not being funded properly?

It asks students to take on more student loans because it has run out of money for them. There is still money for the Canadian heritage society and every other boondoggle in the country, but no more money for students.

(1210)

We tell the provinces that they are going to have to cough up a bigger percentage of the health care costs, but we still have money to expand the museum in one of the minister's departments next year. We do not have any money to increase the basic pension requirements but we have money for the CBC to the tune of \$1 billion a year.

People are rejecting that wholesale, as they well should. The other day I told members a story and I know how much they enjoyed it; we had laughs over that story. I would like to tell

Government Orders

another story. This one is not quite so funny but it is a true story. Again it is a very personal story involving my father.

My father was born into a community that looked after its own cultural background. It was a Swedish community back in the prairies in Minnedosa, Manitoba. Many a happy hour I spent back there visiting my aunts, uncles and other relatives. It was basically a Swedish community. It did the Swedish thing. It still has pickled herring and a few things from the Swedish past. I enjoy some of the heritage on that side of the family.

My dad's dad, my grandfather, died when dad was only six years old. Really the cultural things became very important. The community things, the family things became very important because that is where my father was raised. He had no father. In those days he had to pick up the support where he could. He got the support from the community.

When my dad was 17 years old and the second world war was on, he left that community and went to Winnipeg to enlist. He was only 17 years old. He was not old enough legally to sign up but being a big, strapping boy from the prairies and probably well fed—maybe underfed, I do not know—he looked the part but the enlistment guy told him he could not sign up and that he needed his mother's signature.

Dad took the forms and went out around the block to the back of the building, forged his mother's signature, went around to another door and came back in and enlisted as a 17-year-old.

There is a whole other story that goes with that but the point about the cultural thing in this is that dad never talked much about the army days. He spent a couple of years in. He did not have to go overseas and he made it through those war years okay, but the thing that stuck out in his mind and the only thing that dad talked about was that he did not think he did a very brave thing. It was what millions of Canadians were prepared to do.

The form on which he had to forge his mother's signature asked what ethnic background he was. This was back in 1943. Dad said that he just put a big line through there and said: "I am Canadian. That is what I am. I am not a hyphenated Canadian. I am not less a Canadian. I am not a half Canadian or anything else. I am a Canadian".

When people have a strong sense of their Canadianism, what they are, they do not need government subsidies. My father certainly did not. People in my community certainly do not.

An hon. member over here mentioned a case a while ago about someone playing a piano who looked up and said: "Does anybody happen to know this song?". Out of the crowd came about 40 or 50 people singing it in German. I do not even know what the song is because I do not speak German but they sang a song in German. Then the crowd went back out, proud of its heritage.

In Vancouver there will be the Chinatown festivities and so on. There will be the dragon dances and all that kind of thing. That has been going on for decades and decades without government help. When culture is part of a person they say: "I am a proud Canadian. I happen to have some of my background, my traditions, my heritage".

Members will find Canadians say: "I do not need government support for that. I am a proud Canadian. I have my own culture. It is my business. The government should not intrude into my life or dictate what I can watch on television or listen to on the radio. It is my business. Stay out of it".

When there are billions and billions of dollars involved, it is time that the Canadian government decided what its priorities are. The priorities are not in this heritage department. The priorities are health, pensions and the best education for our next generation. It is not the boondoggles that we see time after time in the Canadian heritage department.

(1215)

I am disappointed to find that in this reorganization plan there is not a bottom line that reads: "This department will be severely curtailed". Unless that is in there I cannot believe that any reorganizational plan will be an improvement. The first reorganization of course as I mentioned earlier should be a change in ministers. Then we would see how Canadian heritage should be maintained in the hearts and lives of individual Canadians.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I am very happy to rise today to speak on Bill C-53, a reorganization bill.

I would like to follow up on what my colleagues on this side of the House have been saying and relate it back to the election of one year ago when I ran successfully against a Liberal. I heard the words of the Liberals during that election campaign, things like: "This government, a Liberal government, will be different than a Conservative government. It will be more accountable". They said they would be more accountable.

Today the headline reads "Minister aids radio licence bid at CRTC". That is what we see today in our headlines. An apology from the minister is not good enough. The minister says that all he did was act as a member of Parliament. A minister of the crown is not an ordinary member of Parliament.

In March he wrote a letter to Keith Spicer asking him to give due consideration to an application for a 24-hour Greek language radio station. Also, which he did not mention this morning in his statement, he asked Mr. Spicer to keep him abreast of developments, adding: "Please do not hesitate to contact me if you require any further information".

Government Orders

If this is not interference, I do not know what is. This is blatant interference. I would also like to mention that the letter sent back to the minister from the commission's secretary general said: "Thank you for your letter of support".

One thing everyone in this business should learn is perception. Perception is everything. If the perception at the CRTC was that this minister was supporting and if the general public and the people of Canada also feel strongly that the minister was supporting then the minister has an obligation to do the honourable thing.

Tomorrow in the House we will be debating Bill C-210, a recall bill. If this minister and government do not bring accountability to the House, members on this side will certainly try to bring accountability here by introducing such legislation as recall. We know that we will receive some support from that side of the House. I have talked to members on that side who are very supportive of this. I hope the minister will do the honourable thing.

With regard to the bill, I have a few comments I would like to make, in particular about bilingualism and official languages. I get a little frustrated when I find out that the reason governments, including the government, sometimes spend money is to promote particular groups or particular people in this country. I know the member is very interested in this subject.

(1220)

I am going to talk about the Department of National Defence in the province of Quebec for a couple of moments. The Department of National Defence feels it is very important to encourage francophones to join the Canadian Armed Forces, in the navy. In order to do that the government felt it was important to build a fleet school in Quebec City. It spent millions and millions of dollars on a fleet school. The reason for this, and officials from the Department of National Defence have been quite open, is that it wants more francophones in the Canadian Armed Forces. Why spend millions and millions of dollars on that item? Not only is it building a fleet school there, but four of the twelve new coastal patrol vessels will be in Quebec City.

We have the largest coastline in the world to protect and we are going to have four of our coastal patrol vessels, on which we are again spending millions of dollars, in Quebec City with a fleet school.

Why do we not promote people from the province of Alberta? How about farmers in Alberta? Maybe we should promote them being in the navy. Why not build a fleet school on the Bow River? Maybe that is a good idea. Maybe we should do that in order to encourage Alberta farmers to join the navy.

I get laughs from all sides of the House. They are right. It is absolutely ridiculous that we are doing that. People in Quebec, Alberta, Newfoundland and across the country have the opportu-

nity to join the Canadian Armed Forces, and in particular the navy if they want to, but we spend millions and millions of dollars to build a fleet school in Quebec City.

I might point out that the citizens of Quebec City do not even support it. The mayor of Quebec City at one time said that it did not even fit in with the landscape of the city. That is absolutely absurd. The people of Canada will not put up with this nonsense any more.

Official languages in the country, yes. There should be freedom of speech. There is no question about it. It should be respected in the House of Commons and the other place as well. However, we are spending millions and billions. We cannot even get the actual figures for bilingualism. It is said to be \$310 million a year. That is absolutely absurd. It is probably closer to a billion or more dollars per year that is spent on bilingualism in the country. It has been proven it does not work. It creates walls and it divides people. It has not worked and it will not work. We have to move toward something new, a new approach, a new way of doing things to respect freedom of speech.

Multiculturalism is something that I feel was created with all the best intentions in the world. They wanted to bring people from other countries into Canada in the hope that it would bring people closer together.

It has put people in separate little rooms of the country. It has separated us all. It has divided us and split us.

Mr. Milliken: Nonsense.

Mr. Hart: The hon. member says no, no.

Mr. Milliken: I said "nonsense". Quote me correctly.

Mr. Hart: It gives specific ethnic groups pockets of money that other Canadians cannot have. It is not right.

The country should be looking at ensuring equality. That is what the government should be doing. It should not have a department of multiculturalism. It should be working against discrimination, ensuring that all Canadians, regardless of race, religion and gender, are equal. It does not matter. This is a tremendous waste of money.

In closing I will say that hon. members on the other side of the House are not stupid; they are just wrong. They are simply wrong.

(1225)

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, I would like to add to what some of my colleagues have had to say here today on culture and heritage.

I have a deep appreciation for Canada's culture and our heritage. I have many generations of ancestors in Canada. They started out in the maritimes and came to British Columbia over a period of 150 years. Contrary to what some might say or think, I believe that Reformers and Canadians in general have a deep

Government Orders

appreciation of our heritage. I believe that Canadians for the most part like art, films, and books. They like many of the things our minister of cultural heritage is promoting.

Most of us express our desire and enjoyment of our culture and art through our personal decisions. We make decisions as to what we are going to buy, which art for our homes and which books to read. We visit art galleries when we choose. In general through the marketplace we express our appreciation with our money in the forums where we feel that it is appropriate to do so.

The operative word here is marketplace. The marketplace is the proper place to determine whether art is saleable, whether it is desirable and whether the people who are creating it should be supported.

What we have in Canada is government directed heritage and cultural policy that ignores the market altogether. The government funded cultural community needs taxpayers' money to survive because it cannot convince people to buy its products on their own. It is not successful in the marketplace.

If writers want my money and the Canadian taxpayers' money they can write books that Canadian taxpayers will buy. If artists want my money they can create art that I and Canadian taxpayers will buy. If film makers want my money they can create films that I will pay money to see and they will therefore be successful.

These people do not need to convince me to buy their art or their books or pay to see their films. They can go to Ottawa and convince the government to fund their projects and their initiatives and I as a taxpayer along with millions of others from coast to coast who do not agree with the kind of products these people are producing are forced through a coercive taxation system to support it in any event.

This is why we have a National Art Gallery that is full of goofy paraphernalia that common sense Canadians would never ever buy. We have so-called treasures in our National Art Gallery. I come from the construction industry. People in the construction industry tell me that the notorious painting "Voice of Fire" could be created in about one-half day by a couple of good painters.

An hon. member: Three minutes.

Mr. Scott (Skeena): Three minutes with a spray gun. Yet the government has been spending millions and millions of dollars to acquire these goods and put them in our National Art Gallery. We have at times hung paintings and writings on the walls of that gallery that some Canadians would indeed believe to be bordering on pornographic. They would not let their children have these at home, yet they are confronted with them when they visit our National Art Gallery.

Why? Because the elite have determined that this is good for us without our consent. They take our tax dollars to support these artists when clearly Canadians never would.

The Reform Party and I say it is time to get the government out of the business of heritage, out of the business of culture and let the marketplace establish what people want and what they do not want.

(1230)

It is very simple. If somebody produces something that has value and is desirable, Canadians will buy it. But when we have people who can go to the government, get grants and be funded through a coercive taxation system with no regard for whether Canadians actually want this paraphernalia, we are going to have what we have right now, a tremendous waste of Canadian taxpayers' money and a collection of what I consider to be, and I think many people consider to be, nonsense in our National Gallery.

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, I am generally not considered an expert on culture and the heritage department. I am a farmer from Saskatchewan. However I do read. I do write. I do look at art. I do watch plays. I do watch television and all the things that all Canadians do.

In this discussion we should remind ourselves that cultural pursuits are an expression of all of society and they have always had difficulty being recognized for what they are trying to do.

We have heard a number of speeches this morning stating that if the market will not support it then it should not be produced. Yet when I look back at my very modest understanding of the history of artistic endeavour, I see a great many works that are now considered to be the epitome of that genre of art. It would not have been accepted by the market in the day it was produced. It was very controversial and yet because the state or the church was determined to pay the artist to do the work and support the artist in his or her endeavour it was produced.

People asked why waste money painting the Sistine Chapel ceiling, paying an artist for the years and years it takes to produce that stuff. When it was finished the population was agog because Michelangelo had painted some of the people without as many clothes on as they thought there should be. While the church and the Pope had financed the project, they did succumb to popular pressure and have him come back and paint over some parts of it.

However without the backing of the state or the church—in that case the church was collecting money from all of the population—without a firm commitment to that artist, we would not know Michelangelo ever existed. He is still considered to be one of the greatest painters and sculptors of all time.

Government Orders

That is just one example. We have many in Canada to which I am sure people in the artistic community could point. Because most of my friends of the Reform Party are from western Canada I would just mention the name William Kurelek. Without some assistance from Canadian governments we probably would not realize that William Kurelek was a great talent in his own right. He was considered kind of a nut case by his colleagues and the people who knew him, but some people in the artistic community convinced others he should receive financial support, so we got the paintings that he produced in his lifetime.

We tend to think that Heritage Canada is only supporting experimental art and playing with new ideas, that they support exotica or things that are quite foolish. We have heard quite a lot of some of those perceived to be foolish things. Not being terribly modern and culturally aware, some of those seem a little foolish to me as well, but we have to be prepared to make those kinds of experiments if we are going to move forward as a society.

As we have only eight to ten minutes each to speak I do not want to spend too much time on this, but we should remind ourselves that some of what Heritage Canada does with its grants and its money is quite mundane. If we pulled back all the support the department gives, even my friends in the Reform Party would be up on their feet crying about the interference that had been precipitated by the pulling back of those funds.

(1235)

As an example, I have in my community a second newspaper that started up in the last few years which portrays a very right wing point of view. My friends in the Reform Party would love the editorials. Basically the reason for the newspaper is to put those editorials and those opinions in front of the general public in that community. Because this lady has these extreme views she has trouble getting advertisers to support the paper.

She wanted to set up a second paper and keep it going. She had started one up in a neighbouring community which was in danger of folding so she took over the management of it again. I got a call from her to say she was having trouble getting the postal subsidy needed to keep both newspapers going. This comes from, guess where? Heritage Canada. As I recall it is about 88 cents per paper per week. The paper cannot operate and cannot circulate this other opinion in those communities without the support of Heritage Canada.

While she is an avowed believer in letting the market be determined, she was very concerned as well about the duality of these arguments we get into and the fact that she might not be able to get a grant from Heritage Canada because she was

starting up a second paper and policies were changing. This in effect would be a restriction of freedom of speech. Freedom of speech is only one forum of the freedom of expression our societies and the tribes we have come from feel is the root of our existence.

If we are going to have freedom of expression it has to go beyond just producing newspapers with a point of view. It ultimately has to include putting paintings on ceilings, even though it was thought to be a stupid place to put a painting, and living with the kind of criticism that even that glorious work in the Sistine Chapel got when it was performed. Sometimes backing off from criticism has happened, with a little paint here and there to cover up what the general public is opposed to and making adjustments but not by withdrawing all support from society in general.

I hope in opposing the restructuring of Heritage Canada that some of my friends in the House do not mean that all forms of support would stop. Even as a group, we are not wise enough to recognize a potential talent or a product of the artistic mind that will fly and be famous for centuries.

One time as a farm boy I was able to get to Paris for a day or two and go through the Louvre. There are many works I remember of course. Everyone sees the "Mona Lisa" and wonders at the Dutch masters and the works of the French, the Spanish and the Italians. However, the one thing I personally admired was some of the sculpture in stone from the early Greek period. Some of this stuff weighs thousands of pounds. The art is so great it appears as if these winged creatures will take off momentarily. They look as light as a feather, they are ethereal. They almost look like lace, but they are stone and weigh thousands of pounds. Nobody knows who did that work. But we still have it and we still admire it.

(1240)

Some time thousands of years ago, some king or priest or bishop or whoever helped to finance this work of art. It was probably criticized by a few people in the street or maybe all the people in the street as a waste of public funds for keeping this poor sculptor in food and drink for the time it took him or her to produce it. Nobody knows who produced it and yet millions have appreciated the thought and the expertise and the feeling that went with it.

To be so careful with our dollars and cents that we lose all common sense has to be something we avoid. I hope for just a few political moments, we will let common sense prevail and not just follow public demand. The public demand to stop spending is always there from the taxpayers' side of our psyche. We also must remember we have more than that in our individuality and in our group consciousness and in our group needs. We

Government Orders

must recognize that this also includes recognizing freedom of expression and supporting it.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I am surprised that this is a bill of such profound importance as I detect from the opposite members.

I wanted to rise on Bill C-53 with a specific interest. The interest is this. Why would the bill come to the House now? I would like to ask that rhetorical question. Why is the bill in front of us now?

I have listened to my Liberal colleagues speak very eloquently about a fairly major review of much of the government's operations. In my view the bill would fit very well into a fairly significant review of those operations.

I looked actually for the department to give some specific recognition that there is some controversy here. The controversy has been heightened by the minister's actions. Those actions might provide a lightning rod for the Canadian public in terms of his department.

Why now? Why would the government bring in a bill on multiculturalism before a major program review? I am not sure I can answer that. I ask for some advice from my colleagues across the way.

I listened just a moment ago to an eloquent discussion of how the elites in our society should be the ones to provide our cultural heritage for us. I reject that allegation. I listened to how a king, a pope, a prince, someone with tremendous recognition of value looked after the artistic community, looked after the needs, wants and wishes of the artistic community.

I reflect on the individuals in our society today who are pushing the cultural agenda. Who are those individuals? They are individuals who have been elected to public office. Were they elected to public office to produce artistic works, to decide what had merit?

My constituents did not elect me to do that. They elected me to provide some very specific leadership on issues that had nothing to do with culture, nothing to do with language. They asked me to come to Parliament to bring common sense to the debate here. I do not see common sense well displayed by individuals who say that the government should be the provider of cultural direction. Elites should not decide what is good for the public. The public should decide.

What will the bill not do? If I am going to criticize a bill, I would like to criticize the things that it will not do and look for some positives. It will not streamline the department. I see no indication that there will be less administration nor do I see any indication that it will downsize the department. I do not see anything in the bill that will save the Canadian taxpayer money and why would I want to see those things happen? Why would I care if the department were streamlined, downsized and fiscally responsible?

(1245)

I want that because I have come here hoping that our health care system can be saved. I have put a very high priority on our health care system. Looking at the health care system throughout our country I ask: What is happening to it? I see streamlining and downsizing. I see a decrease in administration. I see hospital beds being closed. I see surgical operating room time being diminished.

I look at those things and I ask: Where is the priority in our country? Where is the priority that would allow a government to put this department, no downsizing, no streamlining, no decrease in administration, ahead of the health needs of Canadians?

I look at the proportion of dollars that the party in government puts toward health care. I have watched those funds drop in the last 10 years. Federal government funding has gone from some 30 per cent of health care dollars down to 22 per cent and I am sorry to report it is still falling. That is wrong.

If there were a prioritization of issues for the government, the department would not have high priority. It should not have high priority when we face the financial situation we are in today. I call for and plead the government to change its priorities, to actually reverse the momentum toward things like this that do not have long term significance, that will not help the patient with cancer and will not help the mother with a problem pregnancy. It will do none of those things.

Where do I come from in a personal cultural sense? My own background is one-half English, one-quarter Irish and one-quarter Norwegian. I had a very close relationship with my Norwegian grandma. I actually lived with her when I went to university.

She expressed in a very interesting way how she maintained her Norwegian background by saying: "I maintained my Norwegian background by my honesty. I did not come to Canada to become a mini-Norwegian here; I came to Canada to become an honest citizen of Canada". She had a cute little poem which is the only thing she reflected upon about her own particular ancestry. She decried the idea that somebody should help her look after her culture. "I am a Canadian. I am a Canadian who came via Oyen to Edmonton to be just that, a Canadian".

I look at what I consider to be the scandal facing the government today with this department and its minister. For those watching on television, comments are coming from across the way that there is no scandal here but I would like to reflect on one precedent of scandal.

One precedent when the Liberals sat in opposition is as follows: The member for Sherbrooke, the Minister of Justice at the time, made a phone call to a judge. Members sitting on the government side today called for that minister to resign. They called for his resignation because of a conflict of interest. A minister calling someone whom he had direct responsibility for was a conflict of interest. The minister resigned. He did not

Government Orders

want to resign. It would have looked better for him if he could have said: "I did not intend to influence the judge, I was just representing a constituent". I think that was one of the comments I heard.

(1250)

Mr. Silye: This morning?

Mr. Hill (Macleod): Yes, it came to me clearly. And where do we sit with this scandal today? A minister writes a letter to somebody under his direct responsibility. He owes his job to the minister. I see a straight line relationship there. Most Canadians can understand that.

The minister has a direct responsibility, a direct understanding of that responsibility. The minister should follow the precedent that was established when the Liberals sat in opposition and called for the resignation of a minister.

Mr. Milliken: Read the letters.

Mr. Hill (Macleod): Now I hear there was a second letter written which obviates all responsibility. I would ask for a report on how soon that letter was written after the first.

Mr. Silye: Six months later.

Mr. Hill (Macleod): Six months later could be called a covering of the backside.

Mr. Silye: As soon as they knew the media was on it. As soon as the media got word of it that letter went out.

Mr. Hill (Macleod): Indeed that was my understanding. Should the minister resign? The Canadian people really should decide that. I wish there were a direct, specific mechanism for ministerial recall as well as member of Parliament recall.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I rise today to address Bill C-53, the reorganization of the Department of Canadian Heritage. I have two suggestions to make on this bill.

First, the minister, or the new minister, should consider eliminating funding for multiculturalism to achieve a savings of \$30 million to \$40 million. Multiculturalism is creating divisiveness in the country. It is creating confusion and it is creating prejudice in the country. I will come back to this point shortly. The second suggestion is that the Minister of Canadian Heritage resign.

Going back to my first suggestion on multiculturalism, I am a first generation immigrant of Hungarian parents born in Vöcklabruck, Austria. We came here in 1951. I was close to six years old. I am proud of my ethnic background. I am also proud to be Canadian today. The fact that we came to a new country, that we had to learn a new language and that we had to learn to get along

with people were all things which helped develop and build my personal character and my outlook on life.

Some of the rules we had back then were a lot better than the rules we have today. Many of the rules back then still allowed for some prejudice, still allowed for some confusion, still allowed for some divisiveness, but overall for all intents and purposes immigrants were welcomed into the country.

Our current program of immigration which I do not want to dwell on leads to multiculturalism and the funding for the immigrants here. The various ethnocultural groups get funding to represent their specific ethnic groups and they are not even reaching out to the people they purport to represent.

There was a food fair in Ottawa about three or four months ago. Various ethnic backgrounds and cultures were represented. I attended because I like to see various heritages and cultures. I like to try foods from different parts of the world as well.

As I was circulating and meeting people visiting the various booths I came upon two different ethnic groups, one from Columbia and one from Asia. As I talked to them I revealed that I was a member of Parliament but I did not tell them that I was also an immigrant. During the course of our conversation I asked if they were associated with any of the ethnic groups and they said no. I asked if the groups were helping them and they said no.

The family who came here from Columbia worked part time. They picked up any job they could. They went back to school and got themselves re-educated as engineers. As a matter of fact both of them work for the government. They have three children 8, 10 and 11 years old, who are presently going to school in Ottawa. They are picked on and called names. The blatant discrimination is obvious. The rest of the kids in school have the impression they are being treated differently, that they are getting something they should not be getting.

(1255)

This is what I mean by divisiveness and the confusion we are creating. The intent of the program although it may have been honourable and worth while has certainly deteriorated to a point where it is not helping the ethnic groups that come here, it is hurting them.

I really believe that funding to learn English is unnecessary. Funding to have them retain the language of the country they left is a complete waste of money. I still speak Hungarian. There was a 10-year period when I never uttered one word in Hungarian but I have retained and still remember quite a bit of it. I am not as fluent as I should be but I am proud of the fact that I can still speak it, that I am bilingual and do not speak just one language.

Government Orders

Multiculturalism is not so much to save money but it is also to start to respect immigrants who come here, to work with them to fit into our society. Just throwing money at groups and organizations is not necessarily the best way of doing it.

Some of the rules we apply to immigrants should be revisited. Some of the rules we had in the 1950s and 1960s could probably be reintroduced. Perhaps the government would like to strike a committee. It likes to strike committees; it is up to about 25 now. Perhaps it would like to strike number 26 and look into ways and means of improving multiculturalism and immigration and looking for ways and means not to just throw money at people but to help them fit into society through better mechanisms.

The second suggestion I have for the Minister of Canadian Heritage is that he resign. The gentleman has had this position for a year. When he took his cabinet position he was told the same thing all ministers of the crown are told when they swear an oath of allegiance to uphold to the best of their ability their responsibilities. They are briefed on what is proper behaviour and proper conduct. They know full well when they accept that job what lines they are not supposed to cross over, what constitutes conflict of interest and what constitutes impropriety. They are told all this and they accept the job knowing that if they commit a serious mistake, they have no choice but to resign.

Using ministerial stationery the minister wrote to CRTC chairman Keith Spicer last March asking him to "give due consideration to an application to start a 24 hour Greek language radio station". The minister also asked Spicer to keep him abreast of developments adding: "Please do not hesitate to contact me should you require additional information". The full letter was tabled earlier today.

I would like some more information. I would like to know how the minister can rationalize what he did in this situation versus what he was told he could or could not do. Was the minister not listening when he was being sworn in? Was the minister not listening when he was told what the proper rules of conduct are for a cabinet minister and what he has to do to pull himself out?

I am sorry but there is no way the actions in this matter are not examples of the worst kind of incompetence and impropriety. It is my humble opinion—and I feel the House should really speak out on this today—that he should do the honourable thing, not only apologize to the Canadian public, not only apologize to his peers as he did today. He has shown he is incapable of listening to instruction. I know financially he is incapable of handling that huge budget with all the areas that fall into his department.

I feel I have no choice. I know I am supported by a lot of members of our party and other members. Perhaps even members of the government would feel they could have a better minister running the Department of Canadian Heritage than the current minister. The man should not only reorganize his department but he should just resign and get out of the way.

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, the Ministry of Canadian Heritage is a fine example of how governments just get into people's faces, how they interfere in other people's lives. The ministry of heritage spends its entire time trying to force Canadians to accept a piece of art work, French language training in B.C., particular activities in the sports arena and so on.

(1300)

My colleague from the NDP a little earlier in his speech mentioned that he does not feel we are in a position in the House to make judgments about the appropriateness of particular art works. Yet the old line parties in the House certainly felt completely competent to try to force the Charlottetown accord on the people of Canada.

There is a new approach needed in the House which pays a lot more attention to individual Canadians and what they want out of their government.

I have an example here of how the government, the ministry of heritage, is trying to force its way on the people of B.C. In B.C. fewer than one-half of 1 per cent of the people speak French at home. Yet the minister of heritage is sponsoring a court case in B.C. to try to force the province of British Columbia to install a francophone school board. It is absolutely an outrage.

A francophone society in B.C. set up a task force to study the situation. The minority language education task force report regarding francophone school boards for school district No. 22 got a total of 696 individuals and 467 of those replies were negative. The report completely ignored the negatives and decided based on what appeared to be about 223 unsigned form letters in French that there was an overwhelming demand for a French school board in B.C.; 223 form letters and it decides there is this overwhelming need for it.

What happens? The Canadian people now are forced to pay for a court case that will probably go all the way to the Supreme Court of Canada at immense expense for something that we just do not need. If ever there was an example of a way that the government could save money at a time of fiscal restraint it is right now in this case.

There is another example in today's *Toronto Star*. The headline: "Amateur Sport is a Living Corpse". It gives an example from its investigation that the bureaucracy and politically motivated agendas are swallowing up as much as \$70 million of the budget for amateur sport.

The prediction from the report in the *Toronto Star* is that the entire amateur sport situation is going to collapse into disarray that will be incapable of winning medals by the turn of the century. Instead of the money getting to the people who need it, the sports men and women on the field, it is going to the

Government Orders

bureaucracy. Is that not typical of what happens in Indian affairs?

Enormous amounts of money get lost in the bureaucracy of the Canadian heritage department. The entire department is a disgrace. The minister should resign. Let us get rid of the department and apply the money elsewhere in government.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, what a pleasure it is to speak to Bill C-53.

My, my, my, what a surprise. I thought we were through with all of this patronage with the new government and we are right back to where we started from, all the things we believed in year after year in the country and we are back to where we started.

Lots of times we are asked what the difference is between Liberal patronage and Conservative patronage. The answer is there really is not any difference other than the Liberals have more of it.

Here we are already a little over a year into their term as government and let us have a look at what kind of patronage we are talking about. There are three Liberal Party hacks given jobs to age 75 with the Senate. It is who you know and who you support with this same old traditional party. That is what it is all about, is it not?

One of the recent occurrences I had in my riding was chasing a fellow by the name of José Salinas Mendoza who skipped out due to the incompetence of the immigration department. One of the interesting patronage appointments there which is so indicative of the government is a fellow who was working on the Liberal campaign in 1993 who just happened to donate some money to the party, who just happened to be appointed to the refugee board, who just happened to be a lawyer for José Salinas Mendoza.

(1305)

How does the government figure all this out? How does it get so convoluted and so entwined in its own party politics, in its own rhetoric, that it keeps appointing people to these kinds of things?

Let us look at our latest boondoggle by the minister of heritage. We have actually caught him in the act of a minister supporting an application for an individual in his riding. How blatant can one get? The reason this is blatant is that these appointments are going on without the community out there, without the people of Canada getting a grasp on exactly what is happening with these political parties; without the people of Canada complaining about these three Liberal Party hacks in the Senate, without the people of Canada complaining about refugee board appointments, about parole board appointments, about immigration adjudicator appointments. We cannot stop this.

Today we are going to ask if we can probably put an end to it by showing the government that the minister should step down. If he could step down maybe the Prime Minister might be looked upon by the bulk of the Canadian people as being forceful, as being a leader of integrity, one who believes in the importance of receiving and approving applications and appointing people to government positions on the basis of merit, on the basis of their qualifications, and not on the basis of whom you know and to whom you donate money.

I have a long list of failed Liberal candidates who donated to this party over here and it looks like a who's who on the list of patronage. I guess that is just how to do it. That is the reward, that is the pie in the sky if you support this party. Maybe you will get the plum, the biggest plum of the Senate, and then you get all these other paid plums down from the Liberal Party. They are all there.

One of the Liberal members wants me to read the list. I have not the time to read the list, it is too long. I only have 10 minutes.

Heritage is something we want to preserve. In the year 2010 and the year 2020 one would presume that we would want to preserve the heritage of 1994. I have to ask: Are we proud enough of what is going on in the country today with the government to preserve it?

I think as we go along with the government we are going to find that when the Reform Party government is in we will not need that department of heritage down the road in the year 2020 because we will not be very proud of what the government is doing today.

The real heritage in the country is where our people come from, what we are preserving of our language and our culture, our parks, all of that kind of heritage. I am not very proud of what is going on with the government today.

I just want to look at a bit of heritage and talk about some of the taxpayer dollars that have been going into the pet projects of governments like this one, from departments of the minister of cultural heritage.

Let us look at some of the simple little dollars that were spent and what they were spent on. A couple of hundred thousand dollars to study religious and historical practice among northern Malagasy speakers is important to the Canadian taxpayer, is it not? That is the kind of money these people spend. Those are taxpayer dollars being spent on their pet peeves. It does not make any sense at all.

(1310)

Twenty-one thousand dollars was spent on experimental studies of interactive gestures. We can imagine what kind of interactive gestures we have for the government. It should study a few of those.

Government Orders

Let us find the bureaucrats who want to spend \$58,000 from the department on an experiment of what it is like to work for the Dominion grocery stores. There is an important issue on which to spend taxpayer dollars. What do you have to do to pay \$58,000? In the country today you probably have to earn \$120,000 minimum. For anyone out there who made \$120,000, or any family out there that made a combination of that, the grant that was spent on what it is like to work for the Dominion grocery stores is one whole year of that family's total income tax.

Whoever authorizes such grants as this should be fired. There is no question in my mind. If that were my organization and I found that kind of waste they would be gone. They would be history.

Mr. Silye: It is other people's money. They spend it like it is water.

Mr. White (Fraser Valley West): Let us have a look. Here is an interesting dollar spent out of a department, \$10,800 to finance a poll—this is just to finance the poll; we have to find out what people think of it—to find out what Canadians thought about Christmas lights. Really, that is important.

Mr. Silye: On or off?

Mr. White (Fraser Valley West): "On or off" my colleague says. That is another study. It is only \$10,800 to find out what they think about Christmas lights so maybe we can spend another \$10,000 to find out what they like if they are off, and another \$10,000 to find out what they are like if they are on, and if they are different sizes. The government could think of all kinds of ways to spend our money.

Although we sort of jest about it, it is kind of sick to think about what this government is doing and the government before it because there is no difference between the Conservatives and the Liberals.

Mr. Silye: Just the colour.

Mr. White (Fraser Valley West): I do not know if the Montreal Museum of Humour is still in business.

An hon. member: Toast.

Mr. White (Fraser Valley West): I hear it is toast. It probably has not made enough money but I know it had \$3.3 million given to it a few years ago and that was not enough of the taxpayers' money to keep it profitable perhaps so maybe we should have given it some more. I do not know how the bureaucrats are thinking these days.

We gave \$46,000 of your taxpayer money to assist artists in the presentation of music in non-traditional spaces. We really have to wonder about the logic behind this kind of thinking. Why would they give any money at all in a grant like this one? The topic is so stupid it defies any kind of logical conclusion.

Perhaps we should meld that with another interactive gesture and see what we think of it.

We know Hurtig Publishers gets lots of money, or had lots of money. I do not know about recently but I know in the past it has.

Under bilingualism there is grant after grant. I asked a question in the House in the last session about the \$5,000 grant to the Canadian Kennel Club. This is very interesting. I received an answer that it is all right, that it is only \$5,000. That is taxpayers' money. I got a letter from the Canadian Kennel Club and it was really unhappy with the question I asked because it felt it should have the money to support its bilingualism program of whatever it was.

In the letter it told me it had a budget of around \$4 million. I wrote back to it and said: "Wait a minute here. If you have a budget of \$4 million why do you need \$5,000 of taxpayers' money? What is the purpose?"

The real idea is that most of these organizations if not all of them do not need the money. It is being made available by governments like this so that they can spend on it for whatever reason and much of it is very much unaccountable. Do we want to preserve the ideas of the government?

(1315)

Do we want to support the government? It is like supporting that other government from Jurassic Park. That is what it is. If the government keeps spending money the way it is doing and blowing it out the door it too will join Jurassic Park just like its brothers.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I appreciate the opportunity to speak on this issue. Many of the questions raised here today are exactly the same as those raised by my constituents and continue to be raised by them.

They are wondering: "What is going on in Ottawa. What are they doing there? What is this government doing? We are wondering what substantive legislation is being considered". When I tell them that the government has brought a bill forward that reorganizes the department, they ask me: "What is that going to do for us? What does that mean?" They ask questions like: "Does this mean that the bureaucrats are going to keep shuffling the paper from one side of the desk to the other?" I say: "I guess it means that they are shuffling bureaucrats. What they are doing is very often unknown".

They would like to know how this improves their situation in Canada. They ask: "Is this going to save money?" We ask the government the same thing. Is this going to save money? We are met with stone silence. The government is not saving money. In fact it is entrenching government spending in ways that will make it more difficult to change in the future. Then they ask questions like: "Does this reorganization make the government

Government Orders

more accountable to us? Will we have more control over the way it spends money in the department?"

I ask the government: Does it do that? The government is silent because it does not. It does not give the people of Canada more control over what happens at the CBC or how these grants that my hon. friend has just listed are given out. In fact it makes it more difficult for taxpayers to have control over how this government spends its money.

Mr. Silye: It is the incompetent minister who hands those moneys out.

Mr. Breitzkreuz (Yorkton—Melville): My friend has mentioned that it is the incompetent minister who hands these things out, a minister who at the drop of a hat will interfere in affairs or try to manipulate the applications of some special interest group.

People are appalled at this. They ask: "Has the government not got the message yet that we want the government to be accountable directly to the people?" The government remains silent and goes on its merry way without answering these questions.

People are not happy with what is happening here. They feel that if bills are introduced into the House they ought to be substantive and they ought to meet the needs of this nation.

Then they ask: "What's going on at that national art museum?" I say to them: "I went there for a visit. I walked through". As I viewed the various so-called pieces of art I wondered if the people of Canada could see this whether they would actually contribute directly to these paintings, this art that was displayed there. I describe to them some of the things I saw. I told them that I walked into a large room which would cost something to heat and to keep under those nice glass domes. I saw what looked to me like a piece of baling wire running from that corner to that corner. I asked the security person if they forgot to put the art in this room and he said no, that is the piece of art.

An hon. member: How much was it?

Mr. Breitzkreuz (Yorkton—Melville): I do not know what it would cost to string a piece of baling wire from one corner to the other but I question that. Then I saw a toilet bowl hanging in a doorway and I thought: "That is interesting. I wonder how you use that or why is that regarded as a piece of art?" Things like this are unbelievable.

(1320)

I had heard of the "Voice of Fire" so I looked for this painting that had cost us over \$1.5 million. I walked into a quite large room and saw what I thought was a replica of this painting. I asked the security guard: "Where is the real thing?" He said: "That's it. That has actually cost us over \$1.5 million". I told this to the people of Saskatchewan and they said: "Do you mean they are cutting back on health care so that we can have that

sitting there?" They asked: "Why are we not being given more of a choice as to whether we want health care preserved in Saskatchewan rather than it being cut back so that it is almost inaccessible to some of the people in remote areas or that art?" I told them: "Ask your government".

We asked the government today and it cannot give us any answers. I think that is very unfortunate.

During the election people made it very clear that multiculturalism is not a priority and that official bilingualism is not a priority. They feel that the government should be looking at these areas.

When I was in the constituency last week I listened to the radio. We hear a lot about how the CBC preserves culture and so on in the province. I listened very carefully to the news reports. I realized as I did that it concentrates on certain kinds of items and in that way it can manipulate what people think about. Then I listened to the so-called balance that it is purported to have.

I heard a very good economist give a three or four minute account of what is happening in the country. I thought good for you, this is excellent. However it was given at 6.30 in the morning when very few people were listening. At 7.45 there was a long interview with someone who had allegedly been abused because of their sexual orientation. In that way they begin to manipulate what people are thinking about.

Eighty per cent of the people in my province want to hear more about certain issues but they cannot get the CBC to address them. Instead, they have to put up with a lot of things that they feel are not priorities in their lives and their society. They feel the government is trying to manipulate what is happening in this country, that it is trying to force a culture upon them that they have no control over. That is why we advocate that people who believe in certain things should pay for them. The government should not be free to use their tax dollars in any way that the elitists can and do.

I was surprised to hear the Liberals and the NDP in the House defending the fact that the elite should be making these decisions because they know better. People are appalled at this kind of attitude. It is high time that it changed. A culture that is paid for by the government tends to be very phoney. It is not a real culture. That is what people are telling me.

Many decisions are made on projects because money is there to spend on those projects. If you can apply for the money you can have the project, but if you had to pay for it yourself it probably would never take place.

My wife is of Norwegian ancestry. Her family has been here for over a hundred years. They have preserved their culture and their language. My wife is fluent in Norwegian. They have preserved these things because it is important to them. There is something real about that culture because it has not been funded by taxpayers' dollars.

Government Orders

My first language is not English or French. Some of you may smile and say: "We can tell that by the way you speak". We preserved our language and our heritage because it was important to us. That is the message people want to get.

Ukrainian people in my area have preserved their culture and their language because it is very important to them. I enjoy going to their gatherings and meeting with them because it is real. The government has not interfered with it. I feel that is the kind of culture we need in Canada. We do not need a culture that is imposed on us from the top, that is manipulated by bureaucrats and people who think they know better what is going on.

(1325)

If there is one message I hope the government will get, it is that people are tired of the elite in society deciding what is good for them. If we believe in culture we should preserve it.

The government does not really understand what culture means and what people want. We should let people define their own Canadian culture here in Canada. The bill entrenches multiculturalism. It enforces official bilingualism. It preserves funding for special interest groups. People do not want that. They do not want the government mispending their money. The government is giving the impression it is doing something. The bill is symbolic of the fact there is nothing substantive happening in the country today.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, this is going to be a very short intervention to reply to some of the nonsense I have heard today in the debate.

The debate has focused on what culture means to a society and to a nation. I have come to the conclusion there is very little understanding on the other side of the House when they can ask how many gallons of paint does a painting take to determine the worth of the painting.

I had the privilege and the pleasure this morning of being at breakfast with the director of the National Gallery. We were talking about "Voice of Fire". We were talking about other things too. Next year, and I am sure members opposite are not aware of this, is the 75th anniversary of the Group of Seven. I asked the director of the gallery what she thought the media reports would have been about and the outraged comments of the House of Commons would have been at the time our National Gallery was purchasing paintings of the Group of Seven, when the popular taste was pastoral landscapes in the European style. Those purchases were very unpopular and yet what is one of our great Canadian icons? The Group of Seven.

A gallery that was independent of political control 75 years ago had the foresight to recognize something uniquely Canadian

in the style of Canada, something not based on imitating what was being done elsewhere.

I am not qualified to judge "Voice of Fire". I really do not know if that is the kind of painting that 75 years from now we will be extremely proud to have had the foresight to buy and have in our national collection. I hope so. I do not know.

I do know that I want a gallery that is free to buy what it believes is the best being produced. I thank the gallery for having fulfilled that role and for having preserved for us something as uniquely Canadian and valuable as the paintings of the Group of Seven, among others.

I want to make another comment. We have heard about multiculturalism today as if all it does is support cultures that are unique to specific groups. What in fact it does is build understanding among Canadians.

Members on the opposite side have demonstrated that they really do not know a lot about what they are saying because they consistently talk about certain ethnic groups which do not rely on government funding not being aware obviously that in fact those groups do rely on government funding and are quite competent in getting it.

Let me report another incident recently. I attended an award ceremony at the Boys and Girls Club in my riding not too long ago. It was a wrap up of their summer program. I saw young people whose families have been in Canada for generations and whose skins are white. I also saw young people whose families have been in Canada for less than six months, Somalians, Ethiopians, people from southeast Asia, people from all over the world playing together, working together, and getting to know each other.

(1330)

I know that many of those Somalia youths are involved in the community to the extent that they are because of organizations like the Somali integration and settlement agency, which gets funding from the very program that the members opposite are criticizing.

They get funding because they are coming here as refugees. They have left everything behind. The majority are women with young children coming here for safety. These people do not come here with a lot. This agency gives these people coming to our country job training, language training, access to services so they have the ability not to separate themselves, but to integrate more fully and more completely into Canadian society. One of the results of that is young Somalian, Ethiopian and Cambodian children and children from all over the world I see playing together at the Boys and Girls Club in my riding.

Government Orders

I want to say one final word about special interest groups. The people who talk about special interest groups frankly are the biggest special interest group in the country. They are the ones who by tradition and by the practice of all our laws, our courts and all our systems are the privileged class.

If we fund certain groups in our society it is because without government support the poorest, the disabled, women, children would not have a voice in our public debate. I do not want a public debate on public issues on the future of this country that is dominated only by those who already have the wealth to make their voices heard.

I do not want the decisions we make in the House made on the basis only of opinions from those who can afford to travel to Ottawa, to write to Ottawa, to hire lobbyists, to hire lawyers and to hire accountants. I want the voices of all Canadians to be part of what we decide in the House, what we determine in our committees and what the future of Canadian society is. Canadian society is not just for the privileged few; it is for all Canadians.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, I am pleased to have the opportunity to speak to the bill today. To begin, I would like to address the issue of federal multicultural policy. We will hear several Reformers speak against this policy and the former government's policy of multiculturalism but we will not hear the discontented backbenchers of the government side speaking their views.

There are many on the other side now who share the Reform position on multicultural policy. Multiculturalism is currently under debate at all levels of our society. Recently CBC aired two special episodes highlighting this very debate. The thrust of its broadcast was whether multiculturalism policy brings us together as Canadians or does exactly the opposite, pulls us apart.

Even a member of the Liberal Party, the party that first put forward its multicultural agenda and proposes to entrench it into the legislation, came forward to oppose multiculturalism. It is a fact that there is a great deal of support for the Reform position on multiculturalism everywhere within the House.

During this televised debate the Liberal member for York South—Weston referred to multiculturalism policy as a fraud that continues to be perpetuated on Canadians.

The member referred to multicultural policy as a policy that separates Canadians. He pressed that it is time for change. Remember this is a Liberal. The member opposite proposed that Canada dump its multicultural policy and begin to promote what Canadians have in common, not their differences.

I am pleased to see such progressive and logical thinking coming from the opposite side, as the member has come up with some very valid points.

(1335)

It is my hope that the government will consult with all elected members in the House before it passes the legislation because Canada's multicultural policy is a fraud. Rather than take a different approach to Canada's multicultural landscape as the member has suggested, I believe the federal government should get out of the social landscaping business altogether. The government should not be funding or promoting one ethnic group over another. This is not the role of government.

A true liberal democracy simply does not try to legislate culture. Twenty-three years ago, the architect of multiculturalism, Pierre Trudeau, implemented the policy in a misguided attempt to assure the cultural freedoms of Canadians.

These freedoms were already there. Canadians were already free to nourish their own culture, speak their own language, sing their own songs, play their own music and wear their traditional clothes.

Canadians do not need government multicultural grants to practice their cultural freedoms. Canadian culture is not created or sustained, nor is it maintained through government grants. Canada is a multicultural nation not because of government policy but as a result of each individual who comprises this great country.

Multiculturalism exists regardless and in spite of government policy. Canadians do not need a song and dance fund to maintain their individual cultures. Canadians do not maintain or develop their culture through conferences or workshops or through dances or craft shows.

Culture is not something that we buy at the corner store. It is something that we learn at home mainly from our parents and our grandparents. It is an acquired attribute. It is not something that we buy.

In addition, the multiculturalism program is nothing more than a funding program for special interest groups. Last year grants to special interest groups for dances, conferences, film making, books and other miscellaneous projects totalled \$25.5 million. Grants from the previous three years totalled \$27 million annually.

The government may argue that \$25 million or \$27 million is not much in the larger scheme of things but when we are spending \$100 million a day more than we are taking in, it does put it into perspective. It is a program that one, we do not need and two, we cannot afford.

We desperately require fiscal restraint. If we are going to save our social programs this government must be prepared to trim its funding. Canada cannot sustain the spending binges of this and previous Liberal governments.

Government Orders

Canadians are facing severe fiscal restraint with our health system and social systems deeply in trouble. The government cannot argue to maintain transfers for health care at the same levels and yet it seems determined to wander back to the Liberal spending days of the 1970s with wasteful multicultural spending.

The time has come to get with the times and show some responsibility and leadership. Canadians do not want a song and dance fund. They want jobs. They want health care. They want pensions, higher education and a clean environment.

Spending priority is not the only issue here but regardless of fiscal constraints, government should not be in the cultural policy business. It is not the business of government to ensure that Canadians maintain their cultures and traditions. That is the responsibility of the groups themselves and should not be financed with taxpayer's money.

Federal government activities should enhance the citizenship of all Canadians regardless of race, language or culture. It should be up to the provinces to choose whether they wish to promote language and culture within their individual jurisdictions.

I have another major concern. The program does not work. Even the chairman of the human rights commission admits that the program is not working. All the grants for miscellaneous conferences, workshops and dances are not achieving the intended goal. According to the human rights chair, racism is growing.

Multiculturalism policy actively categorizes people on the basis of race and countries of origin. This is wrong because it is active discrimination. Multiculturalism policy separates people on the basis of their origin instead of treating all Canadians equally regardless of race.

The Reform Party is the only party that actively promotes equality of all Canadians. It is the only party that officially recognizes that all Canadians are equal and should be treated equally.

(1340)

We support programs that involve the elimination of discrimination and the right of individuals to participate in Confederation without discrimination. Such programs would be more logically transferred to the Canadian Human Rights Commission, as the CHRC's mandate clearly states that the commission has statutory responsibility to develop and conduct programs to foster public understanding of the principles enshrined in the Canadian Human Rights Act.

In conclusion, we oppose the current concept of multiculturalism pursued by the government and would end all funding for multiculturalism programs. Whether an ethnic group preserves

its cultural background is the group's choice, not the government's.

In short, Canadians do not need nor do they want a song and dance fund enshrined in legislation.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, when I was asked if I would like to say a few words I was of two minds. This being a debate on heritage it does bring in the minister of heritage. That brings in the letter in the press today in which the minister of heritage, I think quite innocently, used his office or wrote a letter in support of a constituent asking for the support of a constituent in an application before the CRTC.

As I say, I was of two minds just how I would approach the matter because a minister of the government is still a member representing constituents. Therefore how do you balance your responsibilities as a member of Parliament representing your constituents and as a minister of the crown? What would be the fiduciary responsibilities implied in both?

My concern was further complicated because I was asked just after the election when we were all rookies, including the minister opposite, to write a letter in support of an application for a television station licence in my constituency. I did. I wrote a letter to the CRTC and asked that it look favourably upon an application. I thought about it for a while and I sent another letter in rescinding the first letter because I recognized that I did not have knowledge on either side of the issue. We hire people at the CRTC to make these decisions. These decisions should be made by the people who are being paid and who have the ability to make the decision based on fact.

Additionally other people have asked for my support in establishing or getting a licence for radio broadcasting. I wrote in support of that because in my capacity as a member of Parliament I should have the obligation to support members of my constituency and Canadians in general who come to me for help. I use my wisdom and I use my office after deciding the merits of that case.

The difference of course is that I am a humble backbencher in the third party. The minister—

Mr. Silye: You are a frontbencher. You are a frontliner.

Mr. McClelland: My hon. colleague tells me I am no longer a humble backbencher. I am a humble frontbencher in a third party very close to the door.

The difference is that a minister of the crown has a very different fiduciary responsibility than a humble backbencher of any party. This is the gist of the problem we have facing us today.

An hon. member: If he does not know the difference he should step down.

Government Orders

Mr. McClelland: The thing that concerns me most is that our country has suffered under nine years of almost visceral dislike and hate for the Tories who were displaced by most here in the Chamber today. You do not have to be a rocket scientist to figure it out. They were dumped by the electorate and we were elected because the Canadian people lost their trust in the people who were governing them. They felt that the people who were in power were more interested in protecting their friends, hubris, getting rich, looking after their own interests than they were in looking after the interests of the ordinary people, the people who pay the freight \$10 at a time.

(1345)

The consequence is that we were elected to the House. We have a profound responsibility. Our country is going into a time of distemper never before seen in this land. We have in the loyal opposition a party dedicated to breaking up the country. We have a third party, all but one of whom are absolute rookies. We have the Liberal Party in power, the vast majority of whom are absolute rookies. We have to use the opportunity and not squander it. We have to use it to make some very fundamental changes in the way our country is governed and the way we inter-relate one with another and the way we get things done.

Everything ministers do is based on a foundation of trust. If that foundation of trust between the electorate, the Canadian citizenry, and Parliament, those elected to lead, is broken then we lose our reason to be here. We have lost the moral authority to provide leadership to a country desperately in need of leadership.

That is the reason I asked to speak in the debate. It is not that I have an axe to grind with the hon. minister opposite. I do not in any respect. In my view this was an honest mistake made by a rookie, just as I am a rookie. When one makes a mistake it is an opportunity to learn. Rather than stonewalling, rather than saying: "Hey, I did all right. I did the right thing. You have it all wrong". He should have the courage to come to the table and say: "Look, I made a mistake. I have learned from it and it will not happen again". It should be a caution to all of us.

Mr. Milliken: He did.

Mr. McClelland: Then it becomes experience. We put it behind us and we go on from there. That is the very least we in this Parliament and Canadians in general should expect from a minister of the crown.

I would like to speak to the issue of multiculturalism and the department of heritage. Much has been said in recent times about the value of multiculturalism in Canada. We are a much stronger, much finer, much more varied and rich nation because of our multicultural heritage, because by and large people get along with each other. We respect each other for our differences.

Let me give a personal indication of what is so wonderful about our country. Perhaps it is just serendipitous that this happened to me this morning. I was walking to the House and I stopped at the Apollo Restaurant on Bank Street for breakfast. I sat down. I did not know a soul there. I was reading the paper and having breakfast. The people next to me were speaking to each other in Greek and in English. There would be four or five words in Greek, four or five words in English, a sentence in Greek and then a sentence in English. I was sitting there thinking it was marvellous that they could go back and forth in these two languages. This is part of our common culture.

(1350)

I started chatting with them and it came out in conversation that the reason these two people were speaking in English and Greek was because they noticed that when I ordered I spoke in English and they assumed that I could not speak Greek. They did not want me to feel out of place or that they were saying something I should not know or whatever. They were trying to make me feel comfortable in the fact that I could not speak Greek.

Here we were having breakfast and talking about how wonderful it is that we have this multilingual heritage in our country and that we have it because we want it. We have it because it springs indigenously from the hearts of the people to whom it belongs. It is not something that is force fed or cultivated by the government.

As this debate unfolds, we need to draw a distinction between multiculturalism that springs naturally from the fact that our nation is built up of people all over the world and government multiculturalism that is force fed to us in order to curry favour with multi-ethnic groups. It is a very important distinction.

Therefore I would like to move:

That we add after the words Standing Committee on Canadian Heritage:

"and the standing committee report back to the House no later than June 23, 1995".

The Acting Speaker (Mr. Kilger): The subamendment moved is in order.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am provoked to speak in the debate today because of the misrepresentations being placed before the House by the members in the Reform Party who are suggesting that somehow the Minister of Canadian Heritage has done something wrong and therefore ought to resign his post.

I want to argue against that proposition because it is palpable rubbish and nonsense. The minister came into the House this morning and made a very clear and succinct statement, as suggested by the hon. member for Edmonton Southeast in his

S. O. 31

most reasoned address. It is the only beam of reason we have heard from the other side of the House on this issue this day.

The hon. member for Edmonton Southeast presented a veritable feast of reason in his address because he made it very clear that the minister should come and do what in fact the minister did earlier this morning.

He came into the House. He apologized. He said he was sorry that he made an error in sending a letter. This was not the case of a minister who had been exposed having done something improper.

Some hon. members: Oh, oh.

Mr. Milliken: I say to hon. members, listen to the facts. Some of them were not here this morning when the minister made his remarks. Of course they did not have notice of it so they probably did not understand it when he delivered it. The minister came into the House and said: "Here are the facts of the case". He produced his letter of March 13, tabled it in the House, and read the letter into the record.

(1355)

Let me read what the minister's letter says. He says he is writing about a problem and then he said: "I would be most grateful if you could give this application due consideration". Did he say special treatment? No. Did he say fancy treatment, something out of the ordinary? No. He said due consideration. Then he said: "I trust that you will keep me abreast of any developments in this matter and please do not hesitate to contact me should you require additional information", a standard letter that a member of Parliament representing a constituent would send.

If hon. members opposite will not send that kind of letter I suggest to them they are not doing their job for their constituents. Here was a minister diligently doing his duty as a member of Parliament for his constituent.

As he said, he realized that was not the thing for him to do. It came to his attention soon after when another constituent wrote, had noted the letter, and wanted to know if this was support for the application. He wrote back on September 30 and he tabled that letter in the House this morning. Hon. members opposite in their speeches often conveniently neglect to mention this. I tried to remind them in my remarks from my seat, but of course they do not pay much attention to that.

He said: "This is further to your letter of September 20" and so on. He wrote: "My letter of March 15, 1994 to the CRTC simply asked that due consideration be given to the application. It is not intended to convey support for or opposition to the application". He sent a copy of this letter to the CRTC to reinforce the message that this was neither in opposition nor in support. It was a very decent letter and he did it in a timely way.

That is what the minister did. It is not as though he sent this after there had been an exposure of the facts in the press or in the House. He did the honourable thing as soon as he realized there was some mistake. He came into the House this morning and gave this explanation so all hon. members could hear.

As I said earlier, he did not send an advance copy to the Reform Party so maybe they did not understand it. He did not send it to them last night. Maybe they had trouble reading it. I do not know what happened with the Reform Party members. However I invite them to get the blues which are available to them and read the minister's statement. Then they will agree with me that this minister has acted with complete propriety. He apologized for sending the—

The Speaker: Order. It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

MULTICULTURALISM

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, on October 18 of this year the member for Swift Current—Maple Creek—Assiniboia in his speech to the House referred to today's generation of Ukrainian people as having their hands out for grants. I find this an absolute insult.

My children have attended and continue to attend Ukrainian cultural events that are totally paid for by the families and the local churches. Such comments of the hon. member do nothing to advance multiculturalism in this country.

Canadians of Ukrainian ancestry are asking for redress for the internment of Ukrainians during World War I. This is not a request for a handout but, instead, is a demand for return of property seized from these new Canadians and never returned to them after the war.

I hope this hon. member joins with us in this request for restitution of property wrongfully seized and retained by the Canadian government.

* * *

[*Translation*]

ISRAELI-JORDANIAN ACCORD

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, yesterday, Israel and Jordan initialed a historic agreement ending a state of war between the two peoples which lasted more than 46 years. The agreement is even more exemplary because it was achieved despite provocations from extremists.

By common consent, Prime Minister Rabin of Israel and King Hussein of Jordan agreed to work together to make the desert valleys bloom again in peace.

Such an agreement is only possible if the parties persevere in their desire to improve the situation step by step so that it becomes a lasting peace.

We are pleased with this agreement, which seeks to improve the lives of Israelis, Jordanians and Palestinians. We hope that the next step will extend to Syria as soon as possible.

* * *

[*English*]

COURT CHALLENGES PROGRAM

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, I rise today in total disbelief that this government has reinstated the court challenges program. This program is nothing more than government funding of special interest groups, which more often than not exhibit bias or promote a view that is not in accordance with the majority of society.

Perhaps even more alarming is the fact that the Liberals managed to find almost \$3 million floating in some abyss to fund this wasteful program. Yet this same level of government is contemplating raising personal taxes, implementing a carbon tax, taxing RRSP contributions and doing little to fight the debt or deficit.

Our national debt is rising by \$1,743 every second and is now \$538,860,511,635.87.

* * *

[*Translation*]

ENVIRONMENTAL ASSESSMENT ACT

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, the Canadian Environmental Assessment Act and its amendments seek to improve key elements of the federal process. The Act contains mechanisms whereby different levels of government can harmonize their processes through administrative agreements and reduce duplication and uncertainty.

These mechanisms are intended to facilitate the delegation of environmental assessments to the provinces and thus to make things easier for developers. Almost all the provinces in Canada are now negotiating harmonization agreements with the federal government. I sincerely hope that the Government of Quebec will do the same and negotiate a harmonization agreement as soon as possible, so that Quebec developers can enjoy a level of service comparable to that available in the other provinces of Canada.

S. O. 31

BOVINE SOMATOTROPIN

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, on August 17, on the recommendation of the Standing Committee on Agriculture and Agri-Food, the federal government obtained from manufacturers of BST—bovine somatotropin—in Canada a promise to voluntarily defer the sale and use of BST until July 1, 1995. I was delighted to learn that the Government of Canada has just appointed a seven-member task force that will also review the safety of recombinant bovine somatotropin for animal and human health.

I wish to bring to the attention of this advisory group and of the Minister of Health that, contrary to what was said and written, some studies show that BST alters the nutritional quality of milk, producing more fat and less protein. I am concerned about the impact this change in the percentage of milk components might have on the future health of our young consumers.

* * *

[*English*]

PSORIASIS AWARENESS MONTH

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, October has been proclaimed Psoriasis Awareness Month.

One to three per cent of the Canadian population suffer from this chronic and recurrent skin disorder. Although not contagious, the impact can be disruptive physically emotionally, socially and economically. Health care costs are enormous. In addition, sufferers pay out thousands of dollars for over the counter and prescription drugs.

During this month chapters of the Canadian Psoriasis Foundation are hosting public information activities across the country explaining the disease, its treatment and recent advances. We commend the many volunteers of the Canadian foundation for their diligent attention and for their caring help to fellow Canadians.

* * *

[*Translation*]

HUMAN RIGHTS

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, it is really against his will that the Prime Minister finally agreed to raise the issue of human rights during his trip to China, but not officially, quietly, in private, above all, not in broad daylight. To do more, he tells us, would be “unrealistic”.

In fact, if we did more than that, according to him, a small country like Canada would become a laughing stock. How many more prisoners of conscience will have their basic rights violated during the Prime Minister’s trip? That, he would rather not know.

S. O. 31

(1405)

Some of Canada's prime ministers managed to convey the people's values; they showed vision and dignity by embracing universal values; they gave a soul to our foreign policy. Then, Mr. Speaker, there are the others.

* * *

*[English]***CANADA COUNCIL**

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the Canada Council operates under the Minister of Canadian Heritage.

The council granted Hilarey Mackey and Shelly Wine \$16,000 to produce the video "Fury of The Sound" even though these women were under criminal contempt charges for the very activity that was to be the subject of the video: criminally blocking forestry workers from going to work in Clayoquot Sound. Mackey and Wine were each sentenced to 21 days in jail on October 6 for criminal contempt.

The minister states he does not have any authority over the awarding of these grants and the director of the Canada Council defers to a system of evaluation by peers. Canadian taxpayers are fed up with organizations that use their tax dollars to foster the destruction of their lifestyle. When is the minister going to change legislation in his department?

* * *

CHILD ABUSE

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, October is known as Child Abuse Prevention Month.

Child abuse is the most disturbing problem facing Canadian society today. It is not a new problem but as a society we recognize that violence against children whether it is physical, sexual or emotional is a problem which concerns us all.

For too long children have been silenced by fear and isolation and by attitudes which deny the seriousness and extent of the problem. Child abuse can no longer be tolerated in Canada. It is time to act against child abuse in all of its forms. We must challenge the attitudes which devalue our children. We must intervene when we know that a child is being threatened.

As the federal government we are committed to stopping child abuse through the family violence initiative. Working in partnership with community and national organizations, corporate and voluntary sectors and all levels of government we have developed prevention and intervention strategies to protect children and families.

Our children can wait no longer. They are the most vulnerable members of our society and we must act now to protect them.

* * *

*[Translation]***VALUE-ADDED TAX**

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, it is high time that Canada had an integrated federal-provincial value-added sales tax. The current system is a huge burden on the government and on business and is very unfair to consumers.

[English]

I applaud the finance minister's plan to create an integrated national sales tax that would have a lower operational cost, a lower rate in most provinces and would still exclude items such as basic groceries, prescription drugs and medical services.

[Translation]

Canadians want to end political pettiness between the various levels of government. They want an end to duplication and they especially want an end to the GST.

[English]

The federal government's proposal reflects extensive discussions held with the provinces over the summer. Given the state of finances at all levels of government and the ever diminishing consumer purchasing power, I call on the provinces to quickly adopt the federal government's proposal.

Canadians want to see an integrated national sales tax, not just hear about it.

* * *

ROSE CHARLIE

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, I would like to congratulate Rose Charlie, the grand chief of B.C. on receiving one of the Governor General's awards last week. The awards are given in commemoration of the Persons case, the decision of the British Privy Council which declared Canadian women to be persons.

Rose was given the award for over 25 years of public service and for her outstanding contributions to improving and advancing the life of natives, aboriginal women in particular.

As a founding member of Indian Rights for Indian Women, Rose helped change discriminatory legislation that deprived aboriginal women of their status when they married non-Indians or American native men. The change has enabled thousands of women and their children to regain their status. She also helped to start the Indian Homemakers Association of B.C. in the late

1960s when there were not any native organizations in the province.

Rose remains active in the community today serving as president of the Mission Friendship Centre and participating in numerous organizations.

Please join me in recognizing the accomplishments of Rose Charlie.

* * *

[Translation]

REGIONAL DEVELOPMENT

Mr. Jean Landry (Lotbinière, BQ): Mr. Speaker, Ottawa is playing some weird and wonderful games with federally-funded regional development agencies in Quebec. It has restructured the FORDQ to increase its visibility in the regions on the eve of the referendum, while it reduces funding for regional development. Even worse, these cuts are being imposed arbitrarily. Business development centres, which are on their way out, were able to create a job for \$5,000, compared with \$100,000 in the case of the federal infrastructures program.

(1410)

Quebec should be given responsibility for regional development, which would get rid of the current bureaucratic mess and the haphazard cutbacks proposed by the federal government.

Only Quebec can consolidate the resources of all the agencies that are active in the regions. It would be a real one-stop service.

* * *

[English]

PRIME MINISTER OF CANADA

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, according to a recent Gallup poll the Prime Minister is more popular than former Prime Minister Pierre Trudeau was at the time of the October crisis.

Some hon. members: Hear, hear.

Mr. White (North Vancouver): Listen to that applause, Mr. Speaker. Government members had better make the best of it while they can. Even though the Prime Minister is presently at 61 per cent popularity, guess who holds the record? Brian Mulroney. He peaked at a 62 per cent popularity rating in 1983.

Well the honeymoon for this Liberal government is over. The scandals are starting to surface. Reform MPs are looking forward to helping the Prime Minister reach the present day popularity rating of Mr. Mulroney. I think that might just be right off the bottom of the scale.

S. O. 31

ABORIGINAL AFFAIRS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, in addition to his apparent inability to discharge his general duties and responsibilities, the Minister of Canadian Heritage has failed to bring a sensitivity of Canada's First Nations to his department.

Earlier this year Heritage Canada published an otherwise fine publication for youth entitled "The Great Canadian Adventure". It is a trivia game that asks young people questions about Canada and in doing so continues to state as fact that Quebec and Prince Edward Island were discovered by Europeans. This language is no longer appropriate.

At the same time the department has just awarded a half million dollar contract to develop curriculum materials pertaining to aboriginal people in Canada to a Montreal company that has no cultural knowledge or expertise to handle the contract. This is disturbing since the cultural and technical expertise does exist at the Saskatchewan Indian Cultural Centre in Saskatoon, a group that was vying for the contract.

First Nation peoples deserve better from the minister responsible—

The Speaker: The hon. member for Brampton.

* * *

INDIA

Ms. Colleen Beaumier (Brampton, Lib.): Mr. Speaker, earlier this week the Minister of Foreign Affairs met with the home affairs minister for India to discuss many important issues, including the human rights situation in that country.

Many Canadians are concerned with current human rights practices in India. After repeated refusals to co-operate with non-governmental organizations attempting to assess the human rights condition in India, the Government of India allowed Amnesty International to conduct studies in the city of Bombay earlier this year.

As Canadians we must be concerned when a human rights organization is restricted in its efforts to assess the human rights conditions of any country. I was pleased to learn during Question Period the other day that the Canadian government has made representation to the Government of India on behalf of Amnesty International so that more thorough studies may be conducted.

It is time that Canada took a definitive stand in its relations with India and called for an open policy in that country with respect to human rights. As the Indian economy continues to grow at a very rapid pace, Canadian trade relations with India will continue to grow closer. Now is the time to insist—

The Speaker: The hon. member for Waterloo.

*Oral Questions***COMPUTER TECHNOLOGY NETWORK**

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, I am pleased to inform the House of the visit to Ottawa today of 14 CEOs representing a cross-section of a growing, vibrant information technology sector from the federal riding of Waterloo. They are part of the computer technology network in Canada's technology triangle.

The computer technology network is made up of over 125 companies employing 5,500 people and with annual revenues in excess of \$600 million. Sixty per cent of their sales are derived from exports with expenditures on research and development close to \$100 million annually. More than half of the 5,500 employees have been hired in the past two years.

As entrepreneurs and leaders in one of Canada's hotbeds of technology with strong connections to the University of Waterloo, these firms represent the very best that Canada has to offer to the new economy. It is companies like these that assure Canada's present and future prosperity.

* * *

(1415)

AIRSTRIPS

Mr. Grant Hill (MacLeod, Ref.): Mr. Speaker, I have been advised that documents within Parks Canada recommend the permanent closure of the Banff and Jasper Park airstrips. This is another example of the heritage minister's incompetence.

These grass airstrips are vital to the safe air transportation of local pilots through the main mountain pass corridors. Furthermore, these airstrips are maintained primarily by local pilots.

Under the department's existing recommendation, local pilots who encounter bad weather or equipment failure would have to land their aircraft on the main highways. That is stupid.

The private pilots need to be considered. In the name of public safety and common sense, I urge Parks Canada to trash this proposal.

ORAL QUESTION PERIOD*[Translation]***CRTC**

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, it is now common knowledge that a member of cabinet, in this case the Minister of Canadian Heritage, intervened directly with the CRTC to support an application for a

radio licence, at the request of the party concerned. This was done in the form of a letter sent to the chairman of the CRTC, the regulatory body responsible for issuing licences.

My question is directed to the Prime Minister. Does he consider such action acceptable and appropriate, considering the obligation incumbent on all ministers to respect the autonomy of judicial and quasi-judicial bodies?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I discussed the incident with the minister who, like all members of this House, is the member of Parliament for his riding. All members must be available to their constituents and try to provide the services expected of a member.

In this particular case, all the minister did was bring this application to the attention of the chairman of the CRTC, with the comment: "This application should receive due consideration. To me, this means: Could you take care of this dossier, and if there are any problems, if I can be of any assistance as the member for Laval, fine.

Subsequently, when his letter was interpreted as a letter of support, as soon as the minister heard about this, without any pressure from anyone, he immediately wrote to this person, and a copy was sent to the commission to make it clear he had not supported the application in any way. He had simply asked the commission to do its job.

This is always a problem for ministers. The Hon. Leader of the Opposition must have had that experience himself. A minister is also a member of Parliament, and we have a duty to represent our constituents without influencing bodies like the CRTC.

Hon. Lucien Bouchard (Leader of the Opposition, B.Q.): Mr. Speaker, the Prime Minister has been unconscionably irresponsible in his attempts to downplay the seriousness of his minister's action. How can he claim it was the member of Parliament who took this action and not the minister? How could the chairman of the CRTC overlook the fact that the letter was sent by a member of Cabinet who also happen to be his own minister?

Does the Prime Minister not agree that the CRTC is a quasi-judicial body that, as such, should not be subject to any interference or pressure from the minister?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I could not agree more, and if the minister acted as the member for Laval when he asked the commission to do its job, it was not undue pressure. The minister himself said in the House this morning that perhaps he should have acted differently. Everyone makes honest mistakes, and he corrected his mistake as soon as possible.

In the circumstances, after checking with my advisers, I concluded there was nothing here to justify changing the membership of my cabinet.

Oral Questions

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the Prime Minister knows the precedents. They are immutable and inescapable. A minister who fails to respect the autonomy of a judicial or quasi-judicial body must relinquish his post. The present minister of Foreign Affairs and the present member for Sherbrooke know this rule and had to resign because of it.

My question is directed to the Prime Minister. Does he realize that he is guilty of dereliction of duty if he does not immediately demand the resignation of the Minister of Canadian Heritage? Does he not realize it is a matter of honour and integrity?

(1420)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have acted responsibly. I have eighteen years experience as a minister, and I have seen other complex situations. As for this one, I think the minister made it clear that he had made an honest mistake and corrected it in short order.

I am surprised to see the Leader of the Opposition in such a furor, when his head office in Quebec summons its bureaucrats and tells them to knuckle under and change their political views if they want to keep their jobs.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, the Prime Minister downplays the action of the heritage minister by claiming that the letter to the Chairman of the CRTC is not a letter of support. Yet, this is precisely what the CRTC understood and, in fact, its secretary-general wrote to the minister to thank him for what he referred to as a letter of support.

Does the Prime Minister not realize that his minister's interference is compounded by the fact that it was directed at an organization whose independent status is under the protection of the minister and that, consequently, the heritage minister was all the more guilty?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the minister's letter is very clear. It says:

[English]

"I would be most grateful if you could give this application due consideration". Yes, due consideration. You are right.

[Translation]

You give this application due consideration and make a decision.

Later, when told that his action had been interpreted as interfering with due process, the minister said:

[English]

It is not intended to convince support for or opposition to the application.

[Translation]

So, it is very clear in my mind that the minister acted the way a member of Parliament should, in that he tried to represent the interests of one of his constituents whom he had never met before.

I represent the riding of Saint-Maurice; I was a minister for 18 years and I have now been Prime Minister for one year. Every time my constituents, who have been voting for me for 25 years, have problems, I always give them due consideration.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, the Prime Minister said this morning that he would not be as lenient towards other ministers guilty of similar actions.

How can the Prime Minister recognize the seriousness of that interference on the heritage minister's part, and not have the courage to impose the sanction he deserves, that is to expel him from Cabinet?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I reviewed the issue, I consulted experts in my office and in the government, and I have come to the conclusion that, under the circumstances, the hon. member can remain Minister of Canadian Heritage and keep serving Canadians.

[English]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, when this government was elected the Prime Minister promised a new era of integrity, including a code of conduct for ministers and an ethics counsellor.

I ask the Prime Minister, in ushering in this new era of integrity specifically what guidelines were given to cabinet ministers in regard to communication with quasi-judicial regulatory bodies like the CRTC?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is very simple. A minister should not interfere or put pressure on anybody like the CRTC. He can, and it is his duty, as you would do for your constituents—

The Speaker: Order. My colleagues I would ask you to please address the Chair in all of your questions and answers.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, for one thing I am not a minister and not in the same position as the hon. minister.

There is a simple guideline that applies in these cases and it is a most elementary one. It is understood in most jurisdictions. That is that ministers do not communicate with quasi-judicial regulatory bodies except in three ways: through statute, through orders in council, and through public formal submissions to that body. They do not communicate through telephone calls or casual conversations or casual letters on behalf of applicants or interveners.

Oral Questions

(1425)

Can the Prime Minister assure this House that that simple guideline, which is understood in most jurisdictions, was given to the ministers of his government, including the Minister of Canadian Heritage?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I explained that every cabinet minister is a member of Parliament. When you are in your riding on Saturday, Sunday or Monday receiving your constituents you have to receive them. In this case, this person asked his member of Parliament if he would make sure that his application would be considered, and he just asked the CRTC to do exactly what is their duty to do. He did not put apply pressure. He just asked them to consider this application, as it was his duty to ask as a member of Parliament.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I wonder if the Prime Minister read all of the letter that the minister sent to the chairman of the CRTC. In his last paragraph he said this: "I trust that you will keep me abreast of developments in this matter and please do not hesitate to contact me should you require additional information".

What was the minister thinking of? Was he contemplating entering into an ongoing dialogue with the chairman of a regulatory authority over an application?

Is the Prime Minister really saying that this type of activity is acceptable? Will he not ask the minister to resign?

Right Hon. Jean Chrétien (Prime Minister, Lib.): According to the House of Commons circumstances the minister has explained what he has done. I said that he made an honest error in sending—

Some hon. members: Oh, oh.

Mr. Chrétien (Saint—Maurice): No, he did it. When he realized that it was interpreted as trying to apply pressure he clarified it on his own without pressure from anybody from anywhere. He said to the commission: "Do not interpret that as wanting to support or oppose this application" and that he was just asking them to look at the application and render the judgment that they have to render under the law.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, my question is for the Prime Minister.

In his letter to the CRTC, the Minister of Canadian Heritage wrote that he wished to be kept abreast of developments in the matter. Does the Prime Minister not realize that in so writing, the Minister of Canadian Heritage is putting pressure on the CRTC to issue a licence?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think that the hon. member should read the letter that the minister sent. When he heard that his action was being interpreted as bringing pressure to bear, he made it clear to the CRTC that he had not intended to support or oppose the application, but that he had merely referred it, as a member of Parliament, to the Commission.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, in his letter on ministerial letterhead, the minister goes even further, offering to provide the CRTC personally with additional information on the licence application.

Has the Prime Minister really read this letter, and if so, how can he not conclude that the CRTC would assume that he was writing in his capacity as minister?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, perhaps the minister should have used the letterhead he keeps for his correspondence as the member for Laval West, just as I could use a letterhead identifying myself as the member for Saint—Maurice. But everyone knows very well that Jean Chrétien is the Prime Minister, and if I used a different letterhead, people would perhaps find it a bit ridiculous.

I did indeed read the original letter and the letter of explanation. It was an honest mistake on the part of the minister and he took corrective action himself without any pressure from anyone. Under the circumstances, I think that it is my responsibility to declare the matter closed at this point.

I consulted the government's ethics counsellor and one I appointed myself, and both confirmed that I had made the right decision in this matter.

(1430)

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Minister of Canadian Heritage.

The CRTC received two applications for a 24-hour Greek language specialty service to be played on radio. The first is by CHOM from Montreal and the second was by a Mr. Daniilidis in Telemedia.

On May 5 of this year the CRTC rejected the CHOM application. On March 15 the Minister of Canadian Heritage intervened by sending a letter of support for the application of Mr. Daniilidis.

The minister's intervention supporting the second application came prior to the rejection of the first application. How can the minister deny that his intervention did not influence the CRTC decision?

Oral Questions

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the letter I sent to the CRTC was the letter of an MP designed to ensure that a constituent received due process.

I attach great importance to my role as a member of Parliament. I am sure that my colleague feels the same way when she has constituents coming to visit her constituency office. She takes account of what they are requesting.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the issue is clear and the minister did not answer my question.

My supplemental is for the Prime Minister. The Minister of Canadian Heritage has stated in the House that the CRTC is a quasi-judicial agency and that the Canadian government, including the Minister of Canadian Heritage, should not interfere in the process.

His current action is an obvious and flagrant breach of the judicial principle. Will the Prime Minister now demand the resignation of his minister?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I said earlier that I would look into the matter very carefully. I have consulted those who have responsibility in the matter.

The minister made an honest error. He corrected it immediately without any pressure. It is one of those things. Every member of the cabinet is confronted with the same problem. Some constituents write to me about problems in every department and I have a responsibility over every department. I send requests to ministers and ask that they be looked into. It is part of my job as the member of Parliament for Saint-Maurice.

In this case, I concluded after consultation, as explained to the House, that there was no need for a resignation.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Prime Minister, who has told us repeatedly over the past year that he attaches the utmost importance to the integrity of his ministers, is now turning a blind eye to a very serious mistake on the part of the Minister of Canadian Heritage.

How can the Prime Minister be taken seriously when, at the first opportunity to come his way, in view of such a serious mistake, he chooses to forgive and forget rather than enforce his code of ethics? Clearly, the Prime Minister is not equal to the situation.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I said that I had consulted the government's ethics counsellor who told me that the minister had been careless but had taken corrective action himself as soon as he realized that sending the letter was being construed as interference. It was put in very clear terms. Under the circumstances, I accepted this piece of advice as well as the explanation provided by the minister. I believe that he has done his job as a member of Parliament.

Some people say that MPs who do not do their job as MPs should be relieved of their duties. I find it somewhat surprising that a member who insists that MPs should do their job would expect MPs who are ministers as well not to do their job as MPs.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Prime Minister hides behind the advice of his advisors. But they are not the ones who have been elected. He should assume his responsibilities.

(1435)

Are we to understand from the decision of the Prime Minister of Canada that he puts personal friendship above the integrity of his Cabinet?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I take full responsibility for this decision. Never did I attempt to evade my responsibilities in making this decision. In response to a question, I said that I could have not requested any advice, but chose to do so and was told that, under the circumstances, it was totally acceptable, and I take full responsibility for that.

Again, I find it somewhat surprising to hear the Bloc Québécois come here and talk about integrity when employees are blackmailed by its parent organization to retain their jobs. What is going on in Quebec City is a disgrace. It is embarrassing!

[*English*]

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, first we hear the Prime Minister say that he was making a representation as an ordinary MP. Then in the next breath the Prime Minister said: "Well, it was an honest mistake".

We want the true answer to this. Was it representation or was it a mistake?

The Speaker: Order. We must presume that our word will be taken at face value in this House. I do not know that the truth should be questioned like that. Perhaps the hon. member could rephrase the question.

Miss Grey: Mr. Speaker, the Minister of Canadian Heritage claims that he wrote the letter to the CRTC on behalf of a constituent to ensure that he received "a fair hearing and due consideration".

He also claims he had absolutely no intention of influencing the CRTC. Does the minister have any reason to believe that the CRTC would not give his application a fair hearing and due consideration unless he personally wrote them a letter?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I have the fullest confidence in the CRTC. The CRTC is an arm's length agency, which I respect, as I stated in this House on several occasions when some members of the

Oral Questions

opposition were suggesting that I should interfere in its operations.

When there was an indication that the letter I sent could lend itself to misinterpretation, I quickly made arrangements through a second letter to make sure the original meaning was understood.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, this gives new meaning to the phrase “the six month’s hoist”. Improper ministerial influence is apparent when only one application to the CRTC is favoured with a personal introduction by the Minister of Canadian Heritage on ministerial letterhead.

This morning the minister said that he “never for a moment had any hesitation or misunderstanding about my role or responsibilities as a minister”.

If that is the case then he knowingly and grossly violated that understanding by favouring this application. For his incompetence and his incredible lack of judgment, will this minister resign?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, no I will not.

* * *

[Translation]

COMMUNICATIONS SECURITY ESTABLISHMENT

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, my question is for the Prime Minister. None of the government ministers was able to confirm that no spying was done on members of the Quebec government and on the Quebec sovereignty movement. Their ignorance is probably due to the fact that the Communications Security Establishment reports directly to the Prime Minister and to him alone.

Can the Prime Minister assure us that members of the Quebec government and the sovereignty movement were not spied on by the CSE?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Privacy Commissioner conducted an investigation to determine if there had been any wrongdoing and he reported to the government that nothing wrong was done. The commissioner is still investigating the matter. He has a duty to tell us if this organization illegally monitored the conversations of Canadian citizens or spied on them.

As far as I know, it was not done and I say to the House that I do not want this to be done because we do not need this in a democratic society.

(1440)

The commissioner will submit his report. I did not appoint him; he has been in that job for a very long time. I think that he is

a competent man, and I am sure that if there has been abuse in this area, he will notify me and I will act accordingly. So far, I have seen no evidence that anyone was spied on illegally in Canada, at least since I have been Prime Minister.

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, how can the Prime Minister claim that his government has nothing to hide when his Minister of Defence refuses to release any information on the CSE’s mandate, activities and budget, and even refuses to give the name of its director, even though it appears in the government telephone directory?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, if the name appears in the telephone directory, it is not hard for Canadians to find out who he is, it is no secret.

* * *

BILINGUALISM

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, my question is for the Minister of National Defence.

Everyone here knows how important it is to make the Royal Military College in Kingston bilingual.

Can the minister tell us what he intends to do to really make this college bilingual and then to have this principle of bilingualism respected and maintained?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I wish to thank my colleague for his question. It is a legitimate one. I must reassure him of the importance I myself attach to this subject, especially making the Canadian Forces bilingual, including the Royal Military College in Kingston.

I would like to inform the House that I have appointed a special committee to review and monitor the bilingualization of the Royal Military College in Kingston, with three top-flight members, including the former commander, General Émond, the former principal, Roch Carrier, Dr. Paule Leduc of the Privy Council, and myself as chair. This committee will make recommendations on all the aspects raised by the hon. member.

* * *

[English]

CRTC

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I do not think the Prime Minister looked carefully enough. In support of his application to the CRTC is a letter from the Greek National Bank. I will just quote from that letter.

“Any services extended towards Mr. Daniilidis will be greatly appreciated”. This letter also comments on how honest and capable the applicant is.

Oral Questions

Now this same Greek National Bank is listed as a contributor to the campaign of the Minister of Canadian Heritage.

Some hon. members: Oh, oh.

Mr. White (Fraser Valley West): I would like to ask the Minister of Canadian Heritage whether he maintains that this entire affair is still above board?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Yes, Mr. Speaker.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, the answer was so short I must have missed it. I presume he said yes.

In an intervention letter complaining that the same type of application was turned down only four months previously, there were serious allegations of impropriety on the part of the applicant, specifically that he failed to report under oath his complete holdings in a communications company when he declared bankruptcy in July 1992.

Could the minister explain how this applicant, who he supports, cleared his name from the bankruptcy file in only one year and surfaced as a major shareholder of a new company?

The Speaker: My colleagues, I am not sure that the thrust of the question deals with the responsibility. The question should be directed to the administrative responsibility that this minister holds. I rule that question to be out of order.

* * *

(1445)

[Translation]

COMMUNICATIONS SECURITY ESTABLISHMENT

Mr. Michel Bellehumeur (Berthier—Montcalm, B.Q.): Mr. Speaker, my question is for the Prime Minister.

The latest events concerning the Communications Security Establishment have highlighted the lack of external control over the activities of this federal spy agency. It is completely unacceptable that the CSE, with nearly 2,000 civilian and military employees and an annual budget of over \$200 million, is not subject to any external control.

In a democratic society like ours, how can the Prime Minister accept spending over \$200 million a year on espionage activities without making CSE officials accountable to the public?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of National Defence is answerable to the House for such questions.

Earlier, I answered the question of whether Canadian citizens are subject to illegal espionage. The Privacy Commissioner is

investigating. A report a few years ago said that they were not. I hope that the same positive report will come out of this investigation. As for the structure of this commission, it answers to the House through the Minister of National Defence, who must defend his budget estimates before the House of Commons.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, perhaps the Prime Minister should reread some answers which his minister gave on this subject.

I shall ask my second question. How can the Prime Minister refuse to set up a real external control mechanism for the CSE's activities, when the Liberal Party in opposition barely five years ago demanded just such a system to control the CSE?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are looking into this situation now. It is something that has come up recently. The minister said that it was possible, but people must also understand that this kind of activity concerns what goes on outside our country, and helps to ensure that terrorist acts do not occur in our society; various governments throughout the world exchange information so that all societies in the world can protect one another.

I think that we must do so in a reasonable manner, in co-operation with the other levels of government. If there were a way to find an acceptable control mechanism, I would really like to do so. For now, I do not have the solution, but if I can find it, I will be pleased to submit it to the House of Commons.

* * *

[English]

CRTC

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the words honesty, openness and integrity appeared in the red book in the last federal campaign, as they did in the Reform Party's blue book for three years longer. We are trying desperately to encourage this government to walk the talk.

I would like to read from the ethics principles that are in place: "Public office holders should not step out of their official roles to assist private entities or persons in their dealings with the government where this would result in preferential treatment to any person".

My question for the Prime Minister is does he believe that in the case of the subject today with the Minister of Canadian Heritage this principle is being violated?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have clearly explained what happened many times to the House. I came to the conclusion that the minister sent a letter as a member of Parliament. When it was interpreted by some people to be a recommendation, he explained clearly to all concerned that was not his intention. He corrected himself

Oral Questions

without any pressure from anybody when he realized that his letter had caused some confusion.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I have no choice but to interpret that answer as meaning that the Prime Minister does not believe the principle was violated.

Could we then ask the Prime Minister, in order to bring some level of confidence to the people of this country that things are going right, that the ethics counsellor should now be asked to conduct a full and open investigation, making the results public in this House as well as to all Canadians? Will the Prime Minister undertake to give the ethics counsellor that authority today?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the ethics counsellor has informed me that he is satisfied with the conclusion I have come to at this time. I do not know what else is needed at this time. He has reported to me, as it is his responsibility, and I have reported that to the House of Commons.

* * *

(1450)

TOURISM

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, my question is for the Minister of Industry.

Yesterday in Vancouver in a speech to the Tourism Association of Canada the Prime Minister announced the creation of the Canadian Tourism Commission and a substantial increase in funding to promote tourism.

Will the minister tell this House what these initiatives mean for job creation and economic growth in my riding and across the country?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I think it is important that we in the House focus not just on the importance of tourism but on the effect it has on job creation throughout Canada.

This announcement means that the federal government is back in the business of selling Canada as the world's best tourism destination. It means jobs for Canadians. It means improvement in our current account balance and even the editorial writers at the *Financial Post* today said: "The federal government needs not only to spend less, it needs to spend smarter. An example of smarter spending is Ottawa's decision this week to bolster its support for the tourism industry".

* * *

[Translation]

REGISTERED RETIREMENT SAVINGS PLANS

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

election promise made by the Prime Minister not to increase taxes, the Minister of Finance, through irresponsible statements, and particularly since yesterday, lets the uncertainty persist regarding the possibility that RRSPs will be taxed. Yet, all agree that such a measure would be irresponsible, despicable as well as a step backward.

Will the Prime Minister eliminate the uncertainty that prevails by pledging not to tax RRSPs?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Finance is doing something that has never been done previously, before a budget is tabled. He is holding vast consultations with Canadians. Everything is subject to review. There may be people who favour that option. I do not know. Once this consultation exercise is completed, the minister will have all the necessary information to prepare a budget with a very clear objective: To create jobs and to reduce the deficit.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the Prime Minister does not realize that his Minister of Finance is himself responsible for that uncertainty and that unacceptable situation. Yesterday morning, RRSPs were not going to be taxed; in the afternoon, the minister did not know for sure, while in the evening there was a possibility that RRSPs might be taxed. This is irresponsible on the part of the government.

If the government really wants to show taxpayers that it is serious about reducing spending and not increasing taxes, why does the Prime Minister refuse to formally pledge that he will not raise taxes and that he will not tax RRSPs? The Prime Minister must fulfill his promise!

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have to wait. The budget will be tabled in February, as is the case every year. The answer will then be known. In the meantime, the Minister of Finance is doing his homework. I think it is a very good idea to consult people and not rule out any solution. Let us not forget that some people complain that our tax system is not always adequate and is sometimes unfair. The minister is considering the whole issue of taxation. Moreover, he is inviting all Canadians to make representations. For example, Mr. Battle, who works in the field of social policy in Canada, appeared before the committee yesterday and said that the government could go ahead with its reform but should also look at the taxation issue to ensure that the system is fair to all Canadians.

* * *

[English]

CRTC

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, there are still a lot of unanswered questions relating to the Daniilidis application.

*Oral Questions***CRTC**

The Minister of Canadian Heritage took six months to clarify his intervention to Mr. Daniilidis' application. When did the Prime Minister learn of the intervention by the Minister of Canadian Heritage?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, at the beginning of this month.

(1455)

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, in 1978 John Munro called a judge on behalf of a man being tried for an offence. He was forced to resign from the cabinet because this was in violation of ministerial rules of conduct established by Prime Minister Trudeau at the time.

Will the present Prime Minister uphold the ethical standards that were applied by Prime Minister Trudeau and ask the Minister of Canadian Heritage for his resignation?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I explained exactly the situation. It is not the same situation at all. I looked at this situation with the documentation that is in front of the public. The minister acted as soon as he learned that his letter created the impression that he had tried to influence the case. He clarified it very clearly in unequivocal terms. I am satisfied that he has done in the circumstances what had to be done to clarify it to make sure there was no ambiguity.

* * *

[*Translation*]

SAFETY OF BLOOD SUPPLY

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is directed to the Minister of Health. Mr. Justice Krever will give groups represented before the commission only ten days to formulate comments and make recommendations and only two days to question the experts, after the report on the blood supply system is tabled.

In the public interest and in order to give groups represented before the Krever Commission a chance to give this report some careful study, will the minister agree to ask Mr. Justice Krever to give the groups more time to look at the details of the report?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I am surprised at the question. We have just had a series of questions based on interference. Now the Bloc asks me if I will intervene with a judge.

No, I will not. The Krever commission is a judicial inquiry. Mr. Krever did ask for an extension of his time, did ask for additional moneys to study the blood supply system and we did give him the additional moneys and the additional time in order to do a very good job in studying the blood supply system in Canada.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, earlier this morning the Minister of Canadian Heritage tabled a letter that he wrote to Mr. Pattichis regarding an application to the CRTC. That letter was in response to a letter he received on September 20.

I wonder whether the minister would table that letter and any other communications he had regarding this case.

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the letter addressed to me of course is privileged by the writer but I will be in touch with him. If he agrees this will be tabled.

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, my question is addressed to the Prime Minister.

In this age of government cutbacks and free trade agreements and rapid technological change Canada needs a strong minister to protect and promote our cultural heritage.

This latest mistake, as the Prime Minister described the actions of the minister of heritage, is further proof of an alarming incompetence by the minister and his office.

Will the Prime Minister ask the minister of heritage to do the honourable thing and resign?

Right Hon. Jean Chrétien (Prime Minister, Lib.): No, Mr. Speaker.

* * *

INFRASTRUCTURE

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, my question is for the President of the Treasury Board and the minister responsible for the national infrastructure program.

We have heard many members opposite suggest that the national infrastructure program is simply filling potholes in the nation's highways.

As this is Technology in Government Week, I would like to ask the minister if he could tell us what the infrastructure program is doing to build the electronic highway for the next century.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, fully two-thirds of the infrastructure program are traditionally roads, sewers and sidewalks and these are projects that have a long term payback in our communities in terms of attracting additional investment dollars and improving the quality of life. We also are helping to fund information highway projects.

Government Orders

Some \$27 million of infrastructure money is going into high technology infrastructure mainly in our school systems in New Brunswick, Saskatchewan, Manitoba and Ontario. It is not only helping in terms of better communications but it is helping to improve the education system to help prepare our young people for the future.

* * *

(1500)

POINTS OF ORDER

OFFICIAL REPORT

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I rise on a point of order and draw to your attention the official *Hansard* debates for Tuesday, October 25, 1994. On page 7178 is my member's statement on national parks. The first sentence of the last paragraph states:

The premier of the province of New Brunswick has quietly increased over 1,00 different fees—

This is incorrect. What I actually stated was "1,000 different fees". In the French version of the *Hansard* for the same day my statement was recorded correctly. I offer this as a correction and I trust that members will concur.

The Speaker: We will look into this request.

* * *

[Translation]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I would appreciate it if the Leader of the Government in the House would announce the business of the House for the next few days.

[English]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I wish to present the weekly business statement. When you call Orders of the Day, we will commence the second reading debate on Bill C-57 regarding the World Trade Organization.

Tomorrow we will start with Bill C-36 regarding the Split Lake agreement. This will be followed by resumption of debate on Bill C-53 regarding the Canadian heritage department reorganization, and Bill C-54 respecting technical changes in the Canada pension plan and old age security legislation.

On Monday we will commence second reading of Bill C-56, amendments to the environmental assessment legislation. We would then return to uncompleted debates such as those on Bills C-53, C-54, C-36, or Bill C-55, the Yukon surface rights bill.

On Tuesday we shall return if necessary to Bill C-57, followed by resumption of other unfinished debates.

On Wednesday we shall begin with Bill C-50, the Canadian Wheat Board amendments after which we would again return to unfinished debates.

We will assess progress on legislation early next week before announcing business for Thursday and Friday. However members opposite may want to know now that I may well designate next Thursday as an opposition day, but this will be subject obviously to confirmation.

GOVERNMENT ORDERS

[English]

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

Hon. Roy MacLaren (Minister for International Trade, Lib.) moved that Bill C-57, an act to implement the agreement establishing the World Trade Organization, be read the second time and referred to a committee.

He said: Mr. Speaker, the legislation we are considering today, Bill C-57, is an act to implement the agreement establishing the World Trade Organization. The bill will ensure the implementation of the GATT agreement which I signed on behalf of Canada in Morocco in April.

Adoption of this legislation will enable Canadians to reap the benefits of the biggest trade deal in history. By creating a more open and stable international trading environment this agreement will generate increased Canadian exports and investment. Exports, the driving force behind Canada's recent economic recovery, are crucial to the achievement of this government's job and growth agenda and to Canada's continuing prosperity.

(1505)

The legislation before us today approves the agreement. It amends Canada's existing laws and tariff schedules to bring them into conformity with our obligations under the Uruguay round agreement. Finally, it provides for the appointment of representatives to the new World Trade Organization and for the payment of Canada's share of its budget.

We made clear before assuming office that a Liberal government would continue to support GATT as the cornerstone of Canada's trade policy. We undertook to focus our efforts on breaking the deadlock in the GATT Uruguay round of negotiations and on building a new World Trade Organization. This legislation before us today is the fruit of those efforts.

The Uruguay round, the largest most comprehensive trade negotiation ever undertaken, involved more governments than any of the previous rounds of the General Agreement on Tariffs and Trade. The final package contains over 30 agreements, understandings and declarations, capped by the agreement to

create the new World Trade Organization. The agreements include an enormous package of national commitments to lower tariffs and non-tariff barriers to merchandise trade, a thorough reform of trade rules and the extension of the world trading system to cover such new issues as trade in services and trade in intellectual property.

Completion of the Uruguay round will have major implications for the world and for the Canadian economy well into the next century. Conclusion of the round after seven and a half years of difficult and uncertain negotiations has already had a positive impact through improved confidence in the global economy.

The GATT Secretariat in Geneva estimates that the global income will be at least \$500 billion higher in the year 2005, some 10 years hence, than it would have been without the Uruguay round. Some economists believe that even these numbers, large though they are, may underestimate the impetus to growth, innovation and investment that will result from the Uruguay round agreement. Economists without exception have underlined the substantial potential benefits for all members of the global trading system, including Canada.

Using prudent economic assumptions, we estimate quantifiable Canadian gains of at least a .4 per cent increase in real income, or \$3 billion annually when the agreement is fully phased in. These are however only a fraction of the actual gains that will certainly occur.

Although this Uruguay round agreement covers a wide array of issues affecting international trade relations, three areas stand out, both as a result of the leadership role that Canada played in promoting progress and consensus and as a result of these elements representing for us the most important and beneficial achievements of the Uruguay round. I refer to the market access package, to the agreement on subsidies and countervailing duties which grew out of a Canadian draft, and to the agreement to establish a new institution, the World Trade Organization, with a greatly strengthened and integrated dispute settlement system. The creation of the World Trade Organization is largely the result of a joint initiative by Canada and the European union.

Under the Uruguay round agreement access to markets for industrial products will be substantially improved with most tariffs being cut by at least one-third. Deeper cuts including zero tariffs in some 10 sectors will also be made. Overall, Canadian exports to the European union for example will benefit from tariff reductions of almost 60 per cent. To take another example, tariffs on our exports to Japan will be reduced by about 70 per cent.

(1510)

The impact of tariff escalation will also be reduced. For example the gaps between tariffs on finished products and raw

Government Orders

materials will fall by as much as two-thirds for products of importance to Canada such as copper, lead, zinc, and other non-ferrous metals.

A major achievement of the Uruguay round is that for the first time the agricultural sector is brought under the rules based multilateral trade regime. Agricultural tariffs will be cut overall by 36 per cent with domestic support measures to be reduced by 20 per cent and export subsidies by 36 per cent in terms of budgetary expenditures over a six year period. This represents a significant gain for Canadian agricultural exporters. More generally the agricultural reforms will contribute to improving efficiency in the world economy, providing a good start for future disciplines particularly on agricultural export subsidies.

Also for the first time trade in services and trade related intellectual property are brought within the framework of the multilateral trade disciplines. The agreement on services covers trade and investment worth some \$2 trillion annually and will promote continuing liberalization in these sectors. Multilateral rules on intellectual property will provide a stronger basis for the development and transfer of technology. Agreements in areas as diverse as rules of origin, import licensing and pre-shipment inspection will improve conditions for all international traders.

As I already mentioned the agreement strengthens trade remedy rules, thus realizing one of Canada's priority objectives on going into the Uruguay round some seven and a half years ago. The agreement defines the concept of subsidy for the first time in a multilateral trade agreement. Further, it sets out criteria exempting certain subsidies for regional development, research and development, and the environment from countervailing measures. In this era of fiscal constraint, Canada will benefit from the strengthening of multilateral disciplines on subsidies that can have such an adverse effect on our competitive position in both domestic and foreign markets.

Although the Uruguay round agreement does contain some improvements with respect to anti-dumping measures, we shall have to go further to ensure that such measures are not used in the future as an instrument for continuing protectionism.

The agreement effectively precludes unilateral measures in responding to trade disputes. The new integrated dispute settlement system, one with clearer rules, tighter deadlines and for the first time an appeal process with binding effect is a major improvement over the existing GATT system. In the final analysis rules after all are only as effective as the means of enforcing them. This wholesale reform of the multilateral trade dispute settlement system therefore can represent an important if unquantifiable benefit for the small and medium size trade players like Canada which are inherently vulnerable to the threat of unilateralism by the economic giants.

Government Orders

Without a doubt the crowning achievement however of the Uruguay round is the creation of the new World Trade Organization that will replace the General Agreement on Tariffs and Trade. Such a new organization is indispensable in overseeing the operation of the complex series of agreements and other instruments resulting from the Uruguay round. It will also provide for greater political surveillance of the system by trade ministers in coming years.

(1515)

The new World Trade Organization will finally put international trade on a firm institutional footing by becoming the third pillar of the world's commercial and financial structure, along with the World Bank and the International Monetary Fund.

As a successor to the GATT, the World Trade Organization will provide the forum for future trade negotiations aimed at further trade liberalization world wide and the development of new global trade rules.

All parts of Canada, all regions, most sectors of our economy will reap substantial benefit from the Uruguay round agreements. The business and agricultural communities as well as the provinces were closely consulted throughout the course of the seven years and more of negotiation. It is in no small part due to their contributions that these agreements will provide real tangible benefits for Canadian producers and consumers in all regions.

Elimination of tariffs for example on paper and allied products and lower tariffs on lumber will substantially improve access to the European union and Japanese markets for our forest products industry, particularly in British Columbia, Ontario, Quebec and the Atlantic provinces.

The reduction in tariffs and non-tariff barriers in Europe, Japan and Korea, although more limited than we would have wished, will enhance the export competitiveness of our fish products based in Atlantic Canada and British Columbia.

The agreement will produce a more market oriented and global trading environment for our agricultural sector. The reduction in export subsidies and in the volume of subsidized exports will put our field crops, particularly grains and oilseeds from our prairie provinces, on a more equal footing with those of our principal competitors.

At the same time, supply management will be able to continue operating as an effective Canadian approach to producing and marketing dairy and poultry products. The Uruguay round agreement allows for the continuation of supply management through high import tariffs that will maintain a real security for these sectors.

New rules and disciplines on sanitary and phytosanitary measures will improve prospects for exports of many Canadian agricultural and forest products.

The reduction and harmonization at lower rates of tariffs for chemicals and chemical products will improve access to world markets especially in Asia and Latin America for our producers concentrated in Alberta, Saskatchewan, Ontario and Quebec.

Sectoral free trade for pharmaceuticals will result in lower import costs and improved market access and will enhance exports to offshore markets, particularly from Quebec and Ontario. Improved protection for intellectual property will enhance prospects for investment and for research and development.

The Canadian communications and electronic equipment industries concentrated in Quebec and Ontario will benefit from the substantial reduction of tariffs in important industrialized markets. Software and computer service exports will be facilitated by the agreements on services and trade related intellectual property.

Canada has many strengths in the services sector that will benefit from increased global market opportunities brought about by the new General Agreement on Trade and Services. Services in which Canada is competitive internationally include various professional and management consulting services, technical testing, financial, computer and environmental services, telecommunications, air transport, tourism, commercial education and training, health related services, maintenance and repair, and services incidental to agriculture, mining, forestry, energy and manufacturing.

Increased clarity and discipline in the use of multilateral trade rules, particularly countervailing duties as well as more effective dispute settlement mechanisms, will provide greater security of access for Canadian products in many markets. Canadian products that have in the past suffered harassment from countervail actions that can expect more secure access as a result of the agreement include lumber, fish, pork and magnesium.

(1520)

In addition, new rules under the Uruguay round agreement on subsidies provide for the possibility of taking action against subsidized products that displace Canadian products in foreign markets, including those of the subsidizing country. These provisions alone can be a real benefit to Canadian manufacturers of civil aircraft and ground transport equipment, steel and steel products and other sectors that have often been heavily subsidized by foreign governments.

As a country that stands to benefit greatly from these agreements, Canada has insisted that our principal partners fully implement their Uruguay round obligations by legislating them

Government Orders

into domestic law. We paid particular attention to the United States implementing of legislation. We were in frequent touch with the American authorities at the highest level. We urged them to ensure that the United States legislation faithfully reflects the international agreements.

We are satisfied that the United States legislation now awaiting vote in Congress while not perfect, substantially implements the Uruguay round agreements. All of our principal trading partners are now in the process of moving their legislation forward. We are currently reviewing the European union and Japanese implementing bills, which have just been tabled. While none of our major partners has yet completed the legislative processes, it appears probable that they will in fact do so in time to bring the agreements into force and to establish the new World Trade Organization two months or so hence on January 1, 1995.

It is important that Canada play its part and give a clear signal to the world community that we intend to complete our domestic procedures and implement these agreements into Canadian law in time for the January 1 start-up. However, we shall keep a close eye on the course of the legislative process in Washington, Tokyo and the European union.

We do not intend to complete our legislative procedures until we see how events unfold elsewhere. Accordingly, we shall proclaim our legislation only after our principal partners have obtained their necessary legislative approval.

With the exception of Germany, Canada is more dependent on international trade for its economic well-being than any of the other G-7 countries. Canadians understand that our domestic market is too small to generate alone the level of prosperity we enjoy.

It behoves Canadians to make a contribution to the functioning of the international trading system proportionate to our interest in the system itself. That is why Canada played a key role in the seven years or more of negotiations that led to the agreement to establish the new World Trade Organization which will replace the GATT on January 1. That is why we are now playing a leadership role in the complex, detailed, preparatory work required to get the new World Trade Organization up and running.

We in Canada are committed to completing as soon as possible the unfinished work of the Uruguay round in such areas as government procurement, financial and telecommunications services. We are also committed to beginning work on that new generation of trade policy issues including such matters as the relationship of international trade to the environment, to competition policy, to investment and to labour standards. We intend to help shape the agenda and basic concepts at an early stage so that future negotiations will advance Canadian interests.

Canada's economic strength now and in the future will depend fundamentally on our willingness to stay on the leading edge of freer trade, to continue to take an active and creative role in forging new relationships and in building new structures that over time can extend the reach of a rules-based international order.

(1525)

The multinational system centred on the World Trade Organization will be the foundation of that international order but it is not the only element of what is and must be a complex and constantly evolving trade order.

We must harness for positive ends the profound forces pushing us all toward deeper economic integration. Today it is more accurate to speak not of trade policy as such but of international economic policy. Jurisdictions and policy areas that have long been considered to be quintessentially domestic are now increasingly subject to international negotiations and rule making.

The old trade policy issues of tariff and non-tariff barriers remain on the table but they are being overtaken by a new agenda: concerns over investment policy, regulatory regimes, intellectual property, competition law and even international monetary policy, a trend which in turn reflects the evolution of a yet more globally integrated world economy.

If we accept that economic security inevitably lies in deepening our commitment to open rules based trade, then the issue is really no longer whether we should surrender sovereignty but how we take a leading role in building a new kind of sovereignty to reflect a new economic order.

The reality is that Canada cannot wait for the international community to provide the institutions of mechanisms that will ensure our economic security. Multilateralism while remaining our first option cannot remain our only option. For Canada, this means taking a yet more active and creative role in forging additional relationships and in building new structures that can over time extend the reach of rules based trade.

This was the original justification for the U.S.-Canada Free Trade Agreement and the subsequent North American Free Trade Agreement. It was really just that, to push forward in areas where our degree of economic integration seemed to call for a deeper, more comprehensive, more expeditious regime of rules and procedures than the GATT itself could provide.

It is Canada's goal to extend this deeper free trade relationship throughout the western hemisphere and beyond, regionally if possible, bilaterally if necessary. We are already engaged in the negotiation of bilateral investment agreements with some international partners. We shall have to consider the negotiation of bilateral trade agreements if other avenues forward should become blocked.

Government Orders

Although the negotiation and implementation of NAFTA has focused Canada's attention in recent years southward to the rest of our hemisphere, we must also begin to explore additional means of expanding our trade relations eastward, across the Atlantic to Europe and westward across the Pacific to Asia.

The momentum for trade liberalization both in the western hemisphere and around the world is strong. Canada seeks to maintain that momentum. Accordingly I shall convene a meeting of the trade ministers of Japan, the United States and the European union here in Canada this spring.

We shall strive to develop a consensus for new common trade initiatives that will be considered at the G-7 summit next June in Halifax.

In submitting this bill today to the House for approval, the government counts on the consensus of all parties in this House that the cornerstone of trade policy is a multilateral system of mutually agreed market access conditions and non-discriminatory trade rules applicable to all that free, fair and open trade is essential for the future of the Canadian economy and for securing the competitiveness and long-term sustainable development of Canada and that trade expansion contributes to job creation, achieves higher standards of living, offers greater choice to consumers and strengthens the Canadian economic union. Such are the objectives that the bill before us today seeks to promote.

(1530)

I invite members from each side of the House to join in considering its provisions, its purposes and ensuring its timely adoption.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I welcome the opportunity today to speak on second reading of Bill C-57, an Act to implement the Agreement Establishing the World Trade Organization. On April 15 in Marrakesh, Morocco, the 125 signatories to the General Agreement on Tariff and Trade, commonly referred to as GATT, finally signed the agreement that finalized the lengthy negotiations of the Uruguay Round, which had taken nearly eight years.

Later on, I will elaborate somewhat on the process that led to the conclusion of this agreement and on the various stages of the Uruguay Round. By signing the Marrakesh agreement, member countries created the World Trade Organization, which is to replace GATT from now on. However, implementing the various provisions of this agreement and the tariff tabled by Canada in February will require a number of adjustments to existing legislation.

The bill before the House today is essentially concerned with consequential amendments to existing legislation. Part I of the

bill covers the ratification of the agreement, identifies the positions of Canadian representatives with the various bodies of the World Trade Organization, determines the payment of Canada's contribution towards the operating expenses of the World Trade Organization and contains provisions for suspending concessions the agreement allows in specific cases.

Part II of the bill, which is also the most substantial part, amends certain acts to reflect the obligations contained in the agreement, and as a result, many existing acts will be amended by this bill. These include, for instance, the Bank Act, the Canadian International Trade Tribunal Act, the Canadian Wheat Board Act, the Canada Cooperative Associations Act, the Copyright Act, the Customs Act, the Export and Import Permits Act, the Financial Administration Act, the Investment Canada Act, the Investment Companies Act, the Meat Import Act, the Patent Act, the Special Import Measures Act, the Trade-marks Act, the Trust Companies Act, the Loan Companies Act and the Western Grain Transportation Act.

Part III deals with the coming into effect of this bill, showing the extent of the ramifications and implications this bill will have in our everyday life. In this regard, it is obvious that the significant changes brought about by trade liberalization are likely to raise a number of concerns in certain circles. The changes made in international trade rules are undoubtedly bound to result in a restructuring of the various national economies and certain economic sectors are more affected than others.

But apart from these structural adjustments, which are temporary and transitional, we must recognize that trade liberalization presents us with formidable challenges and note the remarkable adaptability demonstrated so far by the various sectors of our economy as well as the vitality shown by Canadian and Quebec businesses in the face of market expansion.

Trade liberalization forces us to become competitive. We must rely on those areas where we excel, occupy new market niches, put the emphasis on value-added products and, consequently, invest massively in research and development as well as put in place coherent and efficient vocational training and manpower adjustment policies.

The establishment of the World Trade Organization will result in the strengthening and hastening of the planetary trade liberalization movement. There is every indication that it will soon be joined by new members, some of which, like China, show a major potential for economic development.

(1535)

Needless to say that we will be supporting this bill, since it is intended to implement an agreement that Canada and a hundred or so other nations have already signed and it is in line with the global trade liberalization movement that we are in no position to avoid, nor indeed should we. It would be in our interest to

Government Orders

become part of this movement as soon as possible in order to position ourselves in relation to our partners.

Let me share with you at this point some of our concerns regarding this government's position on the issue of the World Trade Organization. The government should have known that the Official Opposition would strongly support the bill before us and it should have seen us as a partner in this. Nevertheless, it chose, once again, to show stubborn partisanship by taking a distrustful and cavalier attitude toward the Official Opposition. Far from co-opting us, the government waited till the last minute to let us know what it intended to do regarding the establishment of the World Trade Organization and to give us a copy of the draft bill. It exerted undue pressure to get us to speed up the debate when we did not even have time to read the bill.

Incidentally, we only received it on Tuesday. It is a very thick bill, almost 150 pages, without counting the complex and technical appendices. It is clear that the government wanted to avoid a long debate on the form and content of the bill. But its awkward approach makes us wonder if they are hiding something. We will use this debate to express a number of comments and preliminary remarks, but we intend to also use the subsequent hours of debate in the House and in committee to look more closely at the bill and its implications.

To get back to the content of the bill, we can never say often enough that the internationalization of markets is inevitable in today's economic context. Developed and developing countries alike cannot avoid this general trend without cutting themselves off from the outside world. As I said in an earlier speech in this House, trying to escape this trend is like trying to ignore the emergence of new means of communication and new production capabilities, in other words, to ignore the major changes that have occurred in our economic environment.

Freer trade allows us to concentrate production on what we do best. Continuing to produce and sell goods and services, even in areas where we are not as competitive, would be tantamount to retreating into a bubble and voluntarily lagging behind the rest of the world technologically, thus heavily mortgaging our economic future.

If countries with small economies like Denmark and the Benelux states did well for themselves by recognizing the importance of being open to the world, Canada and an eventually sovereign Quebec should also be able to benefit from their human and natural resources in a climate of trade liberalization.

The Quebec economy depends on the export of goods and services for 16 per cent of its GDP, while Canada is among the top 15 exporters of goods and services in the world.

Quebecers and Canadians must have access to the big markets to ensure their economic prosperity. Although opening up our

markets still raises fears, which are sometimes justified in some regions and economic sectors, we must recognize that a certain consensus has been reached on this issue.

I already spoke in this House about the positive impact of increased trade on the job market and on the creation of wealth. If I may, I would like to repeat what I said earlier, namely that it is important to be aware of the direct impact of exporting goods and services on job creation and the creation of wealth.

(1540)

According to a recent study reported by Quebec's statistical bureau, every \$10-million increase in our exports creates more than 100 jobs directly. Furthermore, these \$10 million would contain over \$6 million in added value.

Opening our markets does not provide benefits only for consumers and businesses in Canada and Quebec. With the greater economic integration of North America, we must also hope that more and more foreign companies will choose Canada and Quebec as a gateway to the continent.

Admittedly, freer trade means some transfer of our commercial sovereignty to a body like the World Trade Organization. Nevertheless, for countries like Canada and Quebec with medium-sized economies, such a transfer, in a regulated multilateral framework, is preferable to direct competition with the economic might of a country like the United States, for example.

Quebec, Canada and other countries with small and medium-sized economies that signed the Marrakesh Accord understood that the only way to ensure their long-term future was to enthusiastically accept.

Finally, the World Trade Organization, which is instituting new dispute-settlement mechanisms that are neutral and resistant to political pressures, will provide small countries with further assurance of protection from arbitrariness and possible abuses by the commercial heavyweights.

The still recent free trade agreements should help Quebecers and Canadians understand better than anyone the importance of such an organization, as well as the importance of avoiding any laxness and vague definitions which could lead to false interpretations. I will deal with this issue later on when I will make specific comments on the positive points of the Marrakesh Accord.

As you will have figured out, the Bloc Quebecois is very enthusiastic about the establishment of the World Trade Organization. We are pleased because this agreement will allow our businesses to find new markets and will therefore benefit our workers. However, and again I will elaborate later, the implementation of this agreement must take into consideration the

Government Orders

situation of those who will have to face major challenges in order to adjust to the new economic realities.

I want to repeat a word of caution which I already gave regarding new markets. In fact, it comes from the Canadian Chamber of Commerce, which made the following comment at a round table on foreign trade: "GATT, NAFTA and other regional agreements promote the creation of a more aggressive, predictable and stable trade environment. However, members feel that market globalization presents growing challenges to Canada. They estimate that the ability of Canadian businesses to benefit from opportunities resulting from GATT or NAFTA and to preserve their domestic market share will be directly dependent on Canada's ability to improve its finances".

Let me quickly add that the Chamber of Commerce advocates greater co-operation between the private and public sectors. This means, among other things, that the government must create an environment conducive to investments in Canada and in Quebec. Like the Canadian Chamber of Commerce said, such a favourable environment is dependent on a rational reduction in government spending.

I am not referring to irresponsible cuts here and there but, rather, to the elimination of costly duplication and inefficiencies which are attributable to the structure of our Canadian institutions and political regime.

At this point it is important to describe the process which led to the new GATT agreements and to the establishment of the World Trade Organization. In theory at least, that process should be completed on January 1, 1995, with the implementation of the accord, provided it is ratified by a sufficient number of states.

It was in November 1982, during a GATT ministerial meeting, that emerged the idea of opening a new round of negotiations on issues which had been left unresolved in 1979, including intellectual property and barriers to free movement of some services, manufactured goods and agricultural products.

Three years later, in 1985, the ministers representing GATT's major partners, namely the United States, Japan, the European Community and Canada, met in Sault Ste. Marie to do the groundwork for the new round of negotiations.

(1545)

A year later, at Punta del Este in Uruguay, a declaration by GATT members paved the way for the eighth round of multilateral talks since GATT was established in 1947. Discussions conducted by 15 negotiating groups were initially expected to last only four years, after which important matters, such as

defining trade dispute settlement mechanisms and eliminating trade barriers, many for the first time, would be finalized.

Half way through the talks, it became evident at a meeting of the ministers concerned that negotiators faced major obstacles in the agricultural sector and were unable to agree on a negotiating framework that would be acceptable to all parties. This major setback, coupled with considerable pressures from European farmers, dissatisfied with the way the talks were going, led to a deadlock. The Brussels Conference in 1990 failed to lead to the signing of the Uruguay Round as planned in 1986.

From 1990 to 1993, negotiations continued at a slower pace, although all parties realized it was important to reach an agreement within a reasonable timeframe. Finally, on April 15, 1994, the participating countries signed the final act establishing the World Trade Organization and undertook to have the new agreements ratified. So far, no major players have finalized the ratification of these agreements. Once the agreements have been ratified, the World Trade Organization, as of January 1, will be the third pillar of our global economy, together with the International Monetary Fund and the World Bank.

At the end of the Marrakesh Conference, Sergio Abreu Bonilla, Uruguay's Minister of Foreign Affairs, stated that the Marrakesh declaration expressed the concern of all nations for greater global consistency in monetary, financial and trade policies.

As I pointed out earlier, Quebec supports free trade with the United States and Mexico. It is also in favour of expanding NAFTA to include other partners. As a firm supporter of free trade, Quebec insisted on being closely associated with the negotiating process that led to the final act of the Uruguay Round. That is why, at each stage in this process, Quebec was careful to ensure that the interests of individuals and business were appropriately and legitimately defended by the federal government.

The signing of the final act and its conclusion in Canada's statutes through Bill C-57 gives us an opportunity to consider the impact of this agreement. We know full well that some of our fellow citizens and some of our industrial sectors will be hurt by the broad liberalization of trade which will result from the signing of NAFTA and the final act of the Uruguay Round.

Allow me to review the different sections of the final act, to see what its impact will be on the people of Quebec and Canada. As I just said, the agreement answers the concerns of Quebec. It offers a series of business opportunities that Quebec companies will have to seize. It also promises a better trade environment at the international level, based more on law than on might.

What I have just said applies also, I think, to the Canadian business environment. The creation of the World Trade

Government Orders

Organisation, which will replace GATT, will strengthen relations based on adherence to rules common to all countries. The WTO will have extended responsibilities and a clearer mandate.

The WTO will be responsible for any future multilateral negotiations and will supervise the institution of global economic policies in co-operation with the International Monetary Fund and the World Bank. They will administer an improved system for settling trade disputes. Only time will tell whether or not the World Trade Organisation will be up to the challenges that will come forth in the international arena. The final act lets us hope for the enforcement of better defined and stricter trade rules.

(1550)

Under the new GATT agreement, import quotas will be replaced by high tariffs that will be gradually reduced. As for manufactured goods, better defined rules have been adopted and this initiative has encouraged several countries, including Canada, to commit to steadfastly opening their markets.

According to a report of the GATT Secretariat, the conclusion of the Uruguay Round should result in an increase of \$755 billion US per year in international trade and should inject some \$235 billion into the world economy once all the clauses of the agreement are implemented by all signatory states. The agreement provides, in particular, for an average decrease of 40 per cent of duties on goods traded, from 6.3 to 3.9 per cent.

Subsidies and countervailing duties seem to be more closely regulated, partly due to the introduction of a more strict definition of the types of subsidies and to limits on the unilateral and arbitrary use of anti-dumping measures. The introduction of a sunset clause for all safeguard measures as well as the severe restriction on the use of so-called grey zone measures, such as self-limitation of exports and orderly trade arrangements, appear to us to be commendable and necessary.

It was imperative for Quebec and Canada that the final agreement define the concept of subsidies, recognize that some subsidies do not distort trade and thus that they should not be subject to countervailing measures. Finally, it was important to guarantee the integrity of economic and industrial development measures put in place by the provinces. The final agreement recognizes that.

We are particularly happy with the fact that provincial and federal grants to basic industrial research, regional development and adaptation of businesses to new environmental standards are considered to be "green", which means that they cannot be submitted to countervailing measures by our trade partners.

We are witnessing, at this time, a proliferation of trade disputes in all sectors, in particular with the United States. We

hope that the new measures introduced by the World Trade Organization will allow our businesses to avoid the arbitrary and protectionist measures of some of our trade partners.

In that sense, it remains more fundamental than ever for Quebec to be able to take part in the dispute settlement process when its interests are at stake or when the contentious issue is a provincial matter. As you can imagine, the Bloc Québécois will make sure of it.

We welcome the reduction of custom duties, and in some cases their virtual disappearance on natural resources, lumber, pulp and paper, and pharmaceuticals which are of paramount importance for the Quebec and Canadian economy.

We also welcome the reduction of export subsidies amounting to 36 per cent of budgetary expenditures and 21 per cent of subsidized quantities. It is a step towards de-escalating the subsidy war the United States, the European Union and other countries including Canada have been waging. If such a measure contributes to a decrease in government spending, we will certainly not complain.

Agreements on government procurement contracting give Quebec and Canadian businesses access to most contracts by central government agencies of our main trading partners, especially the United States and the European Union. According to the Department of External Affairs and International Trade forecasts, "Canadian suppliers will have access to increased markets worth US\$125 billion in the goods, services and construction areas in the countries to which the code applies". We will have to see how government agencies and public corporations will abide by the agreement in that respect.

Quebec and Canada must also welcome the measures regarding intellectual property, especially with respect to plagiarism and pirating of goods and merchandises.

For the first time, the final act contains a section dealing exclusively with trade in services which amount to \$900 billion US, a year. In concrete terms, this will slowly but surely provide us with greater manpower mobility between countries, which means more specifically that more and more Canadians and Quebecers interested in working in another country will face less of the bureaucratic red tape they are currently subjected to. Banks, insurance companies, consulting firms and software manufacturers will have improved access to foreign markets.

(1555)

We are pleased to note that health, education, social assistance, culture and supply management, as proposed by Canada, are excluded from this services agreement.

Government Orders

Throughout the Uruguay Round, Quebec considered three sectors as particularly strategic and vulnerable: first, agriculture, of course; second, the textile and clothing industry; and finally, the culture sector.

Quebec was demanding protection for its agricultural industry. Under what has become known as the old GATT agreement, all the protection provided by the milk, eggs and poultry production and marketing structure in Quebec and Canada hinged on the famous Article XI.2(c) of the GATT, 1947, being maintained.

On this issue, Canada found itself standing alone, and was even defeated in the negotiations to strengthen Article XI. We will now have to do without Article XI and find ways to ensure our supply management mechanisms as well as stabilization insurance programs are maintained. Canada has tabled extremely high tariffs liable to protect our farm products adequately, but it remains to be seen whether the federal government will be able to uphold these tariffs in spite of the Americans. This is easier said than done. The Americans want all customs tariffs on Canadian products, including farm products, to be removed. This is no reason to rejoice as the Americans may try using this as leverage to get concessions from Canada in other sectors.

Rest assured, Mr. Speaker, that the Bloc Québécois will follow these negotiations very closely and monitor how well the federal government defends the interests of Quebec farmers.

The textile and clothing sector is Quebec's second most important sector. This sector is fairly important in Quebec's economy as 16 per cent of all manufacturing jobs, or about 81,000 jobs, are mostly concentrated in the greater Montreal region.

It must be noted that the integration of the Multi-Fibre Agreement governing the trade of these products in the old GATT into the new GATT regulations will increase competition from textile and clothing manufacturers in the rest of the world. This tougher competition will bring about a rationalization of Quebec's textile and clothing sector and there will be winners and losers.

Finally, we must point out the central importance of culture for Quebec and for Canada. We must protect Quebec's small cultural market without closing it off. Quebec is already very open to other countries' cultural influences and that is certainly not a bad thing. We must also ensure the international development of Quebec culture. It is crucial to preserve this delicate balance.

We applaud France's fight to include an exception clause for culture in the final agreement. We are pleased to see that Canada has excluded cultural products from its concessions to the other GATT members.

I think it would be important at this stage to outline some of our preliminary reservations about this bill and its implications.

First of all, if I may, Mr. Speaker, I will quote one of the promises regarding trade policy in the Liberal Party's red book: "Governments must assist individuals and firms to deal with the restructuring that is occurring as a result of trade liberalization. Such assistance is critical to building acceptance of structural reforms in the Canadian economy". Given the current state of public finances, the Liberal government might be tempted to break this promise of setting up programs to convert the businesses most affected by GATT and NAFTA.

(1600)

The Bloc Québécois and I willingly recognize the need to intelligently reduce Canada's huge deficit.

However, we also realize that workers in some sectors of our economy must make extra efforts to adjust to new market realities.

Although I am deeply convinced that workers and businesses in Quebec and Canada will be innovative and dynamic enough to face these new realities, I also know that state intervention in some cases is absolutely necessary and crucial.

I can therefore assure you that the Bloc Québécois and I will continue to demand that the government keep its promises, something which it has so far failed to do on this issue. We believe that effective, flexible, low-cost measures can be put in place to help companies better adjust to the new deal so that they can take more advantage of the opportunities that foreign markets offer them.

Moreover, the innovative spirit and dynamism which our companies must show must also be supported by a consistent manpower training system that is sensitive to the needs of its clientele. There is a consensus in Quebec society that the government closest to the people's concerns, the Government of Quebec, must have complete control of a real top-notch vocational training system.

I also want to point out that, from what I understand after reading the bill, the minister has some discretion regarding the delivery of import permits for agricultural products which will benefit from preferential tariffs. Again, we are aware of the importance of maintaining some flexibility in such a system. However, based on our initial examination, we wonder whether political considerations might have a bearing on the decisions made by the minister responsible. The government is trying to escape from the authority of Parliament by defining the selection criteria through regulations. This is obviously unacceptable.

Finally, I want to say a word on the role of the provinces in the implementation of international treaties signed by the Canadian government. In this case, the treaty signed in Marrakesh will have a major impact, not only on federal legislation—and I should point out here that 31 federal pieces of legislation are amended by Bill C-57—but also on provincial legislation.

Government Orders

Under the circumstances, we were surprised that no federal clause is included in Bill C-57. We understand that government jurists deemed it would be more appropriate to add new provisions defining the role of the provinces whenever an issue falls under provincial jurisdiction.

A more in-depth examination of the bill will allow us to better understand and evaluate the impact of this procedure. In the meantime, it goes without saying that Quebec is prepared to fully co-operate in the implementation of the agreement on the World Trade Organization.

I will conclude by expressing some reservations, not on the content of the bill or on the agreement itself but, rather, on the Liberal government strategy.

To this day, some 20 countries are said to have ratified the agreement. Various groups, including the Union des producteurs agricoles, wonder about the eagerness of the Canadian government to ratify the agreement before major players such as the United States, Japan and the members of the European Union. It is obvious that, right now, the key players are watching each other's moves and are trying to avoid being the first ones to unveil their legislation.

I listened carefully and I am satisfied with the information provided by the minister of International Trade who stated that he did not intend to ask Canada to ratify the Agreement before our main commercial partners do.

The United States have introduced a bill which will be debated by Congress early in December. Several observers think that president Clinton has decided to wait until the primaries are over before submitting this bill to Congress for approval.

(1605)

This prompted Mr. Claude Lafleur, Director General of the Union des producteurs agricoles, to write in an editorial published in the October 18 issue of the magazine *La Terre de chez nous*, and I quote: "This is why the Canadian government, which is about to put before the House of Commons a motion to ratify this GATT agreement, should change its mind. Prudence demands that we wait until the two biggest players step on the field before showing up".

Canada is obviously trying to set an example for the small signatory States, but maybe it should have been more careful. Under the circumstances, it should do everything it can to urge the United States to pass their own bill before the January 1 deadline.

Last, I want to remind members of one thing we expect from the creation of the World Trade Organization. As early as January, the new World Trade Organization will be asked to examine a number of sensitive issues in order to quickly find innovative solutions, if possible.

We would like the World Trade Organization to address a number of issues such as the relationship, still deemed unsatisfactory by several countries, between "trade and human rights", between "trade and migratory movements", between "trade and development assistance" and, finally, between "trade and social and environmental standards".

The Bloc Québécois and myself are urging the government to ensure that these issues are seriously addressed by the World Trade Organization.

In closing, I reaffirm our support for this bill and for the underlying Agreement Establishing the World Trade Organization. I also want to add that the government can count on the full co-operation of the official opposition in this regard. All it has to do is ask nicely.

[English]

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I am pleased to speak today on Bill C-57 which puts into effect the final stages of our participation in the World Trade Organization.

First of all, I would like to take the opportunity to thank and congratulate the minister and his department for all the hard work they have done to bring this legislation forward and to start the process of putting the World Trade Organization into effect.

A lot of people have been waiting a long time for this development. It has been said already that it has taken seven years of negotiations at GATT to bring this about. As an agriculture producer waiting for some trade rules to develop as a result of the trade wars, it has been seven years of anguishing and waiting for some trade rules in that area. I am very glad to see that this is moving forward quickly.

Canada has provided leadership in the international trade area into the 21st century. I believe that very sincerely. We have been one of the prime architects of the WTO, not just this administration but the previous one. Canadians have a long history of working toward trade liberalization and establishing trade rules, especially after the second world war. Canada is a trading country and we represent forward-thinking people in the area of trade liberalization. It is in our interest to do so.

I want to take a moment or two to outline what this bill does. We have already heard some of it. It implements our full participation in the World Trade Organization, and is a result of Canada being a signatory to the Uruguay round of agreements under the GATT, an agreement which 117 members have signed.

The bill amends 31 statutes so Canada's laws conform to the new international trade obligations. It contains a lot of positive features. The World Trade Organization will be an effective institution to oversee world trade policy and to settle disputes between nations on a multilateral basis. That is going to be

Government Orders

welcome. We have had some problems, in particular between Canada and the United States with whom we have a very big trade relationship. There have been problems with some disputes and it is going to be a very welcome feature that we can appeal to an international multilateral organization for their resolution.

(1610)

As I said, this agreement includes agriculture for the very first time. Agriculture is one of the few industries that was not under trade rules in the old GATT. We have seen what can happen when we do not have international rules to govern trade. We saw a world trade war in agricultural products that almost expanded to a full scale trade war world wide. It has devastated the industry not just in Canada but in smaller countries such as Australia and Argentina, countries that could not play the subsidy game to the extent that the large countries like the United States and the European union could.

For that reason it is vitally important to Canada's interest that we establish trade rules and that we quickly move to resolve some of the problems that have been associated with them. Therefore, we are very much supportive of that.

It also brings into effect the intellectual property and services for the first time: financial services, telecommunications, transportation, computer services, software, management consulting, engineering, tourism, accounting and other business sectors. That is welcome too. Our businesses can compete anywhere. Given that we have trade rules now that give them some certainty in the way they operate we will be very effective.

Canada has one of the most developed and advanced financial service sectors in the world. Canada's top three banks are in the top 50 world wide. Trade liberalization will allow these banks to make significant progress in operating internationally.

In addition, allowing foreign banks to further operate in Canada will result in more competitive and lower prices for Canadian consumers.

Providing a rules based trading arrangement will allow Canadian businesses to operate better world wide.

We welcome strengthened trade rules, especially on subsidies and countervailing duties. We also welcome a more effective system of dispute settlement mechanisms. These will allow for speedy resolution and probably even stop some of the nuisance type cases that are brought against Canadian businesses.

By having these trade rules in place, this will let market forces decide how trade should flow rather than government intervention. This is a very welcome feature for us in the Reform Party and Canadians generally.

I want to say unequivocally that we support this bill. It is a very important bill. Our party supports it just as we support the

free trade agreement and the NAFTA. We support further extension of free trade through GATT and also with the World Trade Organization to bring more member countries on board.

The importance of trade to Canada cannot be underestimated. One job in five is created by exports. When our exporters do well everyone benefits. We have already seen some of the results that have come out of NAFTA, the very recent trade agreement we signed. Exports to Mexico in the first six months of this year have increased by 24 per cent over the same period last year. Some might say that it was a small figure to begin with, but I think it is a trend that is going to continue.

We have seen what has happened with the free trade agreement in areas like the beef industry in western Canada and how they have been able to take advantage of the Canada-U.S. Free Trade Agreement. Some sectors are doing very well.

If the total of our exports were to increase by 24 per cent, we could add \$45 billion to our economy. If our businesses have the impediments to trade taken out of their way and are allowed to operate efficiently, they will do just that. This is a very important step for Canada.

However, I have some concerns and they are shared by a lot of people in the country. By bringing Canada into compliance with the World Trade Organization exposes some of the shortcomings of our existing domestic policies. We have a strange paradox. Internationally we have been a leader, an architect, in opening up trade rules but at home we have some of the most draconian regulations and internal trade barriers as any place in the world. These have to be corrected in order to give our businesses a chance to compete.

Canada was one of the main architects in bringing into place the World Trade Organization but what a contrast with the policies at home.

(1615)

I am hoping that we are going to see some moves in that direction. Several items I want to touch on are transportation, the Canadian Wheat Board, the whole business of interprovincial internal trade barriers. The area of supply management needs further work. All of these require some measure of overhaul. All we have had is the minimum compliance necessary to bring this World Trade Organization into effect. The real work at home still remains to be done.

Improvements are required to the fundamentals to improve Canada's competitiveness. Our debt and deficit are too high. I think we have general agreement on that. I certainly hope we are moving in that direction. The Minister of Finance says that the entire annual deficit is now equal to the amount of interest we have to pay on our public debt. It is a situation we simply cannot let continue.

Government Orders

We have some serious trade imbalances with some of our major trading partners: Japan, U.K., China and Taiwan. We hope these can be corrected. The Asia Pacific area is a high growth market which up until now we have not been able to take full advantage of. I know there are some major initiatives coming forward. I hope we can develop and work on some of our strengths in the Asia Pacific area. The minister knows what those strengths are for Canada.

I do have some questions. Internationally Canada is seen as one of the leaders in trade liberalization, but we have to question the Liberals' commitment to free trade at home. In opposition, the Liberals fought against free trade, except for the present minister of course.

He was one of the bright lights pushing for free trade internationally. I have to stop to make an analogy. I come from a family of 11 children, a big family. When it was time for us to move from childhood into adolescence, into the teenage years my father used to sit us all down and have a talk with us about the facts of life.

I would like to make the analogy that the minister here is the father figure in this cabinet, in this government. He should sit some of these people down he is working with and have a serious heart to heart talk about the facts of life of international trade and about our lack of competitiveness at home. He knows these very well. He needs to spread it a little with some of his other members.

For some of the other members like the Minister of Transport and the Minister of Industry there is a little stirring going on with their hormones. They are starting to see that they are going to develop a little. I do not know if he needs to talk to them quite so much. They must have been learning a little out in the mall or behind the barn some place. It is starting to have some effect there.

There are others like the minister of agriculture for whom it really needs to be worked on. The Prime Minister is going on a big date next week to China. I think he needs to be reminded of the very serious factors here at home that must be corrected in order to give our businesses a full fledged chance. That was a light moment to make an analogy that is not that bad.

What works for Canada outside the country in terms of trade is good for Canada here at home. This bill only does the minimum required to meet our GATT obligations and we need to go much further. My colleagues who will be joining the debate as it develops will be speaking after me to provide more detailed proposals in this regard.

I do want to touch on a couple of these in passing. The Canadian Wheat Board is one of them. For reasons of compliance we are going to amend the Canadian Wheat Board Act. We are going to remove the import restriction and replace it with tariffication, a good move I think. Why not go one step further and remove the total control—the monopoly that the Canadian

Wheat Board has on exports out of the country—and let free trade really work for ordinary Canadians.

We have seen substantial pressure from a lot of producers. It is mostly younger producers, I would say 50-years old and under. It seems to me that if the Canadian Wheat Board does not yield to pressure for change, it will be out in the cold at some time. The younger producers are demanding changes that are more market oriented.

While I am on my feet on that topic I want to add there is a big myth out there that the Canadian Wheat Board has always been a single desk seller that could not function if it did not require all of our export grain. That is a myth. In the early days of the Canadian Wheat Board it was operating under a dual market system. It was operating very effectively.

The change was made in 1941 under the War Measures Act and that power was never relinquished. It needs to be changed and more marketing ability has to be put into the hands of producers.

(1620)

Another area that is going to be amended, clauses 213 and 221, is the Western Grain Transportation Act. Again, minimum compliance is all that we are going for here in order to implement the WTO but this act needs a complete revisit.

We are going to have all kinds of problems as a result of the export volume cap that is going to be placed on us with our compliance with the World Trade Organization.

We have terminals at Vancouver, Prince Rupert and Churchill that are going to be subject to volume caps in terms of what will qualify for subsidized movement of grain. We have the Lakehead at Thunder Bay which is not going to be subject to this cap and it just happens to be that the Thunder Bay terminals are the lowest volume terminals in Canada. In recent years the amount of grain going through them has declined dramatically. This simply cannot continue. I would suggest that the government co-operate for an amendment at committee stage in order to correct this.

When we are having a chance to open some of these acts, let us open them up and look at them in the best light that they can be looked at. There needs to be change. We have heard producers in the grain industry demanding change to the Western Grain Transportation Act.

We know that because of budget pressures we simply will not be able to continue. We have to find some other way, some better way of operating.

Transportation is another area of concern. We have talked about the WGTA but it does not just apply to that. It applies to interprovincial trade barriers, interprovincial problems in the area of transportation. These are all areas that affect our ability to trade at home.

Government Orders

The 12-member European union has no border stops in order for truck or train traffic to move through the country. Canada in contrast has one stop in every province at the border. It can get bad. I know in my own province there is one at the Alberta-British Columbia border on the Alberta side, one at the Alberta-B.C. border on the B.C. side with different rules and regulations. We simply cannot afford to have that continue to happen.

Just a little story about my brother who operates a trucking business in that area. He was operating on a gravel hall last summer working 10 miles from the British Columbia border. When they finished for the day the operators wanted to drive their rigs into Dawson Creek, British Columbia for accommodation. They were not allowed to do so unless they got special permits.

This shows how disoriented, disjointed our internal policies have become. We have to move to make some major changes.

Supply management is another area. My colleague from the Bloc has just talked about it. To me this is the biggest failure that this government has made in trade negotiations and the biggest failure that this minister has made, to allow this sector to really escape any free trade.

I know that border closings are not permitted any more. They have been changed to tariffs but the levels of tariffs that have been put on supply managed products are simply prohibitive. When the member from the Bloc complains about the fact that they are not as well off with supply management under this new arrangement as they were under the old article 11(2)(c), I say it simply is not so.

It looks to me like the supply managed sectors are only subject to a 15 per cent, a very minimum reduction, in these subsidy reduction levels. We have to bring down our subsidy levels by an average of 36 per cent in six years and a minimum of 15 per cent in any one sector.

It looks like they have opted for 15 per cent, the very minimum in supply management, and we know that has to be made up somewhere else. What is going to happen is that we are going to get sectors of various industries traded off against each other. It is going to create a lot of hard feelings.

(1625)

Let us use the formula that is in place. The tariff for butter under this new arrangement is presently 351 per cent after a minimum 15 per cent reduction. After six years we still have a tariff of around 300 per cent. With this type of reduction there will be no trade in supply managed products in the foreseeable future. This simply cannot go on. I do not think it will be allowed to go on because some of our major trading partners such as the

United States want us to open this sector and they are going to be hitting us hard in others to make us realize that if we had signed NAFTA and GATT we had better live by the sword and die by the sword, if you like. We have to make some changes in that area.

I believe even if that does not happen, consumers will start to question why we need the 351 per cent tariff on a lot of these supply managed products. These cannot be maintained in a spirit of free trade or consumer interest.

There is some future work for the WTO and I would hope that Canada will continue to play a leadership role. I think that is one thing we are good at. There will be a second round of agriculture negotiations I believe in either five or six years, I am not sure which. It is welcomed. We need to have future rounds to continue to reduce all subsidies and tariffs to a zero level. That will really bring about the full impact of free trade worldwide.

In addition, more countries need to be brought into the World Trade Organization. China is one that comes to mind. As it meets the requirements for WTO accession, I hope that can be done. I hope this can be an expanded club, one that will allow Canadian businesses to work in all areas of the world and not just the 117 at the moment.

I realize I have some time left but I do not believe in dragging things out when they can be dealt with in a straightforward manner. I want to reiterate that we must continue in our leadership role at the World Trade Organization.

We are in strong support of the bill and the principle behind the World Trade Organization and GATT. We have concerns that I have just identified and we will address them in more detail as other speakers come forward. It is imperative that we put our own house in order. It is nice to have external trade leading the way to our recovery. This is one area that is a very positive sign for Canada.

We have a national debt of some \$550 billion. Our deficit this year is going to be in the range of \$40 billion. Trade is one way that we can help to address some of our problems and our deficit. Growth will reduce the amount of money we need to cut in order to achieve a balanced budget.

While it is nice to have external trade leading our recovery, with these new trade deals we have been able to negotiate and put in place, let us make sure that our Canadian businesses can take full advantage of these opportunities. We will be putting forward some constructive ideas. I hope the government will take action in the areas we have identified that restrict our ability to take full advantage of these trade opportunities.

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, it is privilege to rise to discuss Bill C-57 following on the heels of the minister, the member for Verchères and the member for Peace

Government Orders

River. As other members have pointed out to the House, this bill introduces the Uruguay round into the legislation of Canada.

The wealth, prosperity and well-being of all Canadians depend in a decisive fashion on international trade and on the international institutions and the domestic practices of other countries which set the rules for the conduct of that trade. For every dollar of GNP 30 cents are trade related and the service industry will see that grow.

(1630)

As the minister said, apart from Germany we are more dependent on international trade than any country. The Uruguay round of which he spoke was a set of negotiations which deepened and broadened the rules that applied the international trade upon which we are so dependent. The legislation brings those rules into the domestic law of Canada.

Like the member for Verchères, and I am sure like the member for Peace River, I would have preferred more time to have studied the bill. As the member for Peace River said, it took seven years to conclude these negotiations. It might comfort him to know that it took 12 years to conclude the Tokyo round which preceded it. We are getting shorter. However the documents seem to get longer. I understand that the documents here represent about 26,000 pages. NAFTA rather confounded us with 2,000 pages. It is getting longer and it is getting more complicated and, as lawyers sometimes say, the devil is in the details. As the member before me stated, it required the amendment of some 31 statutes to bring them into conformity with our international obligations.

Like the member for Peace River, however, I want to assure him that the minister did read the facts of life to me, both in terms of international trade and in terms of the internal trade of Canada. I am sure the member will read with interest the efforts of the Minister of Industry to try to bring more and more the trade practices within Canada into conformity with the liberalization of trade practices outside Canada. The government recognizes the need to do that. In negotiating more expanded and deeper rules outside the Canadian framework we recognize, all of us in the House, the need to address the problems, the non-tariff barriers, that exist in our own constitutional framework.

The minister mentioned the sectors which the agreement addresses: lumber and wood products, alcohol products, agricultural products, textiles, and the list goes on. They all represent or are covered by a certain number of tariff reductions and reductions in non-tariff barriers which will result in benefits both to producers who export and to consumers who consume in this country.

The agreement on trade and services in our own country represents something like 72 per cent of the Canadian labour force. This is of great importance to people in my riding of

Rosedale. The new agreement in trade and services breaks new ground. It is an extremely important area. It is complicated. It involves transborder services. It involves establishments in other countries to provide those services. It involves the complex areas of banking, insurance and other services of importance to Canada. The agreement contains many imaginative solutions to this complex area, many of which are a result of Canadian inspiration and build on the experience of the North American Free Trade Agreement.

The agreement also does something which I believe is very important and was not yet touched upon in any of the other members' speeches to the House. We must not forget in reviewing the legislation that the WTO will provide people in developing nations with enhanced market access, an increased potential for development and a better quality of life.

As just one example, the discriminatory and trade distorting multi-fibres regime will be phased out. This will enable the textile industries in developing countries to take advantage of greater market access while reducing the cost of imports to Canada's apparel manufacturers.

All these benefits to developing countries will happen without Canada increasing the size of its foreign aid budget by a single penny.

We have heard that the OECD has estimated that the quantifiable gains worldwide from the trade agreement will be hundreds of billions of dollars. I strongly believe therefore that not only will the WTO in this agreement help Canada; it will help others. In helping those in the third world to acquire a handle on their own existence, their own lives, and to reduce poverty in developing countries it will create tremendous new business opportunities for us, for exporters from Canada and from other parts of the developed world.

The increased demand from the wealthier consumers and growing economic engines of these burgeoning economies will provide many new customers for Canadian exported goods and services.

The result then is not only that we will have liberalized rules for us, the developed and industrialized countries; we will have created in the agreement a set of liberalized rules which bring for the first time developing countries into the true international world trade framework. This will have great benefit for all of us. Canadians are selfless people. Even under times of fiscal restraint we remain very concerned about development issues in the third world.

(1635)

The member for Peace River and I learned a great deal about this when we were travelling across Canada together on the Standing Committee on Foreign Affairs and International Trade of the House. We heard from many Canadians about the need to upgrade the living standards in third world countries.

Government Orders

The agreement will do that. It will help to achieve that goal not through aid, not through charity, but by enabling people to earn livings for themselves. For that reason as well everyone in the House may take the agreement and say how important it is not only for ourselves but for the establishment of a better, more just global society.

I wish to turn now to some remarks on the World Trade Organization. The other members who have spoken in the House have spoken about the World Trade Organization. It is, as the minister said, to some extent along with the Europeans a Canadian success story. We may take pride in it. It was our initiative. It is also in our interest. It creates a framework for discussing issues of tremendous complexities, trade linkages, the link between trade and the environment, the link between trade and labour standards, and to some degree the linkage between trade and human rights.

It will provide a framework for the admission of new members to the trading community, primary of which in my view is China that may well become the largest single economic unit in the world of the 21st century.

Yesterday when I was speaking in the House I quoted Mr. Kuan Yew Lee, the former Prime Minister of Singapore, who said that China would not be just a new major actor but would be the single most important economic power in the world by the year 2025.

It is important that China be integrated into the world economic community, integrated into the world trading community and integrated in a way where it is subject to multilateral rules and disciplines the same as the rest of us. That will be the job of the World Trade Organization. That will be a job that we as Canadians will be involved in as members of the World Trade Organization, just as we will be involved in the bringing in of Russia, Taiwan and other countries.

The minister pointed out in his speech that the agreement produces rules, a rules based system. It deals with such things as countervail and subsidies. It sounds like a very arcane and obscure area of trade law, a subject which I had the privilege of teaching for many years at law school. However this is not just an arcane and obscure issue. This is something which touches many Canadians. When we export our products we do not wish them to be subject to non-tariff barriers imposed upon them by other countries. Countervailing duties and anti-dumping duties represent such non-tariff barriers. The agreement directs itself toward putting constraints on countries which would seek to use such unilateral constraints on our exports.

The agreement addresses the question of trade related investment measures, an extraordinarily important area which requires the development of multilateral rules. It deals with the issue of trade related industrial property measures which also require new sets of multilateral rules. It expands the old rules on

government procurement which, as the member for Verchères pointed out, represents about \$125 billion in potential export markets for Canadian goods.

Perhaps most important, it provides a framework within which new rules will be developed, new ideas will be exchanged, old rules will be modified and liberalized and Canada will participate. As the member for Peace River said, there will be future work for the WTO and there will be an important future role for Canada in that WTO.

It also creates an important new dimension in international trade rules. The agreement sets out a new form of dispute resolution mechanism. It does not do us much good to have multilateral rules if there is no way to interpret, apply and enforce them. The old agreement of the GATT, while it was successful in some respects, depended a great deal on consensus for the enforcement of its rules. This new agreement will have a new enforcement mechanism which will apply these multilaterally accepted rules in a way which will guarantee that they are fairly applied to all participants in the international economic area. That is important for us.

(1640)

We as Canadians have been involved in many international trade disputes. We have won some and we have lost some, but we have always participated with a view to strengthening the multilateral system where our interest lies, and we will continue to do so under the agreement.

I cannot help but comment in that context on the importance of the agreement to members of the House. When we look at the new agreement, the WTO and the Specialized Service Council, I think we are looking at new instruments of world governance. Parliament must become conscious of the way our decision making process is integrated into world institutions. This is a great challenge to all of us.

When the minister referred to the blurring of lines between domestic and international measures, he challenged us to recognize the degree to which we are becoming integrated more and more into the international community, how our domestic laws must reflect that integration, and how we as Canadians must and will adapt to that as we are doing with the measures proposed in Bill C-57.

[*Translation*]

I think lessons can be drawn from these negotiations. They produced both a new set of rules and a world trade organization, a new international institution that will be very important for Canada. We were able to get new rules on subsidies and countervailing duties and on public markets, an agreement on barriers to trade processes, a reduction in tariffs and disciplines on non-tariff barriers, an agreement on services, and a new

Government Orders

international institution, the World Trade Organization, largely the results of efforts by Canada.

All Canadians, and especially Quebecers, will benefit from this system, since, for reasons the hon. member for Vercheres stated in his speech, this agreement and this act meet Quebec's needs because Quebec's economy is part of the world economy. Quebecers will especially benefit from the World Trade organization, which will provide for a more efficient dispute settlement system.

I believe we were successful in these negotiations because we were united and had one single voice at the international level, and this is very important to us all. And we will succeed in the future in the World Trade Organization only if we remain united. United we stand. The great challenges of the global economic integration are such that we must remain united in this country to have a strong voice in international negotiations and organizations.

[*English*]

As observed by the minister and others, this is a comprehensive agreement of great complexity. It both deepens and widens the extent of the rules governing international trade. There will be sceptics who will attack it. I remember when George Will, an American conservative, speaking of trade used to always say that free trade falls somewhere between Christianity and jogging on the list of items much talked about but seldom practised. This new system seeks to ensure that good multilateral rules will be practised because they will be enforced.

There will be those who would like to reject the agreement, but these are the facts. It involves our closest trading allies, the United States and Europe, and our potential future allies, Latin America and most of Asia; 120 countries in all including the developing countries have been brought into the world trading system.

It addresses the problems of goods trade and brings in services trade to the benefit of exporters and to the benefit of consumers. It advances Canadian interests in establishing a rules based system, with credible rules established by multilateral consensus which are enforceable in a new important international body where Canada can help frame the rules of importance to our citizens and to our future economic growth.

(1645)

Overall, Canadian interests are advanced. Negative impacts on some sectors have been alleviated by long lead-in periods for tariff reductions or the reduction in non-tariff barriers.

We cannot opt out of this agreement and we cannot opt into the parts we like and out of the parts we do not like. As a parliamentarian who believes strongly that Canada's best interests are served in advancing a world order in which we can

advance our interests and our values, I look at this bill implementing the Uruguay round to see whether it faithfully translates the international obligation we have entered into into our domestic law.

My conclusion on looking at it is that it does so. It is also my conclusion that it is in our interest to adopt this legislation. It advances our trading interests and promotes economic and social order on a global scale.

[*Translation*]

In this sense, as I said earlier, Canada can play a decisive role in this new global economic system in the making. But, for this to happen, we have to remain united. The wealth, future and well-being of all Canadians including Quebecers depend on it to a very great extent.

[*English*]

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, I have enjoyed listening to the hon. member for Rosedale who I understand knows quite a lot about trade relationships. I would like to get the benefit of his expertise in interpreting something that I see was introduced before the U.S. Senate on September 27. There are two clauses that epitomize some problems that I and my party have continued to have with all trade agreements in that the U.S. constitution differs from the constitution of virtually all the other signatories of these agreements. We have two clauses here to which I would like his reaction.

The first is in section 102(a)(1) which states: "United States law is to prevail in conflicts. No provision of any of the Uruguay round agreements nor the application of any such provision to any person or circumstance that is inconsistent with any law of the United States shall have effect".

It appears to me the United States is doing the same thing it has done on all international agreements. If it is in the interest of the U.S. to ignore the international trade law and impose its own, it does so.

In section 122 regarding implementation, I note that the minister indicated that there would be application of the laws, that this was a good forward step because the use of decision making by consensus was going to be abandoned in this agreement, and yet section 122(a), the law that is before the U.S. Senate right now, contains a clause which states: "We continue the practice of decision making by consensus as followed under the GATT in 1947 and as required".

This means, it seems to me, that the U.S. will, if it does not get consensus, simply have almost the effect of a veto. I wonder if the member could comment on whether we are going to have full integration and full co-operation by the U.S. given its special circumstance with its constitution and with its more than 200 years of resisting international law on its country.

Government Orders

Mr. Graham: Mr. Speaker, the hon. member's question raises some very profound issues. I would love to refer him to my previous trade law book but I understand the Speaker will not allow us to use props in the House.

(1650)

If I can sell the odd copy of the book to the member, this might advance internal trade in Canada as well as external trade.

Perhaps I should adopt a lawyer's safe tactic of saying that not having read the provisions the member referred to I would like to actually see them in print before I give him a specific answer.

For the benefit of the members of the House and for the record, however, my understanding of section 102(a)(i) which the member referred to is somewhat more complicated than that to which the member suggests is its import.

The United States under its constitution, the member will forgive me here if I am entering into the domain of the United States constitutional law about which I have no right to speak technically, provides the treaties and executive agreements of the President are the supreme law of the land.

As a result they will prevail over inconsistent state laws. This has caused some troubles in the past. There have been some United States cases that have sought to challenge domestic laws that were inconsistent with GATT rules on the basis of the fact that they had been trumped by article 8 of the U.S. constitution.

My understanding of the provision the member referred to was just to make sure that no domestic law of the United States could be challenged by using a GATT rule. If in fact I am right about that there may be nothing particularly nefarious about that in the sense that basically is true in Canada as well, except that we may be able to use a constitutional way of attacking provincial statutes by referring to the constitution and the federal trade and commerce powers and things like that. One can develop complex arguments in this area. It is not as clear here as it is in the United States. The section the member refers to does not bother me as much as it does him.

The second section he refers to bothers me a great deal because this has been a practice in the United States. If one looks at the 1974 Trade and Tariff Act in the United States for example, the United States entered into the Tokyo round agreements and then Congress tacked on all sorts of interpretary measures saying: "Well if it says this, we are going to interpret it this way", or "We are not going to apply it in our domestic law that way" and of course completely eviscerated the intent of the international code which was precisely designed to put constraints on the American system in the way in which it applied.

If that is what the congress is trying to do in this bill then we have to be aware of it. I would draw to the member's attention

the statement of the minister in introducing this bill, which is very wise.

The minister said: "We are going to look and see how this is being applied in other countries". In other words in the past we have been the boy scouts who have said: "We will apply this" and then we find out later that somebody else in applying it has sort of done an end run around it.

Clearly the minister has indicated to the House, and I like all other members of the House I am sure, am very content to see that we are going to take a cautious position of let's see how others apply this before we rush in and say that we will give up everything and let them apply it unfairly.

I might say to the member that I also understand from talking to certain European countries' representatives that they are taking the same attitude. Particularly the French government feels that it has been burned in the past. It too is standing back to see how the United States will apply the domestic round in its legislation.

I wonder if I could just finish this observation by sharing with members of the House my view of how much the exchange we have just had illustrates the degree to which those of us in this House are going to have to be more and more aware of international rules and international developments in the way in that we apply and draft our domestic legislation. More and more of our domestic legislation will reflect internationally achieved agreements and more and more times we will be called upon to examine how other countries are applying theirs.

The member's question is extremely relevant and one that all of us in the House must keep consciously aware of at all times to ensure that we get a truly fair unilateral rules trading system and not one where unilaterally some countries manage to get out from under their obligations via their domestic rules.

I hope that we will make sure in this country that we do not try to do the same thing.

[*Translation*]

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Lévis—Manpower Training; the hon. member for Portneuf—Privacy.

(1655)

Mr. Philippe Paré (Louis-Hébert, BQ): It is a pleasure for me to rise today, on behalf of the Bloc Québécois, to speak to Bill C-57, an Act to implement the Agreement Establishing the World Trade Organization.

First, I would like to confirm to the House that the Bloc Québécois supports this bill implementing the agreement that resulted from the Uruguay Round for two reasons. First, the

Government Orders

Bloc Québécois is well-known for its openness to the world. It is then only logical that we should support free trade. Second, since Canada signed the Uruguay Round agreement reached in December 1993, it is now imperative that every signatory country pass an implementing act. The Bloc Québécois recognizes the validity of the agreements reached by more than 100 countries after seven years of constant efforts.

This makes sense because it is consistent with the assessment Quebecers made when they had to give their opinion on free trade. Remember that without the support of the Quebec government, the North American Free Trade Agreement would never have materialized, particularly since the Liberals, who formed the Official Opposition in those days, fought against the free trade project, no doubt because of their natural and traditional aversion for Americans. As of today, recent surveys still show a much stronger support for free trade in Quebec than anywhere else in Canada.

Members of the Bloc Québécois are sovereignists and understood a long time ago that sovereign states cannot survive in a vacuum. On the contrary, in the age of the global village, trade of all sorts takes place between countries on an almost daily basis. This is why it is so important to work towards the elimination of customs tariffs, which are a drain on consumers.

Although globalization is undoubtedly an irreversible phenomenon, and one that has my support, this does not mean that it is irrelevant to question its impact on the more vulnerable populations.

We must not think that the pressure of globalization affects only the poor in developing countries, for if we are to believe the Minister of Human Resources Development, he was virtually obliged to make cuts in the social safety net through his reform of social programs by the International Monetary Fund and the World Bank. He cited the threat that these international financial institutions would impose cuts on us, if we did not take action ourselves. Despite the somewhat hypothetical nature of the assumption, the minister continues to try to make Canadians believe that his plan is above all a reform of social programs.

In this connection, I would like to read a few paragraphs from a text written by a group of professors in social law from the Université du Québec à Montréal that was published in *Le Devoir* last October 21.

Here is the quote: "We are being told that with the liberalization of trade, the globalization of markets and of the economy, and the size of our debt, we apparently have no choice but to conform to the international market and to the capital flow. This makes it sound as though the economy is an entity somehow divorced from politics over which governments have no control. To accept this would be to accept that democracy no longer has any meaning, that those who make the decisions assume no responsibility in the political process. This democratic deficit reduces our government to the status of a mere cog in the machinery of financial markets".

The Liberal Party must assume a large share of the responsibility in this situation, for it is recognized that it was the Liberal government in the 1970s that launched the cycle of repeated, unrestrained deficits, by using its spending power to invade the jurisdiction of the provinces. This has to be the ultimate abdication of responsibility: interfering with others while mortgaging the lives of future generations.

(1700)

I want to take this opportunity to advise hon. members of my reservations about the trade practices of industrialized countries and more specifically, those of Canada vis-à-vis developing countries. Perhaps I may provide a brief historical overview to shed some light on the dramatic impact of the globalization of world markets on developing countries.

Our current economic and financial system is the result of gradual changes that have been taking place in the western world for centuries. This process was accelerated in the previous century during the industrial revolution, when the western world experienced a number of major disruptions including urbanization, the birth of the labour movement, the growth of the public sector, the creation of the welfare state, and so forth.

Although these changes took place over a long period of time, the process was not always a smooth one. Nevertheless, western society was able to impose its model on the rest of the world. Although decolonization in the sixties led to the birth of many new states, nothing was done to adapt the western model to the social and economic needs of these new countries, referred to as the Third World. Furthermore, these same countries did not enjoy the luxury of experiencing these changes as part of a gradual process, which was the case in Western countries. Now they have to adjust quickly to change if they do not want to miss the boat, they are told.

In addition to these pressures and oblivious of our own treatment of the environment, we impose environmental standards that we did not have the foresight to impose on ourselves. The president of the General Assembly of GATT, a citizen of one of the Asian countries, said that he was afraid Western countries would impose a new form of protectionism, in the guise of protecting the environment.

Environmental problems should be considered from a global perspective. We are all responsible for protecting the environment, since its deterioration has global consequences and is often caused by international, economic and financial considerations.

A case in point is the deforestation of the Brazilian Amazon. Many scientists predict that if nothing is done to stop this ecological holocaust, this tropical forest will disappear in less than 70 years. With disastrous results worldwide. Overdevelopment of Amazonian resources was, and is, to a large extent a by-product of Brazilian economic development, which was, in

Government Orders

turn, precipitated by the fall of terms of trade to global levels and the debt crisis.

In the 1980s, the Brazilian government tried to get over the debt crisis and counter the devastating effects of the decrease in the rate of exchange on its economy. On this subject, the Bruntland Commission reported that efforts to find new products to export in large quantities and to come up with domestic alternatives to replace imports caused a sharp increase in pressures on the environment and resources, as well as the deterioration and overdevelopment of the environment caused by the increasing number of have-nots in towns and rural areas, who are struggling to survive—In other words, in Latin America, natural resources are not used to promote development or to improve living standards but rather to meet the financial requirements of lending countries”.

If developing countries default, international financial institutions impose a drastic remedy: structural adjustment programs, to use a politically correct term that hides their devastating effect, because the poorest of the poor always bear the brunt of such measures.

(1705)

Take the classic example of food riots in Tunisia, just a few years ago. At the time, Tunisia was going through difficult financial times, but instead of striving to resolve the real problems, such as flight of capital and corrupt political leaders, international financial institutions imposed drastic measures and, in the end, the people of Tunisia were the only ones penalized.

Following the failure of communism and the fall of the Berlin wall, only one model remained: the capitalist model. This model, while capable of generating wealth, appears unable to bridge the gap between the rich and the poor. On the contrary, we can see a new reality emerging, a reality with far-reaching implications: the extinction of the middle-class. It must be recognized that this system did not prevent major inequalities around the world. Nevertheless, the great success of capitalism in the Western world is probably due to a combination of the following elements: democracy, the rule of law and liberalism. But this is not found in most southern states.

Do you remember, for example, how easy it was for the military to flout democracy in Haiti and how long it took the international community to impose its views and return President Aristide to power? During these three years, the rich in Haiti got richer by exploiting this tragedy to their advantage with the Western world's silent complicity.

Despite all opposition, the capitalist model is imposed on our southern partners with its now well-known distortions which have tragic results for two thirds of the world population. To alleviate our feelings of guilt, we invented official development

assistance. According to a recent report from the United Nations Development Program or UNDP, rich countries extort from poor countries ten times as much as they give them in assistance.

Yet, industrialized countries keep extolling the benefits of trade globalization. We impose trade regulations through agreements like those from the Uruguay Round, but we say nary a word about the possibility of also imposing a democratic system of government. Universal principles can only apply to trade; when we talk about human rights, we say that it would be wrong for the West to impose its own non-universal principles on the rest of humanity. Out of respect for different cultures, we refuse to impose respect for human rights, but we use our financial power to impose our economic model.

How could I not quote here the words of the French scientist and humanitarian Albert Jacquart: “The law of the market does not exist if one does not believe in it. The price of oil and of coffee is set by a small number of people, on the principle that might makes right. It is cynical to claim that it is the law of the market—Humanity is entering a profound revolution. We must abolish competition and favour exchange. Competition means that the great majority submit to the very few. Competition is poisoning our society.”

How can we think that the peoples of the Third World can benefit from the type of development that is imposed on them if we do not recognize their right to participate fully in the political and economic life of their countries? In many of these countries, the people are kept from any participation in political power. Too often, the OECD countries, including Canada, provide bilateral aid to illegitimate governments that sometimes use this aid to acquire more weapons so as to keep their people in a state of terror.

(1710)

Sometimes big Canadian companies with funds from our official development assistance budget obtain turn-key infrastructure contracts in developing countries that will maintain these countries' dependency by including maintenance contracts as well.

All this leads me to question the correlation between Canada's official development assistance policy and its trade policy for developing countries. What we give with one hand we hasten to take back with the other.

Several organizations involved in international co-operation, including the North-South Institute, notice that Canadian protectionism vis-à-vis developing countries is very costly for the latter, but also for Canadians. For example, restrictions imposed by Canada on textile imports from Bangladesh represent, and I quote: “close to three times the level of our intergovernmental assistance”. The fact is, however, that the

Government Orders

greater part of our assistance to that country is in the form of humanitarian aid. Is this the Canadian government's idea of international co-operation? To help alleviate human suffering, instead of directly going after the causes of that suffering.

Do you not think that this practice goes against the Canadian will to base our assistance programs on the principle of sustainable human development? The United Nations Development Program estimates that barely 10 per cent of Canadian public assistance goes to sustainable human development. Would it not be better for everyone concerned to set in place instruments which would help recipient countries generate their own sustainable and autonomous development?

One solution is multilateral negotiations, which aim to reduce or eliminate the tariff and non-tariff barriers in international trade agreements. The Uruguay Round is a step in that direction and the new agreement is also an improvement over GATT. Countries from the South must be able to export their products to the North in order to benefit from their relative advantages.

Still in the textile industry, it goes without saying that the elimination of the Multi-Fibre Arrangement, which favoured protectionism for industrialized countries is one of the most positive changes for developing countries. The new agreement does, however, provide a long transition period of up to ten years for Canadian industries. With the new rules on textile products, problems such as those affecting Bangladesh, to which I referred earlier, will disappear.

In conclusion, we think that the Uruguay Round Agreement is a step in the right direction for international trade relations. However, it is vital that Canada conduct an in-depth review of its trade practices with developing countries and be a leader in that regard among the international community, so as to ensure a greater degree of reciprocity and social justice at the international level.

[English]

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I welcome this opportunity to speak on this extremely important bill.

As most in this House are aware I have had a longstanding concern over the potential impact of global trade law on domestic policy, especially on domestic policy initiatives relative to agricultural policy.

As a party and as a government we have tried to find a balance. The red book made the following statement with respect to GATT: "Free, fair and open trade is essential to the future of our country. A successful Uruguay round of GATT talks would give Canadian firms the opportunity to invest, create jobs, and develop technologies and products and, most important, to trade".

(1715)

Further commitments were made in the red book relative to agriculture. This statement was made: "Liberals believe that farm families need long term programs to assist them in securing their future so that they can continue to provide Canadians with the best quality food in the world. Canada's agri-food industry needs policies and programs to minimize the impact of market price fluctuations".

Just recently I had the opportunity to speak to a group in Prince Edward Island on community economic development from a global perspective. In my research for that presentation I did some investigation and some important points have been made about the reality of the current globalization pressures.

A recent article in *Policy Options* pointed out that globalization requires a new perspective on the nation state: "The way domestic and international policy is developed and debated seems to be changing. In the past the policy process was guided by the national interest. With increased globalization however the national interest must be redefined and balanced against transnational interests". That tells of the pressure domestic governments are under when facing increased globalization and from an economic view the almost global governments with the agreements we are talking about today.

In essence there are two sets of global forces active internationally and it is important to understand them. The first is the international trade and banking forces that refer to the free circulation of goods, services and capital. The second is that of new social movements, international environmental groups and human rights organizations. I have had the opportunity in a previous capacity of being involved extensively with agricultural organizations meeting internationally to come to grips globally with some of the problems of primary producers.

In spite of the fact that the two forces I mentioned are for most part confronting one another, they both share one common purpose: They transcend national boundaries in terms of influence, and the promotion of these interests often involves the reduction of national sovereignty.

There would appear to be a certain degree of inevitability attached to the movement toward greater globalization. The Canadian experience has long placed an emphasis upon the notion that greater good resides beyond local needs.

There is another quote from *Policy Options* that is important for us to recognize as it relates directly to Canada: "As the Canadian experience suggests, when the promotion of transnational interests conflicts with measures aimed at protecting local interests, the former incline toward the elimination of those measures in order to promote greater overall equality of efficiency".

Government Orders

In terms of meeting the challenge of increased globalization which these trade agreements lead to, Canada must begin to clearly define what our national interests are. During the last year we have had a lot of discussion on the results of the negotiations and their impact on this country, both positive and negative. We are a trading nation and I support strong export trade initiatives. I also support strong domestic policy initiatives within the country and I do have a concern about the impact on sovereignty within the country.

The benefits of this deal will and have been emphasized. The problem is with the sectors which will be adversely affected and the response to those difficulties. We should not rush this legislation through until we know exactly where the United States stands. The government should not commit itself to passing this legislation until the United States has passed its legislation at the very least. I was pleased to note that the minister made that point.

(1720)

Key to the intent of the GATT agreement reached in Marrakech is again what happens south of the 49th parallel in the United States. Let me turn for a moment to the points the minister made. As the Minister for International Trade stated in part in his opening remarks, this law we are debating today amends our laws in accordance with the agreement established in Marrakech.

In Marrakech the Minister for International Trade stated: "More important, our success confirms the conviction of the drafters of the Punta del Este declaration that nations could rise above their narrow parochial interests to create a trading system accessible and beneficial to all trading partners". I underline all trading partners. The minister said: "Canada is a country heavily dependent on trade. We are and will remain committed to developing a strong international trading system. The GATT has been the cornerstone of our trade policy".

We have to recognize that in the United States there is strong pressure on Congress and the U.S. Senate to somewhat change the intent of the Marrakech agreement. Just to indicate the kind of pressure that is being put on the American administration, I have a paper from the United States Business and Industrial Council in Washington dated 1994 which gives its views on the World Trade Organization and how it is applying pressure on the U.S. not to abide by the agreement based on its original intent.

I will read the conclusion of the paper: "The only way that international bodies such as the World Trade Organization gain strength is to take power from their member countries. This is precisely what the World Trade Organization does. The WTO is a stealthlike power grab by international bureaucrats of unprecedented proportions. It diminishes U.S. sovereignty. It shifts control to a world trade system from developed nations to small and underdeveloped countries. Most significant, it creates an

international autocracy that overlays United States democratic institutions". I point that out to indicate the kind of pressure the United States is under.

My concern about the United States implementing legislation is very real. As I said earlier I was extremely pleased to hear that the Minister for International Trade will not push this legislation through until we know exactly where the United States stands. The U.S. Congress will sit in a special session from November 29 until December 1 to consider and vote on implementing legislation for the World Trade Organization. I am concerned whether or not the U.S. abide by the agreement.

Let me turn for a moment to what the Senate bill and the House of Representatives bill in terms of implementing legislation states. Under the U.S. implementing legislation, section 102(a)(1) states: "United States law to prevail in conflict. No provision of any of the Uruguay round agreements nor the application of any such provision to any person or circumstance that is inconsistent with any law of the United States shall have effect".

(1725)

As well, the United States statement of administrative action released by the U.S. trade representative's office provides the following interpretation of the provisions contained in section 102(a): "Section 102(a)(1) clarifies that no provision of a Uruguay round agreement will be given effect under domestic law if it is inconsistent with federal law, including provisions of federal law enacted or amended by the bill".

United States trade representative Mickey Kantor in an October 21, 1994 interview stated the following with respect to U.S. sovereignty and the World Trade Organization. Keep in mind this was only days ago. He said: "Our sovereignty is more protected under this new agreement than it has been in the 47 years of the old GATT. Section 102 of the implementing legislation is clear that when there is any conflict between either the Uruguay round agreement or any regulation thereunder and U.S. law, the U.S. law applies in every case". If the U.S. follows through with that kind of law it will be unacceptable to us. We have to be very, very clear on that point.

I believe section 122 was mentioned by a previous speaker. I will leave that for the moment. It is on the record but I do have serious concerns with section 122 of the United States implementing legislation as well.

There is very strong reason to be concerned. One of the problems for us in Canada especially in the agricultural sector has been the trading practices of our neighbours south of the border. They have continually used the export enhancement program to cause problems for Canada in terms of our export relationships. They have certainly driven prices down worldwide which has made it necessary for us to subsidize grain producers in Canada much higher than we would have normally done. They have certainly caused difficulty for the Canadian

Government Orders

Wheat Board in terms of the wheat board maximizing what is in the international marketplace.

It is important to understand where the Americans are coming from in the future use of their export enhancement program. According to the U.S. statement of administrative action which accompanied the implementing legislation I talked about, the EEP will be extended under the provisions of the legislation through to the year 2001 while removing the requirement in U.S. law that the EEP be used only to discourage unfair trade practices.

The statement of administrative action indicated that: "Combating subsidized competition in third world trade organization member markets will remain a priority for the U.S. for two reasons: First, the European Community, the EU, has higher export subsidy ceilings than does the United States. Second, the agreement on agriculture requires further multilateral negotiations on trade distorting subsidies and import protection in five years. The use of U.S. subsidies in the interim should help induce the European Community and others to agree on further reductions in those negotiations". If that is the intent of the United States administration then it is in fact advocating the violation of the GATT agreement we signed in Marrakech. We cannot allow that to happen.

During a speech to the Canadian Club in Regina on September 9 and before the standing committee on agriculture on September 29, our minister of agriculture described the export enhancement program as the "worst trade distorting policy on the face of the earth". I believe the minister called the export enhancement program and the trade practices of our neighbours to the south for what they are, the worst trade distorting policy on the face of the earth.

(1730)

We have to be absolutely sure that the U.S. is going to abide by the agreement it signed in Marrakech and not compromise our internal domestic policy any further, or put us in a difficult position in future negotiations until the U.S. has committed itself to the intent of the agreement by legislation in the United States Congress and Senate.

We have accepted that there will be important gains in other areas as a result of the negotiations and this legislation. I believe we have an obligation as well to indicate to the Canadian public those areas where there may be difficulties and an obligation to assist them.

Under the Access to Information Act I have acquired a document entitled "Impact of the GATT Agreement on Canadian Agriculture and Agri-Food". According to the executive summary of that report, farm and agri-business sectors in

western Canada will benefit in terms of net cash income by between 5 and 15 per cent. However, the same cannot be said for eastern Canada. According to the summary the net gains in farm income for eastern Canada would be relatively small, but at least they are gains.

In provinces where most farm income is derived from supply managed commodities, the largest negative impact would be caused by the new access commitments. The summary went on to state with respect to positive and negative impacts: "Tarification may introduce additional uncertainty in supply managed sectors by allowing for the possibility of occasional downward pressures on domestic prices due to the volatility in world or U.S. market prices".

The main document indicated: "The major concern of the Atlantic provinces in the supply managed area is the viability of the national plans. Seeing themselves as higher cost producers they fear the loss of production rights to other provinces under more liberal quota trading arrangements".

I raise these points to emphasize there are wide ranging implications of which we must be made aware. We have to take the time in discussing this bill to understand the implications and try to find the solutions for those industries that may be negatively affected.

In the United States there is a lot of involvement at the congressional committee level. Should we be allowing the most affected sectors, such as agriculture, to be examined by the standing committee on agriculture as well as the House committee that is going to look at the bill in total?

I would have to ask the minister to consider that question. A lot has to be done beyond this legislation. The Parliamentary Secretary to the Minister of Agriculture and Agri-Food is examining supply management and the implications of the GATT agreement on that industry, with a view to enhancing the interests of commodities affected by the agreement. That is a very important exercise.

Through it all we do not want any surprises from south of the border. That is my most important point. We expect the United States to abide by the intent of the agreement and to do so in legislation. That includes the tariffs that have been brought in to replace import controls relative to the supply management industry.

(1735)

I do not accept the notion that supply management is not an option for the future. I do not believe that we should, because of globalization and international trade agreements, always find ourselves in the position of adapting and adjusting.

Government Orders

As a farm leader I have had the opportunity to meet with other farmer leaders around the world. Farmers around the world are demanding systems like supply management in their countries. We have to challenge future negotiations for trade agreements to give countries that opportunity in the future so that they may bring those into place.

One of my concerns, as the minister knows, has been that we have to be careful that this agreement does not become a model based on trade in economic terms regardless of the consequences for people, land base, the resource or the environment, trade in which the powerful dominate and capital dictates and the rights of individuals become subservient.

I point out that concern to put it on the record. Having said that, I accept the judgment of the minister relative to this bill and believe that if we can be assured that other countries are going to abide by the intent of this agreement it will improve and move us toward fairer trade practices and a level playing field.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I listened with great interest to my colleague from Malpeque. I know that the hon. member, although he did not mention it explicitly in his presentation, has wide and long standing experience in the agriculture industry.

I wonder if the member would comment on something that has been troubling me about GATT, based on our experience with the softwood lumber industry and grain, and the problems we have had with the United States. It seems to me that a deal is not a deal unless it is to the Americans' advantage, period, pure and simple. Even when we have a signed deal it is only signed and there are always 100 reasons why it is not accurate unless it is to the Americans' advantage. That is not necessarily bad because they are looking after their own interest.

How will our supply managed sectors compete internationally if they cannot compete internally, domestically? We still have not broken down the trade barriers within Canada. If we have learned nothing with free trade we should have learned as a nation that we had better make sure we have all our barrels loaded because we are going to need them when we get into a trade war.

How are we going to compete internationally with our supply managed sector if we cannot compete freely domestically? We have high interest rates and a very high tax rate in Canada vis-à-vis our major trading competitors because of 30 years of government overspending and the deficit. Our interest rates are considerably higher than those of our American neighbours with whom we are competing.

How will we compete internationally with our major trading partner if we are at a disadvantage because of the dollar, because of interest rates, because of our debt, because of our chronic overspending at all levels of government and particularly, what is going to happen to the supply managed industries going into a competitive situation?

The Deputy Speaker: The hon. member for Malpeque might wish he had a good deal of time to respond but he has about five minutes.

Mr. Easter: Mr. Speaker, I appreciate the question.

No doubt the supply management industry is affected somewhat by the agreement. Regarding the point on efficiency and can we compete, we have to understand that there is the misconception that every producer is guaranteed their cost of production. That is not correct. The supply management industry has become the efficient industry it is because the formula that we operate under is based on the most efficient producers in the industry. Always some at the bottom end are losing money and some at the top end are making profits.

(1740)

Our industry, because of the security of the supply management system, has developed some of the best genetic breeding stock in the world. Knowing they would get a return on the sale of their product, our producers were willing to invest in the industry, in the breeding stock and expand their herds.

I personally believe that when you look at the supply management industry, what you find is someone making the best use of his or her resources. I know what is held up as comparison is what is happening south of the border. They are not making good use of resources down there.

People within the dairy industry are going under, rural communities are in havoc, dairy plants are closing. They are moving to artificial hormones to increase their milk production in order to survive. In the U.S. it is a game of survival while we have made good economic growth here.

On the member's other point I believe that the level of our dollar is a trade advantage when it comes to export sales. The member talked about the dollar and interest rates but I believe the systems that we have in place are great advantages to business.

The unemployment insurance system I believe assists businesses as well as labour. The level of the dollar at the moment helps the trade relationship. The government is involved in research and development which we should be involved in more than we are already. Industry gains substantially as a result of government involvement.

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, I have to mention right at the beginning of my speech that Bill C-57 is a very lengthy piece of legislation. There are over 140 pages of text. I am correct in saying that the bill affects about 31 other federal pieces of legislation. It makes changes to make it compatible with those.

Earlier this month I introduced a private member's bill to the House. It was a bill designed to ensure that all legislation should be written in plain language. If ever there was a case of the need

Government Orders

for plain language, it is in the 146 pages of this bill. The reason for saying that particularly is that a very large number of Canadians will want to study this bill.

It covers an area of commerce that is of great interest to the average Canadian and they will want to read it either directly or indirectly through the organizations to which they belong.

Many different interpretations are going to result from this scrutiny of the bill. While plain language would have a tendency to lengthen some bills it would be helpful in this information age if the material that we discuss here was easily understood by the average person who is reading it.

There has not been a lot of time to study this bill since it was introduced just yesterday and because its complexity requires a fair amount of study, we are going to have to do it section by section. At this stage we really just have a bit of an overview of the whole bill.

Reformers are believers in more open and less restrictive trade practices so at first glance there appears to be fairly good reasons to support the bill. Its title is an act to implement the agreement establishing the World Trade Organization.

Canada was a signatory to the Uruguay round agreements of the General Agreement on Tariffs and Trade, otherwise known as GATT, which was completed in April of this year.

Bill C-57 authorizes Canada's participation. When I began to read through the bill, I discovered at a very early stage, in fact on page 4, clause 7: "For greater certainty, nothing in this act or agreement, except the Canadian schedule to the General Agreement of Tariffs and Trade 1994 set out in annex 1A to the agreement, applies to water". That is the key.

(1745)

The content of Annex 1A along with the definition of water in clause 7 seems, certainly at first glance with the limited time that we have had to study it, to deal very effectively with a Reform concern that Canada's sovereignty over its water must be protected.

Having control over our water is of great importance to voters in B.C., and so it is a great relief to be able to report to my constituents that it looks like there will not be a problem with that aspect of the bill.

Another area of concern expressed by B.C. voters related to previous trade deals is the way in which subsidies are interpreted by foreign governments. The B.C. wood industry has had more than its fair share of challenges from the U.S.A. over what is and is not a subsidy. There has been clarification in this agreement as to what constitutes a subsidy for the purposes of the GATT agreement and this new definition should limit the ability of the United States to unilaterally define a subsidy for the purpose of countervail—good news, as I said earlier, for the wood industry in B.C.

The subsidy definition seems to make it clear that non-trade distorting government assistance programs, such as social programs and general labour adjustment programs, cannot be exposed to countervailing actions. Reform would like to see the end to subsidies to special interest groups and also to business. It is important that our Canadian social programs are not unilaterally interpreted as subsidies by other countries.

Now that I have dealt with the general areas of concern that are brought to my attention whenever constituents are talking to me about trade agreements, I would like to summarize some of the items that specifically affect B.C. in this agreement.

Based on my study of the available material, it appears that tariffs and non-tariff barriers on wood, plywood and other wood products will be reduced by an average of about 50 per cent over five years. Tariff and non-tariff barriers to paper and paper products will be phased out over 10 years in participating industrialized countries. This should mean improved market opportunities for B.C. paper and wood products in Japan, in Korea and other far eastern countries, as well as in South America.

The agriculture and food processing industries, processed fish products, non-ferrous and fabricated metals, pharmaceuticals, chemicals, plastics, medical and scientific equipment, will all experience reductions and/or elimination of tariffs and non-tariff barriers.

For a trading province like B.C. which has developed a much more diversified export sector than is found elsewhere in Canada, all of these tariff reductions have the potential to foster greatly increased export opportunities.

I do not think I am quite ready to cross the House and join the Liberals yet but provided they do not vote against their own bill it looks like they are making progress in understanding that government needs to get out of the way of free enterprise. I think that most industries in B.C. will be fairly happy with what this bill proposes.

There is, however, one set of provisions in the bill which will make B.C. consumers unhappy. They will not like to see that the mainly Ontario and Quebec dairy and poultry industry is going to be protected against having to compete by tariffs of up to 351 per cent; no relief for consumers and very little incentive for the protected industries to become competitive or to face the reality and start producing for other growing markets and to realize that they are now competing on a world stage.

My constituents would like to know why farmers should be treated any differently than any other business. I know that will upset my colleague on the opposite side of the House who was just speaking, but certainly in the business sector where I am from if products changed, if the competition changed, we had to adapt and make those changes with the reality of the times. As my colleague says, they usually get upset about reality.

Private Members' Business

As I have mentioned in previous speeches, when New Zealand farmers lost their government subsidies—and that was virtually overnight, it was not over a 10 or 20 year span—after the debt crisis they had to adapt very quickly. They simply stopped producing things that were being subsidized by the government and started to produce the things that the market was calling for. New Zealand farmers now farm deer and exotic creatures like llamas and ostriches which have a world market. They grow specialty vegetables and they look for little market niches like specialty wheats that go to make specialty pastas and they have really adapted very well to that change in their market reality.

Unfortunately these 351 per cent tariff barriers will not encourage Quebec and Ontario farmers to look for new markets in this open competitive marketplace. It is a sad fact that Canadians in border towns like the Vancouver area will continue to cross the border to buy their groceries, their eggs, their butter, their cheese and milk in border towns in the United States. The problem is they do not just buy those farm products, they buy a whole host of other products while they are there and that is a major disadvantage to the retailers who are in areas like Vancouver. I am sure that it happens also in Ontario in towns close to the border.

Apart from that the new GATT looks pretty good. I certainly hope there are not too many nasty surprises lurking in those 146 pages but if there are I am certain that Reformers will dig them out and rattle a few cages about them.

In the meantime I look forward to hearing from and studying the speeches in the House and hearing what other members have to say about Bill C-57.

The Deputy Speaker: It being 5.50 p.m., the House will now proceed to the consideration of Private Members' Business as listed in today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

INCOME TAX ACT

Mrs. Christiane Gagnon (Québec, BQ) moved that Bill C-238, an act to amend the Income Tax Act (child support payments), be read the second time and referred to a committee.

She said: Mr. Speaker, I welcome this opportunity today to debate an issue that affects, statistically speaking, the majority of the Canadian population. I am talking about child support taxation. This problem deserves sustained attention and requires

a solution forthwith. That is why I tabled in this House the bill now before us.

I must admit that I am sorry this bill could not be selected as a votable item because a Supreme Court decision is pending on the subject of the bill. No doubt it would have been better had the government instead of appealing Mrs. Thibodeau's case before this court, quickly amended the existing provisions that penalize a great many women and children. It seems to me that this is no time to blow hot and cold but to act, which this government refuses to do.

Bill C-238 is entitled "an act to amend the Income Tax Act (child support payments)". As its name indicates, the purpose of this bill is to amend the Income Tax Act to eliminate the unfair and discriminatory basis for deducting child support payments.

The legislation on which the present system is based was passed in 1942. The government argued at the time that, since the persons in receipt of the payments generally did not have an income, the tax deduction was increasing the amounts available to the paying parent, and therefore the entire family stood to benefit from the deduction. Of course the recipients were women who did not work outside their homes.

Then, gradually, this deduction came to be explained by saying that it was actually encouraging fathers to pay support. As soon as women started re-integrating the labour force, they realized that this system was penalizing them. So, as early as 1977, the Canadian Advisory Council on the Status of Women asked that the legislation be changed along the lines of what we are proposing today.

This deduction system is obsolete and unfair for several reasons. First of all, it is unfair because it fabricates an exception to the concept of income, as defined in Section 3 of the Income Tax Act, whereas alimony should not be considered as income. The latter is defined as the income derived from each office, employment, business or property. We can see clearly from this definition that child support does not constitute an income, as it is not a source of new wealth for the taxpayer.

(1755)

The definition of income was their contorted in order to tax support payments.

Second, this system is unjustified because it is based on the premise that family law, which sets the amount of support, balances the tax burden imposed by the Income Tax Act, which is not true. It failed utterly to correct the unfairness created by Section 56(1)(b).

In an article entitled "Thibodeau v. the Queen: Constitutional Challenge to the Taxation of Child Support Payments" published in August 1994, Ellen B. Zweibel offers an in-depth analysis of the problem. This University of Ottawa law pro-

fessor attributes the failure of family law to correct the imbalance to two main elements.

First, the parent with custody may not have enough negotiating power to achieve the goal set. She notes that any attorney practising family law knows that in divorce proceedings the solution to financial problems may be affected by the emotional state of the parties and by non-financial considerations such as threats regarding custody of the children. Women are often urged to overlook financial benefits to avoid custody fights.

She then reports that in many cases of separation or divorce where an agreement was reached, the spouses are not represented by separate fiscal advisors. Fiscal aspects are handled in a routine way and not taken seriously enough. I want to add that the organizations I consulted agreed with her findings. They even quoted a distinguished professor of family law who reached the same conclusion.

The Federal Court of Appeal concluded that the family law system was not designed to, and does not, correct the inequities created by the deduction-inclusion system. If this imbalance is not corrected, all the Income Tax Act does is shift the non-custodial parent's tax burden to the custodial parent. Custodial parents pay taxes on amounts which would not be taxed if collected by other people, first, because they do not fit the definition of income in Section 3 and, second, because it is money paid to fulfil someone else's personal obligations.

Another element to consider is that, in reality, the amount of support is rarely adjusted adequately to avoid penalizing the mother. Furthermore, it is often completely overlooked in the negotiation context specific to separation agreements.

As I said at the beginning of my speech, the government's main justification for the inclusion/deduction system was that it encouraged higher payments. This philosophy is based on the concept of income transfer. Since the taxable income is transferable from the father, who presumably is in a higher tax bracket, to the mother, who presumably is in a lower tax bracket, it is expected that the tax savings will lead to higher payments. Nevertheless, these expectations are based on another assumption, which the two factors mentioned in the research report of the federal-provincial-territorial committee on family law, published in August 1992, highlight.

These two factors can be summarized thus. First, it is supposed that the non-custodial parent will use the tax reduction to raise the payments in order to cover the tax loss incurred by the mother. Without this increase, all the tax system does is transfer the tax burden from the non-custodial parent to the custodial parent. Second, it is assumed that all the additional savings will be shared between the two parents. Without this factor, all the

Private Members' Business

tax system does is give the non-custodial parent an advantage, with no more money made available for the child.

In the Thibodeau decision, the Court of Appeal invoked two reasons for rejecting the evidence presented by the government to justify the present system. First, the government's analysis showed that instead of giving parents more financial resources, between 29 and 37 per cent of them suffer a tax disadvantage under the present system.

(1800)

Second, even if the parents benefited from the system, there was no guarantee that the tax savings would be passed on to the children, for whom this policy was established. It was even concluded that the evidence showed it was not the case.

Finally, the system is even more unjustified since it has been shown that the rate of non-payment has remained very high, despite the income tax deduction. The inclusion/deduction regime is therefore totally unjustified.

Mr. Justice Hugessen, writing for the majority, clearly said that far from being a measured and balanced solution to a given problem, the inclusion/deduction system frequently fails to give any benefit at all to those whom it is allegedly designed to assist; in fact, it benefits those who do not need assistance and contains no control or corrective mechanisms designed to remedy the problem.

I also wish to make a point that is seldom mentioned. Although the inclusion provision was adopted along with the deduction provision, and although they contain parallel definitions of support payments, the two sections are not reciprocal. In fact, the recipient must count the payments received as income, whether or not the payer claims the deduction. That distinction is not very well known. Sometimes, even judges and lawyers are not aware of it and assume that the parties can choose to opt out of that inclusion-deduction system.

At first glance, that distinction may seem purely academic. However, there are a number of precedents where the judge made the father promise not to claim the tax deduction, in exchange for maintaining support payments at the same level. The direct consequence of such an arrangement is that the mother receives a smaller amount while still having to include it in her income, since this is what the law provides.

The only one not losing in this scheme is the parent who does not have custody of the child. The system is discriminatory in that respect. We can already see the importance of streamlining those tax provisions which relate to the family. The system is also discriminatory for a large number of women with a low income.

Two judgments, *Schaff vs. the Queen* and *Bell vs. the Queen*, clearly show the circumstances under which the alimony being paid does not reflect the increase of the tax burden for the parent

Private Members' Business

who has custody. This occurs when that parent tries to improve the economic situation of his or her family and attempts to leave the welfare rolls by entering the workforce. That effort is thwarted by a corresponding reduction in the actual amount of the support paid.

The deduction-inclusion system will generate no tax benefit, and only the parent who does not have custody will benefit from the deduction.

Clause 56(1)*b* is discriminatory in that it requires the custodial parent to pay tax on the personal obligation of the other parent to provide child support. According to the family law, both parents must contribute to the costs of educating their children. Parents who are separated must each make their own contribution. They pay tax on the income used to fulfill their own personal obligations.

The payments made by the parent who does not have custody are therefore his or her contribution to support a child, as prescribed in the family law. Those payments are calculated so that the parent pays for part of the costs related to the child. Such payments are not intended to give more money to the custodial parent to buy luxuries or personal things for himself or herself. It can therefore be concluded that alimony payments are a form of repayment to the custodial parent for the money already advanced by that parent to support a child.

This whole debate may seem somewhat technical, but it deals with concrete problems affecting a large number of Canadian and Quebec families. The system is also discriminatory in that it does not recognize that the custodial parent is more vulnerable from an economic point of view, that he or she usually experiences a major drop in his or her standard of living, and that he or she has to support the long-term socio-economic consequences related to having custody of the children. Indeed, the custodial parent has to absorb a major increase in the direct and indirect economic burden, as well as more limited job opportunities due to the presence of the children.

For example, the custodial parent has restrictions linked to type of employment, hours of work, business travel, location, daycare, proximity to schools, etc. I should add that the custodial parent is often the mother.

(1805)

The Supreme Court is well ahead of the government and politicians. It has already recognized in *Mogue v. the Queen* that custodial parents are systematically living in conditions that are economically unfavourable and directly related to women's role as mothers. For these reasons, custodial mothers experience a situation different from that of fathers, which is in itself discriminatory.

I could continue with a longer list of reasons why the inclusion/deduction system is discriminatory and should be rejected by Parliament immediately. And I have not yet even touched on the actual deduction principle. However, for now, I will have to conclude my remarks.

Before closing, I would like to remind this House of the importance of taking action. I would also like to remind this House that women and the organizations representing them are calling for the abolition of these legislative provisions. And I would like to remind this House and this government that it is women who experience the negative consequences of this policy and that it is therefore women who are in the best position to decide what measures would help them and their families to improve their situation so that one day the economic balance between men and women will be restored in so far as possible and child poverty will cease to plague us.

This government must act. It must abolish the existing system and re-examine all aspects of family taxation. One does not exclude the other.

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, may I first congratulate the hon. member for Quebec for her initiative in putting this private member's bill before the House.

Bill C-238 is motivated clearly by the hon. member's genuine and laudable desire to achieve a greater equity in the tax system, particularly for women but in any event for the benefit of children.

The private member's bill which is now before the House is much like the bill which was presented earlier this year through the initiative of my colleague, the hon. member for Nepean, who invited us to consider this very issue in about May of this year.

I do not intend to support Bill C-238. I urge my colleagues in the House not to support it. Because of my respect for the hon. member's commitment and her objectives I would like to set out my reasons for not supporting the bill.

I make the following points very briefly. First, the government recognizes that we must have changes in the regime for child support generally in Canada, including the taxation of child support.

We are facing a situation which is intolerable. There are one million children living in poverty in this country with the demonstrable fact that after marriage breakup, when there are children involved and the woman becomes the custodial parent, the standard of living for such women typically decreases while the standard of living for the male parent goes up. In addition, there are support orders outstanding which for the most part are

not complied with. The result is single parents and children live in circumstances which we should not permit.

The second factor at work is that the stage has now been set for constructive change. We have had the work during the past few years of the federal-provincial-territorial task force with respect to child support. We have had the decision of the Federal Court of Appeal on Thibaudeau, which is now in the Supreme Court of Canada, which puts into sharp focus some of the issues in respect of the taxation aspect of the matter.

We have had the benefit of the work of my colleague, the hon. Secretary of State for the Status of Women, who spent much of the summer with two other colleagues in caucus touring the country, listening to Canadians, women and men, with respect to their own experience in the tax system as it affects child support. We had the social program review of which my colleague, the Minister of Human Resources Development, is the proprietor, looking at the whole of social programs, including ways to overcome child poverty. The stage has been set for action.

(1810)

May I respectfully contend that the action we take should be comprehensive and co-ordinated. Therein lies my opposition to the hon. member's private bill, which is to say that it deals with only one aspect of this matter.

The action we take must be comprehensive. It must deal with the amounts that are established for child support. It must deal with the taxation of those amounts and it must deal as well with the enforcement of orders and agreements for the payment of child support.

In the few moments available to me this evening may I outline very briefly the work which is now under way in government to reassure the hon. member that the points she makes in her speech are well taken and are taken to heart.

First, we are looking at the establishment by statute of formulae or amounts that can be used by courts or others in determining the quantum of child support in any given relationship, having regard to the income of the parties. We would hope such an approach would overcome the anguish, expense and delay of litigation by which a court in the adversarial system determines such amounts.

Second, we are considering options for the taxation of child support. There are a few that have been identified in studies done over the years. The hon. member suggests that deduction and inclusion be abolished as an approach; but there are those who contend that an approach that preserves and improves deduction and inclusion would result in getting the most dollars into the hands of the person taking responsibility for the children.

Private Members' Business

There are issues here we should look at very carefully. For example, if one were to keep deduction and inclusion, coupling it with a process that would establish reasonable amounts through statutory formulae, geared to average expenditures for child care on reliable statistics, if one were to make the deduction contingent upon the non-custodial parent making the payments periodically as required by an order or an agreement, if one were to make the deduction contingent upon the non-custodial parent remitting the amounts due for tax directly to the Department of National Revenue on a quarterly basis on behalf of the recipient, then it seems to me that deduction and inclusion as a process deserves to be considered on its merits as the way, as I have mentioned, of getting the most dollars possible into the hands of the children.

That of course would also have to take into account the disparity which would accrue between those parents who have equivalent incomes or where the recipient custodial parent had a higher income than the paying non-custodial parent. An adjustment would have to be taken into account. I concede that. It is not an easy matter.

I am not suggesting that any decision has been made with respect to this issue. If I may, I am just identifying some of the complexity of it and also the comprehensiveness of it as the government sees its obligation to act.

The last aspect of this matter has to do with the enforcement of court orders for child support or agreements for child support. It seems to me that requires a national and integrated strategy where the federal government works with the provinces to take meaningful action to ensure that those who are obligated to pay indeed comply with their obligations.

In my respectful view, Bill C-238 deals with only a small part of that entire matter. In explaining to the House and to the hon. member why I am not able to support it, may I emphasize that in my view it anticipates the work now being done and it forecloses options that we may wish to leave open until we finish the work in its entirety, until the government has an opportunity to bring a comprehensive bill before the House.

I am engaged at work presently with my colleagues, the Minister of Finance, the Minister of National Revenue, the Minister of Human Resources Development and the Secretary of State for the Status of Women on this very subject. I assure the hon. member and the House that for all of us it is a matter of priority and we will introduce change at the earliest possible date.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, I rise today to oppose private member's Bill C-238. The Reform Party believes that the care of children is the domain of families and that parents must have full responsibility in Canadian society to nurture, provide for and rear our children. Government must uphold the authority and responsibilities of parents as exclusive

Private Members' Business

in the area of child rearing. The only acceptable direct role for government as an intervener is to protect children in cases of abuse or neglect.

(1815)

The Reform Party also believes in fair taxation and the elimination of discrimination against the family. We therefore urge the federal government to amend the tax system so that it establishes equitable provisions for all Canadians regardless of their marital status.

Private member's Bill C-238 fails to do this and therefore we cannot support it. Bill C-238 proposes to amend the Income Tax Act so that the child support payments are not deductible from the taxable income of the person making the payments and are not taxable income for the recipient.

I fully support this aspect of the bill because it provides equity in income tax between married and divorced families. However I do not support that the changes made to the Income Tax Act would only apply to custodial and non-custodial parents entering into separation agreements after 1993 as the bill clearly stipulates.

This provision of the bill creates an inequitable tax situation between families separated prior to 1993 and those separated after 1993. As well it does not address the tax inequity that currently exists between married couples and separated couples.

I do not receive a taxable benefit for fulfilling my parental responsibilities. I do not know of any married person who was given a financial incentive such as a tax deduction for providing for their children. Why should divorced, non-custodial parents be given, as currently stipulated under the Income Tax Act, a tax break that married parents do not enjoy. Married or not, are we not all responsible to provide for our children?

Clearly the federal government via the Income Tax Act has created a tax inequity between married and divorced parents. This is discriminatory toward parents who remain married. Therefore, regardless of the pending Supreme Court decision in the Thibaudeau case, I fully support amending the Income Tax Act so that child support payments are not deductible from the taxable income of the person making the payments and are not taxable income for the recipient. I only support such a measure if it applies to past, present and future divorce agreements.

The government currently receives an estimated \$330 million a year in taxes on child support payments from custodial parents. They forgo about \$660 million a year in tax write-offs for non-custodial parents. Amending the Income Tax Act would save the government \$330 million. This money could be used to directly assist those children living in poverty because of defaulting parents. This would be in keeping with Reform's

policy on directing assistance where most needed rather than applying it universally.

I recognize there will be opposition to changing the Income Tax Act. Many people still believe that the tax deduction encourages non-custodial parents to pay. However this argument has been discredited by numerous studies. A brief presented to a House of Commons legislative committee on amending the Divorce Act pointed out:

The myth that an income tax deduction is an incentive to payers to pay support has been laid to rest with the knowledge that 85 per cent of payers prefer not to pay rather than avail themselves of the tax advantage.

As well the Institute of Law Research and Reform in Alberta found that 80 per cent of separated and divorced spouses had a disposable income sufficient to discharge their spousal and child support obligations.

I am not denying that a problem exists. Many non-custodial parents are delinquent in paying support and their children are suffering for it. However this situation cannot be addressed through the tax system. Better enforcement of court orders is the answer.

Since 1985 most provincial legislatures have taken significant steps to create state operated enforcement systems for family support because of the serious problem of non-payment of support orders across the country.

In March 1992, Ontario passed a family support plan act. Since then all support orders must contain provisions requiring a portion of the debtor's income to be diverted at source. As of today Nova Scotians who are delinquent in making their support payments will have their drivers licences suspended. Better enforcement may assist in getting the money to where it is needed, but it does not address the many inadequacies of the current laws regarding child support payments or regulating child support payments.

Child support payments are set at the discretion of the judge and they are often described as inadequate, arbitrary and inconsistent. As well, since the payments are set by the courts and can only be changed by the courts if the non-custodial parent's income increases or decreases, it is not necessarily reflected in the support payment.

(1820)

Studies show that the income of the non-custodial parent, in most cases the father, increases while the income of the custodial parent, the mother, remains the same. Therefore, while the father enjoys a progressively higher standard of living, his children do not.

Section 15(8) of the Divorce Act sets out two objectives for child support orders. It recognizes that the spouses have a joint financial obligation to maintain the child and apportion that

Private Members' Business

obligation between the spouses according to their relevant abilities to pay.

The judges try to set support payments at a level that ensures the children of divorce are provided with a standard of living equivalent to the standard they would have enjoyed had the parents not separated. These objectives are not being met under the current system.

To rectify the situation and to alleviate some of the poverty Canadian children are living in, I propose today that the Income Tax Act be amended in conjunction with changes to the Divorce Act. The Divorce Act should be amended to include compulsory guidelines for establishing support payments. Based on the number of children, a set percentage of the non-custodial parent's income would be collected at source. As the payer's income increases the support payment would automatically increase, truly reflecting their ability to pay. This would address the current inadequacies and inconsistencies found in support payments. It would reduce the time and cost associated with seeking court settlements.

I know this measure would not erase some of the financial losses and emotional stresses associated with marital breakdown. I also know that it would not address situations where the non-custodial parent cannot pay due to loss of income. Therefore I urge the federal government to move quickly in reallocating the funds misused by the Children's Bureau.

This bureaucratic creation of the Mulroney government has a budget of \$100 million. Although some of its budget is acceptably allocated, a good portion of it is wasted on ad campaigns, databanks, glossy magazines, seminars and consultations while none of it goes directly into programs that assist those children most in need.

Under this bureau \$29,000 was used to produce an overview for a code of ethics for children witnesses; \$535,000 was given to the *Canadian Living* magazine for the production of the "For the Love of Kids" publication; and \$40,000 was given to the YMCA for consultations on the strategies for eliminating corporal punishment of children. The list goes on and on.

Hungry and starving children do not need seminars and consultations. They need food and clothing. Children going to school without adequate clothing do not care about codes of ethics. They care about hats and mittens that help keep them warm.

The Children's Bureau is a prime example of how the federal government wastes money studying the problem rather than doing something about it. I submit that wasteful spending, high taxes, tax inequities, discrimination against families and reducing the responsibility of Canadian parents are the causes of child poverty in the country. Until the federal government understands this and does something about it, the situation will not change.

I conclude by urging the government to amend the Divorce Act to address the problem of defaulting parents, to amend the Income Tax Act to end the discrimination and the tax inequities that exist between married and divorced families, and to tailor social programs to meet the needs of Canadians, not the philosophy of the Liberal government.

[*Translation*]

Mr. Benoît Tremblay (Rosemont, BQ): Mr. Speaker, I want to thank and commend my colleague, the hon. member from Quebec City, for introducing this bill and for defending it so well in her speech earlier this evening. I also want to thank the Minister of Justice for being here to express his position on this bill, and I believe I felt his sincerity and his desire to act.

Basically, the Minister of Justice said: I will be against this bill, but your objective is a good one, and what you propose is necessary and urgently needed, but we need a more comprehensive plan. We need a number of measures that will be adopted simultaneously in order to cover all the problems of families and children. I certainly do not question the good faith and good intentions of the minister. The minister also said that it was clear there was pressure on the government to act, and we just heard from the member of the Reform Party, with whom, to a great extent, we seem to be on the same wave length.

(1825)

Now the government wants to do everything at once, and I want to say to the Minister of Justice that is all very well, but in politics, we must act when the opportunity is there. The problem with all these studies which recommend sweeping reforms is that so many bills have died on the Order Paper because there was an election or the climate had changed or something else came up.

I have the impression that despite all these good intentions, the Minister of Justice is missing a golden opportunity to act now. In fact, I would strongly advise him not to include this issue in the social programs review, which seems to be going nowhere fast. The Minister of Human Resources told us: We are going to act quickly, but as soon as there was the slightest bit of opposition, he said: These measures will take another four years to be implemented. He may think he was elected for 20 years, but he has a mandate, and he must act now. I think that explains the urgency expressed by my colleague from Quebec.

This particular piece of tax legislation was passed in 1942. Obviously, it no longer reflects current realities. At the time, there were very few single parent families, and most women did not work outside the home. I suggest we take a look at families with children in a riding like mine, the riding of Rosemont, which covers two Montreal neighbourhoods that are statistically unique: one is called the "Plateau Mont-Royal" and the other Rosemont "la petite patrie". On the plateau Mont-Royal, more than 47 per cent of families with children are single parent

Private Members' Business

families, and in Rosemont la petite patrie, nearly 39 per cent are single parent families.

Of course, this does not reflect the situation throughout the province and across Canada, but the fact remains that when we consider only families with children, the whole issue of support payments affects, at least in my riding, more than 45 per cent of families with children, and that is also the case across Canada. This means a very large number of people are affected. We are concerned about the children and also about the custodial parents. In my region, in 86 per cent of the cases the custodial parent is a woman, and this percentage probably reflects the national average or may be even higher.

The present system discriminates against the custodial parent who wants to re-enter the labour market. We can quote all kinds of statistics and say: She earns a little less than her husband so she pays less in taxes. However, people should realize this is a disincentive to go back to work.

Basically, what we are suggesting, if we compare this bill to the present system, is that support payments for children are an expense that the non-custodial parent would have had if he had the children in his care, and they should no longer be considered as income for the custodial parent.

Today, we have an increasingly larger percentage of women who are custodial parents and for whom this does not constitute a tax benefit. Some say between 29 and 37 per cent. But there is more to it than that. There is the desire to re-enter the labour market. This week, Statistics Canada published a study on the whole issue of single mothers in which it was made very clear that these women want to re-enter the labour force. As soon as their children are old enough, they go back to work. That is very clear.

Among single mothers, only 36 per cent of those with children under three are on the labour market, as compared to 64 per cent in two-parent families. The proportion reaches 70 per cent when the children are aged between six and 15. So, there is no lack of willingness, but there are barriers to re-entry into the labour force, and I am convinced that the present fiscal policy clearly is one such barrier. It certainly does not facilitate re-entry into the labour force.

There is even more cause for concern for the future when you look at the social program reform.

(1830)

This week, the Minister of Human Resources Development published a supplementary paper on income security for children. Overall, the government's strategy consists in saying:

"From now on, we will provide assistance to those who need it the most, that is to say the poor".

This paper was described in *Le Devoir* as nothing short of an attack on families. Basically, what they are being told, while we know they want to remain in the labour force, is this: "As long as you want to stay poor, we will help".

Clearly, the message that needs to be sent out is that efforts are being made to create the conditions that will allow them to have a work life again. We must not only consider fiscal statistics from the past but also look to the future. We heard, of course, that only 36.5 per cent of single mothers with children under three work outside the home.

The fact is that 70 per cent of them would like to have jobs. They want not only more jobs in the economy but also conditions making it easier for them to return to work. I think this should be a central element because we know that the issues of work, access to the labour market and job security are linked to the question of security for individuals and families, for the children who are there. It is an aspect which, I am convinced, is being overlooked. Nowhere in the paper tabled this week by the Minister of Human Resources Development is this issue of support payments, of single mothers' return to the labour force, addressed.

I think the Minister of Justice should admit that he may not have a perfect bill covering all bases, but that he will act quickly on elements that can be dealt with politically at this time.

On the issue of incentive and compulsory collection, we know that Ontario has compulsory collection. Quebec's new government also announced a commitment to introduce compulsory support payment collection this year. So the tax incentive to pay support will no longer exist in Ontario and Quebec, while other provinces will have to take similar measures.

So the tax issue is not only a matter of incentive. I think we must go back to the issue of accountability and justice, but as much for the children's sake as for that of the single mother, the normal situation is a family headed by someone with a professional life, and that is how we must think of it.

The whole election campaign of the Liberal Party was based on "jobs, jobs, jobs". I think that these bills which are also about justice must be considered not only in the light of today's realities but also in view of the realities we want to see in the future. I think there is an urgent need to end this discrimination.

I wish to thank my colleague from Quebec, who is also the critic on the status of women, for presenting this bill. It is essentially a matter of alerting the government to the urgent need to take action. I repeat to the Minister of Justice that if he can act now, he should do so and not wait because things change

Private Members' Business

quickly in politics; what was possible at 9 a.m. may not always be possible at 6 p.m. Please act now.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, first of all, I would like to congratulate the member for Quebec for presenting this bill, just as I congratulated the member for Nepean who proposed a motion which was adopted by this House.

I would also like to congratulate my colleague, the justice minister. It is the first time in six years, since I have been sitting in this House, that I see a minister speak on a private member's bill.

Some hon. members: Hear, hear.

(1835)

Ms. Catterall: Mr. Speaker, I congratulate him because this is very important. These bills are very important and I find that the minister shows great respect for the process by being here to explain what he is doing to deal with this issue and why he cannot support this bill for the time being.

[*English*]

This is very tempting for me as one small step toward relieving the substantial poverty of women and children in our country. I share some of the concerns expressed by the Minister of Justice. My experience with this issue over the years with women who find themselves in the situation of trying to raise their children on inadequate income after the breakup of a marriage leads me to say that the problem is much bigger than this.

The fundamental problem is that the majority of custodial parents entitled to receive support for their children after the breakup of a marriage do not receive that support. They simply do not receive any of it.

I am told, and it obviously is not working that way, that the current provisions in the income tax have in part the purpose of acting as an incentive for those payments to be made. I believe there are much better ways of dealing with that. Some have been suggested by the Minister of Justice and there may very well be others. Our objective has to be more global than simply to determine on a short term basis who pays the tax and who does not.

The ultimate objective surely is to try to combat the poverty that results when a family breakup occurs, the poverty not only for the custodial parent who is usually the woman, but also for the children. We know that the majority of women who leave a marriage leave a marriage to enter poverty, and that means their children also enter poverty.

That is fundamentally what we want to address. This simple measure alone of changing the taxability of those support payments may erode the amount of money going to the custodial

parent and to the children and may act as a disincentive for making those payments.

Are the support payments adequate? We have more than enough data now to know that support payments being awarded by the courts, even if they were all being paid, are not adequate.

I am pleased that it is the intention of our government to deal with that fundamental issue first and foremost; how we can provide either incentive or coercion when necessary for those payments to be made without the parent who is responsible for raising the children and does not have the income also having to bear the responsibility of pursuing through the courts the payment of that support to which she is entitled.

I have seen over and over again—I doubt there is a member of this House who has not personally seen it—a situation in which there is an obligation to pay support but the non-custodial parent, the parent who is supposed to be paying the support, simply does not. Then the custodial parent is left with the need to go on welfare but is told she cannot have welfare until she takes the person she has just left back into court and starts the whole merry-go-round again. She does not have the resources to do it, she does not have the emotional energy to go through a second divorce or a separation, and yet that is what she is required to do by our social security system.

I want to make clear that it is not the intention of the minister nor of our government to wait until the completion of the review of social programs.

(1840)

In my view social programs are relevant to this issue only in so far as we have failed to deal with the fundamental issue of the parent who has the responsibility for raising, feeding, clothing, housing, looking after the children, getting the support payments that are due and that are the obligation of the other parent to provide.

We see the two issues as separate. There is no intention at all to wait until the review of social programs is completed.

I want to conclude by saying that there have been numerous reports in the last two years pointing to the problem with support payments, the taxability of support payments and other ways the taxation system affects women differentially and the links of those to the poverty of women and children in Canada.

Action was not taken on these reports. While I am one who would like to see the problem solved yesterday, because I know what it means to so many millions in our country, I am pleased that our government is taking this very seriously and is trying to deal with it in a global, comprehensive way that hopefully will ensure that not only in the near future but for the long term women and children in this country will not be negatively affected economically to the extent they are now and driven into poverty simply because the family breaks up.

Private Members' Business

[Translation]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, I am pleased to participate in the debate initiated by my colleague from Quebec City on the tax treatment of support payments. The minister as well as my colleague pointed out that larger issues are at stake and that we must have a more comprehensive approach; that is for sure, but we must also be able to act soon and not necessarily wait any longer.

Of course, we know that there is a case before the Supreme Court, the case of *Thibodeau v. the Queen*, but it is possible to act quickly. The first time I looked at the tax treatment of support payments, from a purely theoretical point of view, I thought that there was some logic behind it, which might appear to be effective. But when we look at reality, things happen which do not correspond to the objectives that were set. To begin with, making support payments deductible from income was an incentive to pay.

Since then, Ontario has established a compulsory collection system and Quebec has announced that it will do the same soon. From that moment on, we can no longer consider this factor. We can no longer say that there is a tax incentive for this objective since we have found another way to solve the problem, which the deduction-inclusion system did not solve.

Given that, we must review the tax treatment. I found something interesting in the minister's reply. He said that we might make the existing system better. This is an option that should be considered and might be worthwhile if it saves the person receiving the support payment the shock of having to make a very high income tax payment in the spring. If we kept the deduction-inclusion system, there might be a way to avoid the fiscal shock when the income tax return is filed.

Nevertheless, most women's groups do not like this system, which to some extent is also a disincentive to work. Let us suppose that a judge determined the amount of child support to be paid to a woman—I say a woman because, in the majority of cases, the custodian parent is the mother. From that point on, the woman could count on a small amount of money. If her income increased, she had to pay a higher rate of tax. In other words, the support payments that she received became more and more taxed.

The judge had to take two things into account: The need of the children and the ability of the father to pay. One of those two criteria is no longer fully respected. Indeed, the amount of support should be subject to review, since it now represents less, considering that the tax rate changes over time.

(1845)

Here there is a problem. It may be that the overall issue will not be deemed discriminatory by the Supreme Court; we will see. However, the fact is that if it is the mother who has custody of the children, she is the one who has to include those payments

in her taxable income. On the other hand, if it is the grandparents or others who have custody of the children, it is the person who pays the pension who is taxed on that amount.

Some changes must be made and that is what the hon. member proposes in her bill. We must eliminate such irritants in our tax system. I agree that we have to work on other issues and that, quite often, the real problem is that the payments are not even made. When this issue was linked to the social program reform, I was concerned that things would drag on and on. However, I was relieved to hear the hon. member say that there is a clear distinction between this issue and social programs, and that we must act on it as quickly as possible.

I am convinced that the government is waiting for the Supreme Court decision. However, it should start proposing various options—the minister suggested a few earlier—so that we can all look at these together, as parliamentarians, instead of limiting the study of this issue to a small group of government members, like those who travelled across the country last summer.

I must say I am disappointed. I am sure my colleague from Quebec City would have liked to participate, and a member of the Reform Party would have been able to as well, and we could have made a very constructive contribution to this debate. The process has become a little too partisan. We will have to reopen the debate and put the options on the table, pending the Supreme Court's response, and then take some kind of action, because the Supreme Court's decision will apply to cases where people filed appeals in recent years, and I realize these things cannot be rushed.

The fact remains that changes are taking place. Whether the court's decision is felt to be discriminatory or not, from the point of view of law, the fact is that there are always aspects that are unsatisfactory and unfair and others that will be perceived and experienced as such. This is also an important consideration.

So I think we have to take this into account and consider that the option which says that support payments for children are not taxable income for the person who receives them but for the person who makes the payments is a very valid option that should be included among those considered. The Minister of Justice seemed to be saying earlier that there were options he seemed to favour, such as maintaining and improving the system, that could be another option, but what my colleague from Quebec City is suggesting is also a valid proposal.

And there is also the distinction being made between alimony paid to the custodial parent and support payments. And in that case, I think this is a very positive bill and a constructive contribution to the debate. Of course, this is not a votable bill, but the presence of the minister was very useful in that it gave us some food for thought, and I would like to see this process accelerate and I would urge the minister, who seems to have

come a long way since this summer, to put some options on the table as soon as possible.

In concluding, I have to say that the time factor is still unknown. We do not know how long the Supreme Court will take. It heard the case at the beginning of this month, but now the government has decided it is definitely going to move and that it will do so in terms of the Supreme Court judgment. This may take quite some time, if, for instance, following the Supreme Court judgment, the government gets involved in further consultations, and that is something that should be avoided. We must act, and we need a more open and more constructive approach to make some headway in this debate, and it should not always be up to the opposition to do the pushing. The government should take the initiative as well.

I think we have an opportunity to conduct a very objective and non-partisan debate, in which we could achieve some very useful results to improve the situation, while not forgetting the fact that there is also the collection aspect which is a provincial responsibility so that the provinces will also be major players in solving this problem.

The Deputy Speaker: The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), this item is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

(1850)

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

MANPOWER TRAINING

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I rise to attempt to obtain a relevant answer to a question, something I was unable to do yesterday.

Yesterday, I asked the Minister of Human Resources Development if he agreed that it would have benefited Youth Service Canada if the federal government had harmonized, or tried to harmonize, its efforts with the Quebec government, because there is a similar young volunteer program in Quebec.

Instead of answering this question, the minister spoke about a young man he had met that day who told him how much he enjoyed finally being able to get a small pay cheque, because it all depends on the area, the maximum being \$150 a week. He sang the praises of the program and said that the member for Lévis was raising a structural problem—I do not consider this to be an answer.

Adjournment Debate

My second question was whether he found it normal that in exchange for a seat on the selection board, provincial officials had to undertake not to criticize Youth Service Canada in any way. Obviously, he did not reply.

As an example of what I am talking about, this afternoon I attended an announcement by the Quebec government to the effect that they were agreeing to step in, with a \$20,000 grant, and bail out Carrefour jeunesse-emploi, a job search club, which had been turned down by the federal government. While the federal government is busy setting up its Youth Service Corps and financing this new initiative, cuts are being made in existing programs. We already have a committee on which the parliamentary secretary and I both sit that wants to consult the people on their future. Instead of waiting for the results of these consultations, the government cuts existing programs which have already proven efficient. Two hundred and eighty-five young people took part in such a program last year and were able to find work. According to the calculations we made at the time, for example, to report the wages earned the previous year would have meant an increase of \$1.2 million in taxes for the federal government, which chose to turn down a request for a \$240,000 subsidy.

Today, I just wanted to testify to what I saw.

I want to ask the parliamentary secretary this: Why is it that the Canadian government refuses to wait for the results of its own consultation process before cutting spending and investing money thus saved in the new Canadian Youth Service Corps, as it is called? How does it justify such a contradiction, on the one hand, and, on the other hand, why not harmonize this program with a very similar Quebec program in a provincial jurisdiction?

We are told: "Yes, but on the condition that you do not criticize in any way the federal program". Will the parliamentary secretary give a clearer and more precise answer to this than his minister?

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I am pleased to discuss this government's new Youth Service Canada program. YSC is about young Canadians between the ages of 18 and 24 who are out of school and unemployed and are gaining relevant work experience, while using and improving their personal work related skills by serving the community and their country. It is not a duplication of Quebec's programme jeunes volontaires.

At first glance there appear to be some similarities. Both deal with youth and both aim to help young people through community service.

Adjournment Debate

(1855)

However, the differences are striking. First, participants in jeunes volontaires design their own projects. Under Youth Service Canada, community organizations, in partnership with the private sector and the participants, propose specific projects in line with priorities determined by the communities.

Second, jeunes volontaires projects can be as short as three months whereas Youth Service Canada projects are a minimum of six months in order to give the young person sufficient time to acquire meaningful and relevant work related experience.

A third example is that jeunes volontaires projects are open to 16 and 17-year-olds. Youth Service Canada was designed intentionally to start only with 18-year-olds in order that the program not serve as a ready option for young people to leave school, especially when governments are encouraging kids to stay in school.

As members can see, Youth Service Canada does not duplicate the current provincial program in Quebec. This initiative in fact complements the provincial initiative.

To date, Youth Service Canada has eight projects approved in Quebec for a total federal contribution of \$1.3 million targeting 139 participants.

Yesterday I had the pleasure of rising in this House and announcing on behalf of the Minister for Human Resources Development and the Secretary of State for Youth and Training that Youth Service Canada was entering its regular operational phase and to encourage members of Parliament to promote this program in their ridings.

[Translation]

PRIVACY

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, yesterday I asked the Minister of Industry about the protection of personal information contained in private data banks. The minister told me that he would wait until the Advisory Council on Information Highway made some recommendations.

However, the problem of protection of privacy has been with us for some time and the government has yet to legislate. Here is an example. Fifteen years ago, the best way to get the list of all small businesses in region 03 in the province of Quebec was to go to Dun and Bradstreet in New York. That information was just not available in Canada.

Imagine the situation we are in 15 years later, Mr. Speaker. Where do you think the purchases you make with your credit

card are recorded? I am sure you could find those transactions in some computer in the United States. Marketing services in North America know what your spending habits are. The Canadian government has never done anything about it and is not doing anything now.

On January 1 this year, the Quebec government promulgated an act requiring that private businesses respect the privacy of personal information. I am particularly aware of these matters because, at the time, as president of the Association de sécurité informatique for the Quebec region, I submitted a brief to the Commission parlementaire du Québec, which was dealing with these issues. Quebec is ahead of the rest of Canada in this regard.

My question to the minister is very simple: What is he waiting for to bring the rest of Canada into the age of electronics?

[English]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I am pleased to respond to the question from the hon. member for Portneuf on the issue of privacy protection on the information highway.

On October 14 Industry Canada released a public discussion paper entitled "Privacy and the Canadian Information Highway" seeking comments from all Canadians and business regarding how privacy should be protected on the information highway.

I am pleased to report that although the comment period does not close until December 23, we have already received letters from many Canadians and I am confident that when the report on this discussion paper is presented to the advisory council on the information highway there will be a broad range of views from across Canada.

In the meantime, I would like to assure the hon. member that we are looking at a number of possible approaches, including legislative ones. As the hon. member is no doubt aware, certain sectors which are under federal jurisdiction could be regulated to ensure uniform privacy protection for customers. Others which are under provincial jurisdiction could be regulated at the provincial level as has been done in the province of Quebec.

As more commerce takes place over information networks, it is important that all players using the information networks for delivery of services are playing by the same rules. We are studying how to ensure this level playing field, both for consumers who are using electronic services from coast to coast in Canada and companies which are competing in the delivery of them.

Adjournment Debate

In the meantime, many key industries have developed voluntary codes and put them into practice. Industry Canada has been working with the Canadian Standards Association and a broad range of industry, government and consumer representatives to develop a national standard for privacy codes.

It is anticipated that this privacy code will be released for public comment this winter and we will gain more insight into how Canadians want privacy codes and standards to be implemented.

The Deputy Speaker: Pursuant to Standing Order 38(5) the motion to adjourn the House is now deemed to have been adopted.

[*Translation*]

Accordingly, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7 p.m.)

TABLE OF CONTENTS

Thursday, October 27, 1994

Privilege

CRTC

Mr. Dupuy	7273
The Speaker	7273

Points of Order

Statements by Ministers

Mr. Hermanson	7273
Mr. Gagliano	7274
Mr. Leroux (Richmond—Wolfe)	7274

ROUTINE PROCEEDINGS

Parliament Hill

Mr. Dingwall	7274
Mr. Leroux (Richmond—Wolfe)	7276
Mr. Epp	7276

Committees of the House

Procedure and House Affairs

Mr. Milliken	7277
Motion for concurrence in 44th report	7277
(Motion agreed to.)	7277

Petitions

Human Rights

Mr. Hart	7277
----------------	------

Assisted Suicide

Mr. Hart 7277
Mr. Forseth 7278

Human Rights

Ms. Meredith 7278

Rights of the unborn

Ms. Meredith 7278

Assisted suicide

Ms. Meredith 7278
Mr. White (North Vancouver) 7278

Questions on the Order Paper

Mr. Flis 7278

GOVERNMENT ORDERS

Department of Canadian Heritage Act

Bill C-53. Consideration resumed of motion for second reading 7278
Mr. Patry 7278
Mr. Guimond 7279

Business of the House

Motion of Mr. Boudria 7280
Mr. Boudria 7280
(Motion agreed to.) 7280

Department of Canadian Heritage Act

Bill C-53. Consideration resumed of second reading 7280
Mr. Cauchon 7280
Ms. Meredith 7282
Mr. Proud 7283
Mr. Daviault 7284
Mr. Hermanson 7286
Mr. Solberg 7288

Mr. Epp	7289
Mr. Strahl	7291
Mr. Hart	7292
Mr. Scott (Skeena)	7293
Mr. Althouse	7294
Mr. Hill (Macleod)	7296
Mr. Silye	7297
Mr. White (North Vancouver)	7298
Mr. White (Fraser Valley West)	7299
Mr. Breitzkreuz (Yorkton—Melville)	7300
Ms. Catterall	7302
Mr. Gilmour	7303
Mr. McClelland	7304
Amendment to amendment	7305
Mr. Milliken	7305

STATEMENTS BY MEMBERS

Multiculturalism

Mr. Bodnar	7306
------------------	------

Israeli–Jordanian Accord

Mrs. Debien	7306
-------------------	------

Court challenges program

Mr. Hanrahan	7307
--------------------	------

Environmental Assessment Act

Mr. Regan	7307
-----------------	------

Bovine Somatotropin

Mr. Patry	7307
-----------------	------

Psoriasis Awareness Month

Mr. McWhinney	7307
---------------------	------

Human Rights

Mr. Bernier (Mégantic—Compton—Stanstead)	7307
--	------

Canada Council

Mr. Duncan 7308

Child Abuse

Ms. Fry 7308

Value-added Tax

Mr. DeVillers 7308

Rose Charlie

Mrs. Terrana 7308

Regional Development

Mr. Landry 7309

Prime Minister of Canada

Mr. White (North Vancouver) 7309

Aboriginal affairs

Mr. Taylor 7309

India

Ms. Beaumier 7309

Computer technology network

Mr. Telegdi 7310

Airstrips

Mr. Hill (Macleod) 7310

ORAL QUESTION PERIOD

CRTC

Mr. Bouchard 7310

Mr. Chrétien (Saint–Maurice)	7310
Mr. Bouchard	7310
Mr. Chrétien (Saint–Maurice)	7310
Mr. Bouchard	7311
Mr. Chrétien (Saint–Maurice)	7311
Mrs. Tremblay (Rimouski—Témiscouata)	7311
Mr. Chrétien (Saint–Maurice)	7311
Mrs. Tremblay (Rimouski—Témiscouata)	7311
Mr. Chrétien (Saint–Maurice)	7311
Mr. Manning	7311
Mr. Chrétien (Saint–Maurice)	7311
Mr. Manning	7311
Mr. Chrétien (Saint–Maurice)	7312
Mr. Manning	7312
Mr. Chrétien (Saint–Maurice)	7312
Mr. Leroux (Richmond—Wolfe)	7312
Mr. Chrétien (Saint–Maurice)	7312
Mr. Leroux (Richmond—Wolfe)	7312
Mr. Chrétien (Saint–Maurice)	7312

CRTC

Mrs. Brown (Calgary Southeast)	7312
Mr. Dupuy	7313
Mrs. Brown (Calgary Southeast)	7313
Mr. Chrétien (Saint–Maurice)	7313
Mr. Gauthier (Roberval)	7313
Mr. Chrétien (Saint–Maurice)	7313
Mr. Gauthier (Roberval)	7313
Mr. Chrétien (Saint–Maurice)	7313

CRTC

Miss Grey	7313
Mr. Dupuy	7313
Miss Grey	7314
Mr. Dupuy	7314

Communications Security Establishment

Mr. Langlois	7314
--------------------	------

Mr. Chrétien (Saint–Maurice)	7314
Mr. Langlois	7314
Mr. Chrétien (Saint–Maurice)	7314

Bilingualism

Mr. Cauchon	7314
Mr. Collenette	7314

CRTC

Mr. White (Fraser Valley West)	7314
Mr. Dupuy	7315
Mr. White (Fraser Valley West)	7315

Communications Security Establishment

Mr. Bellehumeur	7315
Mr. Chrétien (Saint–Maurice)	7315
Mr. Bellehumeur	7315
Mr. Chrétien (Saint–Maurice)	7315

CRTC

Mr. Epp	7315
Mr. Chrétien (Saint–Maurice)	7315
Mr. Epp	7316
Mr. Chrétien (Saint–Maurice)	7316

Tourism

Ms. Brown (Oakville—Milton)	7316
Mr. Manley	7316

Registered Retirement Savings Plans

Mr. Loubier	7316
Mr. Chrétien (Saint–Maurice)	7316
Mr. Loubier	7316
Mr. Chrétien (Saint–Maurice)	7316

CRTC

Mr. Hanger	7316
------------------	------

Mr. Chrétien (Saint–Maurice)	7317
Mr. Hanger	7317
Mr. Chrétien (Saint–Maurice)	7317

Safety of Blood Supply

Mrs. Picard	7317
Ms. Marleau	7317

CRTC

Mr. Hermanson	7317
Mr. Dupuy	7317

CRTC

Mr. de Jong	7317
Mr. Chrétien (Saint–Maurice)	7317

Infrastructure

Mr. Alcock	7317
Mr. Eggleton	7317

Points of Order

Official Report

Mrs. Wayne	7318
------------------	------

Business of the House

Mr. Gauthier (Roberval)	7318
Mr. Gray	7318

GOVERNMENT ORDERS

World Trade Organization Agreement Implementation Act

Bill C–57. Motion for second reading	7318
Mr. MacLaren	7318
Mr. Bergeron	7322

Mr. Penson	7327
Mr. Graham	7330
Mr. Althouse	7333
Mr. Paré	7334
Mr. Easter	7337
Mr. McClelland	7340
Mr. White (North Vancouver)	7340

PRIVATE MEMBERS' BUSINESS

Income Tax Act

Bill C-238. Motion for second reading.	7342
Mrs. Gagnon (Québec)	7342
Mr. Rock	7344
Mr. Ramsay	7345
Mr. Tremblay (Rosemont)	7347
Ms. Catterall	7349
Mr. Brien	7350

ADJOURNMENT PROCEEDINGS

Manpower Training

Mr. Dubé	7351
Mr. Bevilacqua	7351

Privacy

Mr. de Savoye	7352
Mr. Bevilacqua	7352