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Tuesday, November 1, 1994

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Tuesday, November 1, 1994

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 28 petitions.

* * *

IMMIGRATION

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it gives me great pleasure on behalf of our government to table the 1995 plan for immigration levels.

One year ago this week our Liberal government took office and put in motion a new style of governing. That new approach included the creation of a department for citizenship and immigration. This new department better reflects the relationship that has always existed in Canada between newcomers to our country and nation building. The two are mutually reinforcing. Liberals believe in the positive constructive force that is immigration.

Ten months ago I launched a process of consultation with Canadians on the future direction of our immigration program. Our consultations were guided by two principles: first, to engage Canadians in an informed and constructive debate, to debate issues, to debate facts, to debate figures, to debate expectations, to debate aspirations of what we want for our country, and to try to put aside as best we can, as dispassionately as we could as a nation, the myths and some of the misconceptions that unfortunately from time to time have gripped this very emotional area of federal public policy.

The second was to reach out more broadly to Canadians, not only to talk to the traditional groups that have helped build this positive immigration policy but to involve all Canadians who

wanted to make a contribution. The views of special interests are important but they must be balanced with the interests of all Canadians.

In so far as that is concerned, it was important to try to bring into the tent for the very first time, at our government's initiative, the non-traditional players of immigration; to bring in the boards of education, the municipalities, the labour movement and the labour organizations, to give force to citizens, the ability to go to the microphones at York University or at the other places at which we met, and to voice their feelings and their beliefs about Canada and the immigration policy. The process of what we were doing could also be said to be equally important as the substance of what we were debating. For the first time we were enlarging that tent so that we would be able to try to build a consensus among the Canadian lobby for what we want our immigration policies to do for our country in the future.

[*Translation*]

We wanted to actively encourage broad participation: Over 13,000 kits were distributed across Canada to school boards, elected officials, groups and individuals interested in immigration. One hundred and thirty thousand information tabloids were distributed. And Canadians responded.

From February to September thousands of Canadians told us what they thought in town hall meetings and study circles. We received hundreds of letters.

Six weeks ago we met in Ottawa at our national conference to listen and learn.

[*English*]

Today we are making the decisions that Canadians expect of their government and which participants asked us to make. Consultation will always be the hallmark of how this government decides policy. The ultimate purpose of government is to decide and to move forward.

Today we table before Parliament our immigration policy for 1995 and beyond, a policy rooted in our values and which reflects our ideals for our country.

(1010)

While we only have a few minutes to distil this plan, the document entitled "A Broader Vision, Immigration and Citizenship Plan, 1995-2000" represents a fundamental change to Canada's immigration program. In the past I believe too much emphasis was placed on the numbers game rather than on trying to produce a long term comprehensive plan that would give full

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expression and comfort and understandability to that eventual number.

From our consultations a new approach has emerged, one that calls for a broader vision and a clearer sense of Canada's objectives. First, instead of putting a single number before the House of Commons, this plan introduces the concept of a range, a realistic range that for 1995 anticipates between 190,000 and 215,000 immigrants and refugees will come to Canada.

It is a range, realistic and honest, in terms of more or less what we would anticipate based on our decisions as a government and as a country but also on what those inventories across the world will yield because some of them are low. There are fewer independents coming to the country whether because it was of the bad shape of our economy or the fact that those economies were doing well or the perception that the doors were closed. The number of families is down. The number of business immigrants is down for similar reasons. We also have to take stock of those inventories across the world.

What we heard across the country was the need for a better balance among the four categories of immigration. Sometimes we were too obsessed with the global one number figure that became the lightning rod for most of the debate. Instead we have four categories that we should pay close attention to and then decide how one plays off the other. What are the tradeoffs that we need to make between a family class category, an independent category, a business category and a refugee category?

It seems to me that as a Parliament and as a government we need to give greater clarity, greater focus and make some of the trade-off decisions of how those compartments play with each other rather than simply talking about the end number of the equation.

In looking to that balance the share of economic immigrants will rise from 43 per cent to roughly 55 per cent of overall immigration, while the family component will shift from 51 per cent to approximately 44 per cent over the period of the plan.

This will make the immigration and citizenship program more affordable and sustainable. We remain determined to target immigration levels of approximately 1 per cent of the population over the long term based on our ability to absorb and settle immigrants.

It should also be said that the whole question of the principle of family is not only contained in the family class category but throughout the program so that when we invite an independent immigrant to Canada that individual brings with him his immediate family. It is the same thing when we invite and accept a business immigration applicant as it is when we accept a refugee, he or she has an ability of bringing in the family.

The family class is also beyond that narrow category and the principle of family is applied equally and compassionately across the spectrum which is based on a Liberal philosophy for immigration.

Moreover, changes to the selection of skilled workers and immigrants will increase the economic benefits of immigration and lower the cost eventually of settlement. It is important as our documents raise that our point system be changed and adapted to the kind of skills that our country at this time requires.

Pre-eminent among those skills is the whole question of language. That is priority number one, here in our country and how we deal with language abroad in terms of our visa officers.

Other skills and aspects are education, age, experience, moving away from just the job classification to basic job skills that will allow those individuals to make an easier transition into the new economy, as well as the feature where people will now be having two, three and sometimes four careers in their lifetime. That shift is not born out of any movement. It is taking stock of the economy today. The forces moving the world are very different from the forces following the second world war. The tools we use in immigration, namely the point system, must be adapted to the pace of that change both globally and here at home.

(1015)

The new approach to family class will respond to the desires of many who cannot now sponsor those they would like to bring to Canada. It will also ensure that all sponsors are held responsible for fulfilling their obligations.

Beginning with the 1995 plan, the refugee and immigration components will be managed separately. This will underscore the distinction between the protection and resettlement goals of the humanitarian and refugee program, of which Canadians should be very proud, and the economic and social objectives that frame the skilled workers, business and family class categories.

[*Translation*]

The plan renews our commitment to develop a new Citizenship Act designed to create a common bond between Canadians by birth and by choice. An increased emphasis on responsibilities, apart from rights, will underline the value of citizenship for all Canadians. Finally, the plan confirms our commitment to co-operate with the provinces in our shared responsibility for immigration.

[*English*]

The other major document we are tabling today talks about the strategic framework, looking down the 10-year road. I outline the direction the government intends to take immigration and

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citizenship policy into the 21st century. It sets out a framework based on five basic and key elements.

First, the enrichment of our social fabric through selection of immigrants and their successful integration into Canadian society as full participating citizens.

Second, the supporting of Canadian economic growth through actively promoting our country as the best place in the world in which to live and work, something that the UN has recognized two years out of the last three.

Third, the recognition of the importance that Canadians place on the family and maintaining that program in a manner that is sustainable and responsible.

Fourth, the realization of Canada's humanitarian mission through a coherent strategy that separates the refugee and immigration streams and meets the twin challenges of protection and prevention. It reflects fully the commitments which the government made in September at the International Conference of Population and Development in Cairo.

Fifth, the provision of fair access and ensuring that the rule of law is respected at all times by all people in our country.

Throughout the elaborate and extensive consultations Canadians pointed to a loss of confidence in the immigration program's ability to control who enters Canada and to enforce the Immigration Act against those who have been ordered removed. Through legislative initiatives such as Bill C-44, which is before the House, we are seeking to restore Canadians' confidence and thus contribute to the government's broader goal of creating safe streets, safe homes, safe communities.

The consultations also reveal that Canadians are concerned about the sustainability of Canada's social benefit system. The government is addressing that broader challenge by opening a dialogue on improving social security in Canada. For our part we will contribute to the solution by focusing more on those immigrants less likely to require public assistance.

Changes to the sponsorship obligations and their more rigorous enforcement will enhance the fairness of access to social benefits. We have already begun discussions with the provinces and agreements on information sharing have already been signed with six municipalities in Ontario.

In closing, a successful immigration policy has always been part of our history and our development as a nation. Liberals believe that immigration has worked well for Canada. Liberals believe that the forces of migration have helped build a nation when many other people view these forces as a negative.

(1020)

Liberals also believe that we need to manage those positive forces in the face of monumental change across the globe. The

strategy and plan that I have tabled on behalf of my caucus and government sets the right direction as we prepare Canada for the 21st century.

The plan is fair, sustainable and affordable to the newcomer and to Canadians. I invite all members, indeed all Canadians, to join with us as we move forward boldly, confidently and aggressively into the 21st century.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, although we received only this morning the document tabled today by the minister, we still have a few preliminary comments to make.

As the minister said, consultations lasted 10 months and cost \$1 million. Unfortunately, the paper before us does not outline a real policy on immigration and citizenship. We do not detect a dominant theme either in the minister's speech or in the document tabled today. We still do not know where the minister is going with regard to immigration and citizenship. We thought that today the minister would announce decisions or reveal what he intends to do in the years to come.

All he said is that, in 1995, the number of immigrants will be between 190,000 and 215,000 and the number of refugees, between 24,000 and 32,000. Incidentally, this violates and contradicts the red book, whose goal was 1 per cent of the population per year.

The goals set by the minister himself for the year 1994 will not be achieved. No more than 230,000 people will immigrate to Canada in 1994, instead of the 250,000 announced by the minister at the beginning of the year. We, however, agree with the minister about reducing the number of immigrants. We were told that the number of applications to immigrate to Canada is down, and we are also aware that the economic recovery is still creating difficulties, that the unemployment rate remains very high in Canada and even more so in Quebec.

We would like the minister to focus on immigrant integration in 1995. Thousands of immigrants who come here cannot find jobs and do not receive government assistance either.

As for refugees, we want to ensure that the minister will continue to honour Canada's international humanitarian commitments to this class of people seeking Canada's protection.

(1025)

There are still too many refugees in the world—more than 20 million—and Canada must do its share in this regard; we in the Bloc Québécois are very sensitive to this problem. The documentation submitted by the minister does not give us a very clear indication of whether he intends to respect Quebec's jurisdiction for immigration, if he intends to comply fully with the McDougall—Gagnon—Tremblay agreement signed in 1991,

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which recognizes Quebec's exclusive right over the integration, reception and selection of immigrants.

As you all know, Quebec is a distinct society. It has its own official language and as the only French-speaking state in North America, it must protect and encourage francophone immigration. Neither does the minister's document show us how he intends to promote immigration to Canada. We know that there is a growing feeling of hostility to immigrants and especially refugees, but we believe that the Canadian government and the provinces will have to inform the public about the benefits and positive aspects of this immigration.

Immigration has made a tremendous contribution to Canada's economic prosperity. Immigration is necessary to deal with the demographic problems in Canada and Quebec. Immigration is necessary to renew our rapidly aging population. This must be explained. We must tell Canadians that the advantages far outweigh the disadvantages, that despite all the propaganda to the contrary, immigrants make less use of social services in Canada, that the crime rate of immigrants is less than the crime rate of Canadians born here.

In his document, the minister does not say either how he will resolve the problem of appointments to the Immigration and Refugee Board. He continues to make appointments. Complaints are still coming from lawyers, immigration and refugee groups, clients and the public at large. Some appointments not based on competence are still being made. Some appointments are still purely political and we would have liked the minister to propose mechanisms for making non-partisan appointments.

Is it possible to create a committee of lawyers from the bar or immigration organizations so that there is a pre-selection before the commissioner is appointed? The minister does not deal with another problem, the backlog at the Department of Immigration and Citizenship. Too many cases are outstanding, too many applications take months and even years. The minister unfortunately endorsed the Conservative Party's decision to set up a processing super centre in Vegreville, Alberta, and this has caused a great many problems.

People can no longer find their way around. Today you can no longer reach an official to explain the situation. You have to keep calling numbers which are always busy. It is not easy to obtain the documents to be completed and to submit an application.

(1030)

Civil servants are not pleased with the system. Jobs were eliminated in Quebec and in all the other provinces. Services provided in French by the centre in Vegreville are not adequate.

The minister also says that he will table a bill on citizenship. We are waiting for that legislation. I ask the minister to reconsider the concept of dual citizenship. The Standing Committee on Citizenship and Immigration has recommended to the

minister that dual citizenship be eliminated. Such a measure would be an unacceptable step back, considering that countries now recognize more and more the concept of dual or triple citizenship, and that the mobility of people has increased considerably throughout the world. We cannot eliminate such a precious right for all Canadians and particularly for those immigrants who want to keep a tie with their country of origin. This concept is good for Canada and also for immigrants, who can be good communicators with their country of origin and promote Canadian trade there. It is good that people can have this dual citizenship if they want it.

We are also concerned by the fact that, in some documents given to us today, the minister talks about occupational training and about promoting co-operation between his department and the Department of Human Resources Development, regarding immigrants. We, Bloc Quebecois members, have clearly said that occupational training falls under exclusive provincial jurisdiction. The federal government should not interfere in that sector. The provinces are closer to the client group. They are more aware of the needs in manpower training. The minister now says that his department will set up a vocational training centre for immigrants, in co-operation with the Department of Human Resources Development. This is unacceptable and the Bloc Quebecois strongly opposes this proposal by the minister.

I also want to say that the Bloc Quebecois is a pro-immigration party. More often than not, we do not share the somewhat exaggerated views of our friends from the Reform Party regarding immigration and citizenship issues. Quebec is, and remains, a country, a nation and a province open to immigration. There is a consensus in our province in favour of accepting immigrants. Incidentally, we anticipate that, for 1995, Quebec will maintain the objective of 40,000 new immigrants; for 1996, it will be 42,000, while for 1997, the number should reach 43,000. Bloc Quebecois members, as well as Quebec society as a whole, are open to immigration, which we consider to be a source of social, cultural and economic wealth.

I am proud to be an immigrant myself. I am proud to be a Quebecer and to be of Chilean origin.

(1035)

[English]

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I am dumbfounded and Canadians should be outraged over what has just been revealed here by the minister.

Almost a year ago this minister initiated a \$1 million consultation during which thousands of well meaning patriotic Canadians put time, talent and energy to work proposing changes to immigration. During the last several months this minister has engaged in a series of well planned media leaks, floating trial balloons, raising expectations, talking a tough line

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and trying to out reform the Reform Party in policy, or at least that is the impression he has left.

In the last week the minister admitted to a cost to the taxpayer of at least \$700 million in family sponsorship breakdowns. He promised he would do something about it. This morning we found out that nothing has changed, nothing has been done. The consultations were a fraud. There has been a lot of talk, talk, talk, study, study, study, and it looks like the studying will continue.

For anyone who wants a lesson in old style politics, we are learning it right now. It is a lesson in trying to manipulate the media, a lesson in trying to manipulate the public, a lesson in trying to please everyone by not offending anyone. It is a lesson in government inaction.

One need look no further than this government and its minister of immigration to get a good picture of what has happened. Let me outline with no fancy language or rhetoric what the minister is going to do this year.

The percentage of economic immigrants with their families was 43 per cent. In 1995 that number will still be 43 per cent. The percentage in the family reunification class of those already in Canada was 51 per cent. This year it will still be 51 per cent. Other immigrants were 6 per cent last year. This year, surprise, surprise, it is 6 per cent. The total number of immigrants accepted this year is 230,000. The total number expected next year is up to 215,000, a change of only 6 per cent.

That is not a cut. It is nothing more than an expectation of lower application levels. The levels are so high that our sources in immigration tell us there are not enough applications to fill the slots. This minister wants to take credit for lower numbers and those lower numbers have nothing whatsoever to do with government action.

A bond for sponsors will be studied but no immediate action taken. During the year or so this government plans to study this issue, Canadians will have to fork out at least \$700 million more in sponsorship breakdowns. Where is the enforcement of what is happening here already to save those taxpayers dollars?

Changes to refugee policy, there are virtually none, except an ongoing amnesty that rewards those who can tie up the system for three years. There are no changes to control and enforcement, except for the defective Bill C-44 which is already pending in the House.

This minister said changes would be made that would make immigration work to the benefit of society. He said that more of an emphasis would be placed on independent immigrants. However this plan for the next year says that family reunification is still the highest priority of the government and that the ultimate goal of immigration levels equal to 1 per cent of the population still stands. We are talking about numbers in the vicinity of 300,000.

[*Translation*]

Mr. Mercier: I rise on a point of order, Mr. Speaker. I am sorry, but we cannot follow the debate because we cannot hear the simultaneous translation.

The Acting Speaker (Mr. Kilger): Order. We were having technical problems, which have now been solved.

(1040)

[*English*]

Mr. Hanger: Listen to the minister's math on page 8. In 1995 accompanying family and sponsored families together are expected to make up about 80 per cent of total immigration from the broader vision immigration and citizenship outline. On page 9, economic immigrants, skilled workers and business immigrants will make up 43 per cent of the immigrant component for 1995. This percentage remains unchanged from 1994. If you add up family and independent immigration you get a whopping total of 123 per cent. That is Liberal math. Nothing changes. The numbers are fudged. No action is being taken. Today's announcement is pure smoke and mirrors.

This government thinks the Canadian people can be swayed into believing that non-action is action, that no real change in numbers means a cut, that tough talk equals tough action in the minds of the voters. Well I have news for government members. The people will not buy it.

Today's announcement says that enforcement will be beefed up and that removals will be clarified when in fact the minister has created a permanent amnesty for failed refugee claimants. That is pretty convenient. Those people who have tied up and backlogged the system with taxpayer funded appeals, with legal manipulation for three years get an automatic amnesty.

This government punishes those applicants for immigration who make a real contribution to this country, those who play by the rules, who fill out the right forms, who wait in queues that last for years in some cases. At the same time the government rewards those applicants who come in illegally, who work the system with legal aid lawyers and who can evade removal for three years. That is disgraceful.

Let us look at the numbers again. The 1994 plan calls for 30,700 skilled workers. The 1995 plan calls for 24,000 to 26,000 skilled workers. The 1994 plan calls for 6,000 business class immigrants. The 1995 plan calls for 4,000 to 5,000 business class immigrants. The total economic class was 97,700 in 1994. This year it is 71,000 to 80,000.

In other words we are looking at substantial cuts to those immigrants who can make an immediate and substantial contribution to the economy. There is no change to the level of those immigrants whose contribution is unknown and there is an amnesty for those immigrants who jump queue and abuse the system.

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Again the independent and economic classes are dropping substantially and do you know why? Because the same woolly headed policies that are guiding the immigration department are also guiding the finance department, the human resources department, and on and on.

This Liberal government has created an economic climate of high taxes, huge debt and low return on investments. It is discouraging those immigrants who could contribute the most to the economy of the country. In fact in Calgary there are something like 400 business class immigrants who have not invested their money because they do not see any advantage in doing so. Canada is no longer an attractive place for investors and business people. It is however the most attractive destination in the world for queue jumpers and failed refugee claimants.

The immigration plan speaks of a broader vision, a 10-year framework. It is a broader vision of the same old thing, a new framework for the same old policies. It has cost the immigrant program its legitimacy. It has discouraged independent immigrants. It has made the Canadian people fundamentally question the role of immigration to Canada. That is a shame.

(1045)

Immigration can and should work for the country. Immigration should be about nation building. That term has been used by the government time and time again but it really rings hollow when said from that side. It should be about enriching Canada. It should be about benefiting immigrants and Canadians alike.

The plan is about deceit, number fudging and politicking. The government has let down immigrants and Canadians alike.

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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 45th report of the Standing Committee on Procedure and House Affairs. It concerns the membership of committees.

[Translation]

Mr. Speaker, I think you will find that there is unanimous consent to dispense with the reading of the 45th report of the Standing Committee on Procedure and House Affairs. Also, with the consent of the House, I would like to move that the 45th report of the Standing Committee on Procedure and House Affairs, tabled in the House today, be concurred in.

(Motion agreed to.)

*[English]***QUESTIONS ON THE ORDER PAPER**

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

The Acting Speaker (Mr. Kilger): Shall all questions 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 40 minutes.

GOVERNMENT ORDERS*[English]***WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT**

The House resumed from October 27 consideration of the motion 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.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, it is certainly a pleasure to be able to speak for a few minutes this morning on Bill C-57 and to talk about world trade and the importance of world trade to Canada and to Canadians, in particular the men and women who work in the country's agriculture and agri-food sector.

The legislation we are discussing today will establish the new World Trade Organization or the WTO. It will incorporate the General Agreement on Tariffs and Trade, a sweeping 120-nation accord which was agreed to in principle in December last year and was approved by member countries last March or April in Morocco. The agreement and the WTO which will administer it offer great benefits for Canadians in the creation of jobs, wealth and the opening and securing of new and vital markets for the country's export commodities.

Canada is a nation that is dependent on trade, and we all know it. Nowhere is that more evident than in the agriculture and agri-food sector. In 1993 Canadian agri-food exports of \$13.3 billion contributed a surplus of almost \$3 billion to Canada's balance of trade, almost one-third of Canada's total merchandise trade balance. As former Liberal agriculture minister, Eugene Whelan, once noted, agriculture pays the bills.

At the same time Canada's share of the world agri-food market has declined since the early 1960s. In contrast the European union's share, particularly that of France and the Netherlands, has increased significantly. From Canada's

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perspective exports to Europe fell from \$1.35 billion in 1981 to about three-quarters of a billion in 1993. At the same time our imports from the European union rose from about \$400 million to almost \$1 billion. This tells us that while the sector is doing well it must continue to do better.

(1050)

Last year the industry and federal and provincial governments agreed on the goal of increasing Canada's agri-food exports by 50 per cent from \$13 billion per year in 1993 to about \$20 billion per year in 2000.

In July of this year the agriculture ministers reaffirmed that goal and added a further target of achieving a 3.5 per cent share of world agri-food trade. That is an objective in line with our historic share, but it will push the requirements to meet that to exports which will reach a value and total of about \$23 billion.

In addition to steps that are being undertaken in Canada, the new WTO will have a large role to play in increasing our exports, increasing jobs and increasing prosperity. The World Trade Organization represents a significant step forward for the agriculture and agri-food sector. The agreement sets down for the first time ever clear rules for international trade of agricultural products.

The agreement represents a substantial reduction in trade distorting export subsidies, better trade rules for agriculture, and improved and more secure access to markets around the world for Canadian producers and processors. It will greatly assist Canadian producers and processors in their continuing efforts to develop new markets around the world. The new markets will be in addition to the Mexican and U.S. markets that we have obtained through NAFTA. New rules will apply equally to all countries and the specific exemptions of countries will be eliminated. This will allow Canadians to compete in a more predictable and fairer international trading environment.

What does it mean in real terms? The respected OECD or Organization for Economic Co-Operation and Development predicts that for all sectors, the total, the agreement will inject almost \$8 billion into the Canadian economy by the year 2002. That is \$8 billion into the pockets of working men and women across the country over the next eight years.

The government was elected to create jobs and wealth. That is why I am bullish on the WTO. I know some members, particularly those from Quebec, Ontario and Atlantic Canada, have some genuine concerns about just what sort of impact the agreement will have on the country's vital and prosperous supply managed sector, the dairy, egg and poultry sector.

Let me take this opportunity to assure the House that supply management will be able to continue to operate as an effective Canadian approach to producing and marketing dairy and poul-

try products. The agreement supports the continuation of the supply managed industry through two fronts. The first front is the import tariffs first announced in December 1993. They will maintain a high level of protection for the sector. It is true these levels will be reduced by a total of 15 per cent over the course of the next six years, but it will still afford producers and processors with the protection they require. The six-year phase in period will give them ample opportunity to make the necessary adjustments in order to compete and win in the new international marketplace.

Imports which will be coming in under the minimum access commitments will not unduly disrupt the Canadian market. For butter the access commitment will rise from about 1,900 tonnes to around 3,200 tonnes from the year 1995 to the year 2000, a five-year period. In the poultry area import access of chicken will continue to be governed by the CUSTA or the FTA. Access for turkey will rise slightly to about 5,600 tonnes by the year 2000 while egg access will also rise very slowly. It is unlikely there would be imports of dairy, poultry or egg products outside these access commitments since the tariff levels will make them uneconomical.

(1055)

The government regards very seriously its commitment to the future and to the well-being of the supply managed sector. That is why on December 16, 1993 the federal and provincial agriculture ministers formed a small task force, headed by myself, to look into the specific implications for Canada's supply managed industries.

After consulting with all stakeholders the task force proposed that an industry ad hoc review committee in each case be established for each commodity group sector. These ad hoc committees have been meeting throughout the year, will be meeting over the fall, and will continue to meet to determine whether a consensus can be reached on orderly marketing frameworks for the future. The task force was scheduled to report to the federal-provincial ministers meeting in December. I can report the results are very promising, although they have been incredibly challenging and are not all completed yet. Successful conclusions will be reached in order to maintain the sustainability of our orderly marketing system to the benefit of the industry and to all Canadians.

The World Trade Organization also holds benefits for other sectors within the Canadian agricultural industry. Volumes of European union and United States wheat shipped with export subsidies will be reduced over the next six years by 40 per cent from the levels they are at present. The reductions in export subsidies for wheat, barley, vegetable oils and other grains are expected to significantly improve market prospects for Canadian grains and oilseeds in world markets.

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The agreement offers good export potential for other commodities as well. Replacing import restrictions and levies with tariffs in the European union, Japan and Korea will result in additional export opportunities for beef, pork, malt and a range of processed food products. The inclusion of an agreement on intellectual property rights will offer protection for Canadian whisky and wine names. This is expected to improve the marketing of these products throughout the world.

Processed food and vegetables such as French fried potatoes, canned corn, frozen blueberries and raspberries, and other products such as honey, maple syrup and apples, will benefit from reduced tariff and non-tariff barriers notably in the European union and Japan. Special crops such as dried peas, beans, lentils, tobacco, mustard, canary seed and alfalfa will also benefit from improved access. For example, the European union will eliminate tariffs on lentils and white pea beans over the phase in period. Japan will reduce its tariffs on lentils by 36 per cent.

A framework of rules will reduce the misuse of technical measures as unjustified barriers to trade. Measures to protect human, animal and plant life or health, which measures were usually referred to as sanitary and phytosanitary measures, will be subject to clear disciplines. We will continue to have the right to establish the level of health protection that we consider appropriate in Canada. However, the measures any other country uses to achieve that level of protection must be based on a sound scientific approach.

As I mentioned earlier, the WTO will for the first time establish clear rules for international trade of agricultural products and eliminate heavy handed and unfair trade rules and restrictions. A good example is the U.S. and its use of the section 22, a trade measure it has used that has been featured prominently in recent Canada-United States bilateral relations.

When the World Trade Organization is implemented in 1995 the United States will have to give up its GATT waiver which allows it to take section 22 trade actions. Obviously there will continue to be disagreements in our large and mutually beneficial trade. We will deal with those on an individual basis as they arise. Thanks to the WTO a particularly onerous piece of trade protection such as section 22 will be a thing of the past.

As countries around the globe change to meet their WTO commitments, Canada too will have to make some adjustments in order to comply with the new world of international trade.

(1100)

While the export subsidy provisions of the agreement will have an impact on the Western Grain Transportation Act, the Government of Canada has already been consulting with the

sector to reform the WGTA. This consultation is designed to ensure that the WGTA better meets the needs of producers, industry and Canada's export customers and to bring it in line, along with other government programs and policies, with the new fiscal realities being faced by the government.

This consultation will ensure that affected stakeholders will have a vital role to play in crafting a made in Canada reform of the WGTA. Over the course of the next few months the Minister of Agriculture and Agri-Food will conclude these consultations with a view to being in a position to make an announcement early in 1995. The government is confident that these reforms can be implemented long before the World Trade Organization reduction provisions would take effect.

The world is changing and it is imperative that Canada change with it, lest we will be left behind. The WTO will usher in a new, vibrant and exciting period in international trade, a period where clear trade rules will replace unfair and discriminatory trade barriers, where Canadian products will be able to compete in markets around the world on their own merit and not be hobbled by the extra weight of trade restrictions, where Canadian producers, processors and exporters do not head for the end zone only to find that the goal posts have been moved.

As I said at the beginning, Canada is a trading nation. Much of its wealth depends on trade. Fully one in four jobs in this country are trade related. The agriculture sector, indeed all sectors, need the stability and the market certainty that the World Trade Organization has to offer.

Canadians are ready, willing and able to do the job. They simply require access to the proper tools with which to do that job. The WTO will provide them with the necessary tools to compete and to win the export markets, to further hone our competitive edge and to create jobs and prosperity for all Canadians. I think they deserve that chance.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I want to congratulate the parliamentary secretary for his speech on the World Trade Organization this morning. He shares a view that a lot of us share, that it is vitally important to Canada to implement the World Trade Organization.

I was interested in his comments regarding agriculture and the fact that agriculture probably is one of the biggest winners in the GATT negotiations. For the first time we have trade rules established that are going to govern agriculture. I would like to ask if the parliamentary secretary shares my view that one important sector in agriculture still needs quite a bit of work, and that is the whole area of supply management. For the first time border restrictions have been converted to reducing tariffs. Very high levels of tariffs are set. It is my understanding that we have a second round of negotiations in agriculture down the

road, either in five or six years, under the World Trade Organization, once it is set up.

I wonder if he shares the view that it is imperative that we continue to move this process along toward reducing tariffs with the ultimate goal in Canada and the United States of having free trade in the supply managed sector as well. Would it not be important to ask the supply managed industries to move toward a certain period of time? Everybody realizes that they need some time to adjust. I certainly do because these people have financial obligations which they had made under the rules of the day.

However the new World Trade Organization is going to shed a lot of light on the fact that Canada has some weaknesses at home, as does the United States, in the area of supply managed tariffs that are extremely high. I wonder if the parliamentary secretary could share his views on how that can be achieved.

Mr. Vanclief: Mr. Speaker, if the hon. member across expects members on this side of the House to say that they do not believe in supply management of the dairy, egg and poultry sector, he is speaking to the wrong group. We believe in it. We support it. We are working with those sectors.

(1105)

I have had the opportunity and still have the privilege of chairing the task force that is working with all of the stakeholders in the supply managed sector. Each one of the commodities, be they dairy, egg or poultry, are adjusting and evolving.

I am sure the member is somewhat familiar with what has taken place during the last few weeks in the poultry industry. The supply managed industry has provided, at a reasonable cost to Canadian consumers, the highest quality, most constant supply of those products that any country in the world has without fluctuating prices. The supply is always there. It is of high quality and it is safe.

In return it has given a tremendous amount of stability not only to the primary producer but to the processors and to the complete agri-food chain. They know where their product is coming from. They negotiate what the price is going to be and then the consumer knows that product will always be there and be of top quality.

[Translation]

Mr. Jean-Guy Chrétien (Frontenac, BQ): Mr. Speaker, during his main speech, the hon. member for Prince Edward—Hastings said earlier that supply management could be maintained. And then he started to talk about higher tariffs that could protect farmers working in a supply managed industry. Every member in this House knows full well that the supply and

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demand oriented farming industry is concentrated mainly in Quebec and in Ontario and that supply is regulated by quotas.

In order to reassure me and to reassure our farmers, be they involved in dairy farming, poultry farming or egg production, can the hon. member tell us what will happen to their quotas?

Again last week, I met a big dairy farmer who told me that he evaluated his quota at \$750,000. He feared that the value of his quota would decline, even maybe down to nothing after six, seven or eight years. He said: "Mr. Chrétien, my quota was my pension fund. If it is not worth a thing tomorrow morning, I have lost my pension fund". If he loses his quota, this would be a hard blow to the real value of his farm.

I would like the hon. member for Prince Edward—Hastings to reassure us, since, as you know, Quebec accounts for 48 per cent of all dairy production. Of course, most Western farmers are not subject to supply management. For these farmers, GATT is obviously a marvellous thing, but for Quebec farmers, it may not be so wonderful.

[English]

Mr. Vanclief: Mr. Speaker, I beg to differ with the hon. member for Frontenac. The dairy farmers of Quebec and all of the supply managed sectors in Quebec know the value of supply management. If the translation was correct, he indicated that they did not realize the value or they did not know. However, in his previous comments he said that they did.

Forty-eight per cent of industrial milk production in Canada is held by producers in Quebec, not 48 per cent of the total production. There is a lot of fluid milk or consumer milk but the industrial milk is that milk which goes for cheese and further processing. That is held in Quebec.

I have said for a number of years and I will continue to say that even though there has been some tariffication used as border controls rather than a quantitative control, I am very confident that supply management will be there for those sectors for a long period of time.

I question the member's statement of the value of quota. If the member looks at what has happened to the value of quota, he will find with very few exceptions that its value in the last number of months or since the GATT agreement of about a year ago has not increased. I do not believe it has decreased, but if it has it has been a very marginal amount. That happens over the years because of production et cetera. It will go up and down.

(1110)

It is solid and it can be maintained. The government has shown very clearly in working with the all the stakeholders in the industry over the last number of months that it is our intention to maintain it for the betterment of all Canadians right from the farmer to the consumer.

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[Translation]

Mr. Benoît Tremblay (Rosemont, BQ): Mr. Speaker, we continue this morning second reading of this bill to implement the new GATT agreements and to establish the World Trade Organization. I must say this debate was brilliantly launched by the Minister for International Trade and by my colleague for Verchères who is the international issues critic for the Bloc Québécois.

Second reading provides for a discussion of the principles and general direction of a bill while more technical aspects are closely analyzed in committee and, if necessary, the Bloc Québécois will table amendments at third reading.

After long negotiations, Canada, like all other GATT members, must pass legislation bringing into force at the target or desired date of January 1st, 1995, the GATT agreements reached last April. These agreements strengthen significantly the legislative framework for international trade and define more clearly the rules of the game. They increase the number of sectors subject to these rules, improve the trade conflicts settlement mechanisms and, finally, establish the World Trade Organization, which we have been waiting for since the second world war.

This is considerable progress towards equal opportunity on the world markets for small and medium-sized countries like Canada and Quebec and, in fact, most countries of the world. Even if great economic powers like the United States, Europe and Japan still largely control the negotiation process, once they agree to new rules, these rules apply automatically to all GATT members, which, then, can benefit from a greater protection for their international trade activities.

With a level playing field, performance on the international markets depends less and less on the size of a country and more and more on its ability to design, produce and sell high quality products and services at competitive prices. Under such circumstances, small and medium sized countries can do quite well and even succeed better than large entities, as is proven every day in the world economy.

I understand perfectly well the enthusiasm shown by the Minister for International Trade who said in his opening speech, and I quote: "By creating a more open and stable international trading environment this agreement will generate increased Canadian exports and investment".

The minister is quite right and I can assure him that, on the eve of becoming a sovereign country, Quebec shares his enthusiasm and his understanding of the evolution of international trade rules.

(1115)

Allow me to read another excerpt from his speech: "Canada's economic strength now and in the future will depend fundamen-

tally 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.

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". And listen carefully, this is the minister speaking: "Jurisdictions and policy areas that have long been considered to be quintessentially domestic are now increasingly subject to international negotiations and rule making".

The minister is perfectly right. Again, Quebec is in total agreement with the Minister for International Trade, so much so that one might wonder if the minister consulted Mr. Jacques Parizeau or Mr. Bernard Landry before he wrote his speech. That is exactly what we keep saying when we consider the future relations between Quebec and the rest of Canada.

On the eve of a referendum that will determine the political future of Quebec and of the rest of Canada, I have to admit it is heartening to hear at least one federal minister making the realistic, clear and enthusiastic statement of the rules and policies that will govern economic relations between Canada and Quebec.

That conclusion and the praise I give to the Minister for International Trade may come as a surprise, but it is quite simple and natural. How could the Canadian minister seek economic ties will all sovereign countries of this world and not with Quebec, when we already have significant and productive trade relations with the rest of Canada?

Canadians and Quebecers would have a hard time understanding such an attitude, and the whole world would be taken aback. But since other ministers, the Prime Minister included, do not have that same open and realistic attitude, let us specify what is at stake. While Quebecers wish their Canadian partners will have an open and realistic attitude, the rules governing our future economic relations will not depend on attitudes only, but largely on rules set under the GATT.

It is largely a matter of international law, the broadening and reinforcement of which the minister praised today. Article XXVI(5)(c) of the GATT agreement provides that a new state carved out of a country which is already a member of GATT automatically becomes a member on becoming a sovereign state, provided it accepts conditions and requirements applying to the parent state. It is quite simple and clear. A C. D. Howe Institute study says that most Canadian experts fully recognize that fact.

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(1120)

It is primarily a matter of law. Quebec has already said that it would apply for membership and that it would accept all conditions and requirements that apply now to Canada. The only choice for the international trade minister, then, is to welcome the future relations between Quebec and Canada with the same enthusiasm he demonstrates for other sovereign states. He should so advise the Prime Minister. Given that the Prime Minister just said he likes a good fight, especially with Quebec, he will probably not greet the GATT rules with the same enthusiasm as that shown by his Minister for International Trade.

According to what he said, if Quebec becomes politically independent, the rest of Canada will want to separate economically from Quebec while remaining associated with all other sovereign countries of the world. Well, Mr. Minister, you will have to tell your Prime Minister that Quebec being a de facto member of the GATT, the same rules will apply to Quebec as to all other sovereign countries members of the GATT, and the rest of Canada will have to abide by these rules.

In international trade or GATT terms, this very simple principle is called the most favoured nation treatment. When a country gives a tariff concession to another member, that concession must immediately and unconditionally apply to all similar products coming from all member countries. That is one rule of law that will considerably restrain the Prime Minister's aggressiveness.

But that is not all. GATT goes further. It does not merely prevent discrimination between countries. It also anticipates discrimination once the product is inside the recipient country and therefore prevents discrimination towards other domestic products. That is what we call the "national treatment". It requires that GATT members adopt legislations on sales, transport and usage of foreign products which are identical to those governing similar domestic products coming from national companies so that both foreign and domestic products be treated equally.

The Prime Minister will have to admit that, if he is to abide by the law, his leeway is limited. Naturally, if his aggressive instincts are too vivid, he could break the rules of law and trigger a trade war with Quebec.

If instincts were to prevail over reason, let me repeat word for word what his Minister for International Trade said when he tabled this bill. The agreement excludes the adoption of unilateral measures in response to trade disputes. The new integrated system of dispute settlement which would mean clearer rules, shorter waiting periods and, for the first time, an appeal process with a binding ruling, constitutes a major improvement in the previous GATT system.

Finally, the effectiveness of the rules depends on the means of having them enforced. You will note that we now have an appeal process with a binding ruling, which means the possibility of having them enforced.

(1125)

Consequently, this comprehensive reform of the multilateral system of trade dispute settlement represents a major advantage, although that is impossible to quantify for commercially less important countries such as Canada, which are fundamentally vulnerable to the unilateral approach of economic giants. That would also apply, of course, to Quebec and Canada, so that there would be no unilateral action in response. That argument applies, of course.

What can we conclude from this short analysis of the GATT rules and the speech of the minister responsible for International Trade when comparing them to what the Prime Minister said about future economic relations between the rest of Canada and a sovereign Quebec?

I think that you will agree with me that the Prime Minister of Canada seems to confuse the preparing of the referendum campaign with the preparing of an Halloween party. Instead of clearly and simply presenting the true face of future economic relations between Quebec and Canada, he is looking for a disguise to make people insecure, to scare them before the referendum, while we all know that, after a winning referendum for Quebec, the rest of Canada would simply not have a choice of rules to apply. It would have to imperatively and minimally follow the GATT rules.

After the fact, the Prime Minister will undoubtedly seek to play down his strong language from the past referendum, the hardly concealed threats made before the referendum. He will probably want to explain to us that they were only minor mistakes which would certainly not force him to resign.

I must admit that, personally, I have a lot of difficulty respecting that kind of politician. A politician who was saying during the last election campaign that he would not sign the North American Free Trade Agreement without major renegotiation, and who rushed enthusiastically to sign it a few weeks after taking office. Today, he is playing exactly the same game with the future economic relations between Quebec and Canada.

During the last election, he did not fool Quebecers and they massively voted for members of the Bloc Quebecois. I dare hope that, today, the rest of Canada agrees more with the realism and enthusiasm of the Minister for International Trade, who is seeking to build open and stable economic relations with sovereign states, than with the narrow minded and obsolete attitude of the Prime Minister, when he talks about the future economic relations of a sovereign Quebec with the rest of Canada. The rest of Canada needs a spokesman like the Minister for International Trade to prepare its future economic relations with Quebec on an open, stable and productive base which

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would fit into the irreversible evolution of international economic rules.

I can assure the minister that he will find in Quebec negotiators just as enthusiastic and determined as he is in supporting openness, stability and economic growth, something which would be mutually profitable.

Today, thanks to this bill, we were able to discuss GATT. I can say that we are just as prepared and willing to discuss possible negotiations with regard to free trade, the auto pact and all the other commercial rules that bind Quebec and Canada.

(1130)

[*English*]

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I listened with great interest to the comments by the hon. member from the Bloc about a potential trade relationship between Canada and Quebec as a result of a Quebec separation.

The hon. member has the perfect right to ask these questions even in a hypothetical situation in this Parliament. It is part of the longstanding plan to make what is unacceptable acceptable. If they talk about it long enough they will just wear us down and we will accept it as fact.

However, I would like to pose to my colleague the following scenario. Other Bloc speakers have addressed the importance of supply managed industries, particularly the dairy industry, to Quebec. As a matter of fact, with 25 per cent of the population Quebec industrial milk supplies almost 50 per cent of Canada's total needs.

In a sovereign Quebec competing on a worldwide basis for these fundamental products, what does my colleague think would happen to that quota in the rest of Canada? Does my hon. colleague think for one moment that consumers in the rest of the country would continue to pay a premium price for supply managed or priced fixed products?

Supply management is a euphemism depending upon whether you benefit from it or pay a premium for it. If you benefit from supply management it is great. If you happen to be a consumer it is price fixing. Supply management and price fixing depend upon which side of the equation you are on.

Sooner or later Quebec will not have the benefit of supply managed or price protected industries. Quebec will have to compete on a worldwide basis. Would the hon. member please respond to the core question. With a sovereign and separate Quebec does he think that the rest of the country will continue to buy Quebec products at a premium price?

[*Translation*]

Mr. Tremblay: Mr. Speaker, I thank the member for Edmonton Southwest for his comments and question. Of course, you can approach this debate on the general principle armed with technical data, but we will have an opportunity later on, in committee and at third reading, to talk about the more technical details, especially the GATT provisions regarding this issue. Canada cannot unilaterally change existing or agreed upon rules. We will have an opportunity to discuss this some other time.

In general, in Canada, we have a whole series of protected industries, although to a lesser degree than previously. The member may know that because of subsidies, transportation costs between Ontario and the maritimes are much lower than between Montreal and Louiseville, which is only 30 kilometres away. Subsidies are going to be decreasing because they will no longer be allowed on the world market in which we must compete.

The member also knows that for the past few years, it has cost billions of dollars to support grain producers and that in view of the present financial situation, it will soon no longer be possible to provide the same level of support. Trade negotiations are aimed at reducing grain subsidies in all the countries.

The same is true of production quotas. We are aware of it; indeed, it is planned under the GATT agreement. Nothing comes as a surprise. The GATT agreement provides for quotas to be replaced by tariffs which will gradually decrease.

What you are saying is that should Quebec become politically sovereign, Canada could unilaterally decide to speed up the reduction of tariffs, which is already provided for under the GATT agreements. My answer is that we have the GATT rules. You can always try it; we will see what happens during the GATT negotiations, unless Canada wants to withdraw from GATT and isolate itself from the rest of the world. The rules are there. Of course, farmers will have to adapt.

(1135)

You know what the problem is. Assistance to help farmers adapt is completely ineffective.

I can tell you that last week the Bloc Québécois met with the president and the executive director of Quebec's Union des producteurs agricoles. The executive director is a well known economist who has, on a number of occasions, advised the American government on agricultural issues and who knows the agricultural side of international trade very well. He is quite prepared to deal with the realities of GATT and the international scene and is aware that agriculture in Quebec will have to adapt, as it has in other countries.

As I am sure you know, the GATT agreements provide for a certain number of stages and, within a certain number of years,

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these trade barriers will have to be lowered. But, as you know, there is also the problem of the quality of what we are feeding animals. When is a chicken a chicken? Is the quality of milk nowadays, with all the new hormones, the same as it once was? It has reached the point where we wonder whether we are looking at a chicken or a chemical product.

So, there are problems with respect to the quality of animal feed and of milk. A well known French scientist has said that, for the first time in the history of the world, we are beginning to wonder if science is serving mankind. For decades, until the atomic bomb, we were not in any doubt. Now we are asking questions about the food supply, *in vitro* fertilization, the list goes on. We are wondering if science is truly serving us. Before liberalizing all food trade with the United States, we must stop and think about the health of Canadians.

[English]

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, it always dangerous when we get into the realm of the hypothetical. My friend from the Reform Party, the member for Edmonton Southwest, posed a very significant question. Whether Quebec separates or not it will have to deal with the rest of Canada.

I do not think there was an answer with regard to how we would deal with it, if it would be more effective than it is now or not. Our Prime Minister is from Quebec. Our finance minister comes from Quebec. The interests of Quebec can be best served by our current system. There will be some arrangements and what have you.

The rest of Canada will suffer and Quebec will suffer should it separate. The people of Quebec have to understand that they are going to substitute one set of people, intellectuals, government for another. They have to ask if that is going to be a better method than the current one. It will get terribly problematic.

The member for Edmonton Southwest posed a question about the milk quotas. We have a lot of agreements as part of the family. What happens when you are not part of the family and you are separated? What happens in a case like that? We are in the hypothetical realm.

The interests of Quebec are served best by the current system. Notwithstanding that, it will change because the dynamics of the way humanity is going have to change. We have come through different kinds of revolutions. We have come through the industrial revolution and we are into the information era now.

Quebec does a lot of good things. Its court systems are good. The way it deals with young people is good. There are a lot of things that the rest of Canada can learn from Quebec. However, for Quebec to go with this bunch of intellectuals who are just seeking power for their own sake I think is wrong.

[Translation]

Mr. Tremblay: Mr. Speaker, I would just like to say that I did not hear anything of consequence in my colleague's intervention. As for his attempt to tell Quebecers that he likes them better than their members of Parliament, I will let them be the judge of that.

[English]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, as I listened to the debate preceding my speech on Bill C-57, I am almost tempted to change it and make a few remarks with regard to a separate Quebec and what would happen to supply management as it now exists in the province of Quebec.

(1140)

Needless to say, I would briefly say that the hon. member for Rosemont is circumventing the issue and is not prepared to deal very frankly with his constituents and the people of Quebec as to what would happen if there were a separate Quebec trying to deal in trade issues with the rest of Canada.

The purpose of my address this morning to the House is to speak to Bill C-57. I want to speak to it more directly as it affects grain transportation in western Canada. This bill will very directly affect the lives of my constituents in Kindersley—Lloydminster. On balance this bill will have a very positive effect on the farming industry and I fully understand the need for this piece of legislation.

I have some concerns about some of the things that are not in the bill and the fact that in many areas more should have been done. It is essential that this World Trade Organization agreement be implemented to move the combatants in the international trade war in the direction of trade, peace and sanity.

This large, three-inch thick bill represents the successful completion of the Uruguay round of the GATT and this agreement is the largest, most complex and most comprehensive trade negotiation ever undertaken. The major agreement for Canada is the introduction of a common set of rules to govern trade in agricultural products.

This bill has the effect of causing changes in 31 existing statutes to bring Canada's internal trade distortions in line with international regulations. I will concentrate my remarks today on the changes to the Western Grain Transportation Act and the impact they will have on the agricultural industry, particularly the Canadian Wheat Board region of Canada.

Unfortunately this legislation makes only the minimum possible changes to the WGTA in order for it to comply with the new GATT and World Trade Organization rules. I believe we must continue to work toward a complete overhaul of the WGTA to make it relevant to today's realities. I am discouraged that the

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Liberals are making only minor changes only because they have been forced to.

The WGTA was enacted in 1983 and it is recognized that the requirements for agricultural transportation have changed. Farmer productivity was up and is up. Farms were bigger and crop yields were growing rapidly.

The minor changes to the grain transportation system found in this bill fail to recognize that the changes in the industry since 1983 have continued the pre-WGTA trend. It has become clear that the international community views the current grain transportation system as a direct subsidy.

Bill C-57 makes very few changes to the act ensuring technical compliance with international rules at present. However, this is minimum compliance and will come back to haunt us for two reasons. The fact is that as the schedule of GATT regulations come into force we will have to continue to make changes to our transportation system.

Rather than a real overhaul of the system to prepare Canadian agriculture for the 21st century, the Liberals would rather make a series of small changes with an eye to preserve as much as possible of the past.

The second reason why making only minor changes to the WGTA is inadvisable is that these changes will create some inequities and biases between Canada's grain handling ports.

The Lakehead port at Thunder Bay gets singled out in the subsidy regulations from the other main terminals in Vancouver, Churchill and Prince Rupert. Historically Thunder Bay has been favoured over western ports and this entrenchment of special status will only deepen farmers' resentment of the system.

Legislators have always defended this action with assumptions that it is cheaper to ship grain east through Thunder Bay than to go to the west coast.

However, a 1992 study by the National Transportation Agency revealed that it actually cost on average \$1.04 more per tonne to ship east. It would appear that even in the face of this evidence, the special treatment continues. The St. Lawrence Seaway is sinking in debt and burdened with growing costs and shrinking traffic. Those in the industry are concerned that the changes to the Crow rate will spell the end for the seaway.

Rather than make the necessary transportation reforms to help the ailing waterway, it seems the government has decided to play politics with agricultural transportation policy.

(1145)

The introduction of this bill provides an excellent opportunity to completely overhaul the WGTA. The grain transportation issue has been studied to death. It is clear that farmers are calling for a much improved system. I realize this government prefers studies to action but there have already been so many

studies on this issue that there are no more studies that are conceivable.

I really have to question the reasoning behind creating a two tier system for grain transportation, one for Thunder Bay and one for everyone else. Under the new regulations for Vancouver, Churchill and Prince Rupert ports there will be a cap on the amount of grain that can receive the WGTA subsidy.

More specifically this cap takes the following form: one, the volume of subsidized exports must be reduced from 1993 levels by 21 per cent over a six year period; two, the level of total expenditures on export subsidies must be reduced over a six year period by 36 per cent within a minimum of 15 per cent for each specific commodity; three, over that six year period the level of domestic support programs must be reduced by 20 per cent.

Regional development, research, environmental protection and farm income protection programs are exempt. In the area of market access all measures other than tariff duties must be replaced by tariffs and lowered by an average of 36 per cent over the six years.

After the cap is exceeded 100 per cent of the transportation subsidy will be paid by the shipper who will then pass that cost on to the producers. There will be none of these caps for grain moved through the Thunder Bay terminal. Very interesting. This encourages gross distortions like shipping grain to Thunder Bay and then back out west before export just so it can qualify for the WGTA subsidy.

It is no wonder our competitors have reservations about our system. It might look as though this is a way of subsidizing Canada Steamship Lines and the other lake freighter companies, some which may affect the business interests of the Minister of Finance.

Although changing the way the WGTA operates will create some administrative difficulty, the common rules that our international competitors now use are of net benefit to Canadian farmers. Compliance may have some drawbacks for the administrators but it is clearly in the best interests of farmers.

As I said before these changes that the government is making are generally good but it would have been much better to completely overhaul the transportation system.

Currently the WGTA legislates that the Crow benefit is to be paid to the railroads. There has been an ongoing debate in farm circles about the advisability of the pay the producer model for transport assistance. There are those who have argued that it would be much more effective and efficient to pay the Crow subsidy directly to farmers and then have those producers pay for the full cost of shipping a product to export.

Reformers have argued that the best way to encourage efficiency in the system and to ensure that our agricultural industry is GATT green is to undertake a complete overhaul and consolidation of government agricultural support. We have argued that

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WGTA spending should be included in a new trade distortion adjustment program available to farmers caught under siege in the trade war between the U.S.A. and Europe. Our trade distortion program could be harmonized with the phase down export subsidies of our trading competitors, particularly the U.S.A. with its EEP program. We could target producers who are caught in the crossfire of the trade war.

This trade distortion adjustment program appears to meet all the GATT conditions for fair trade. It is publicly funded. It is not commodity specific. It does not provide artificial price support to producers. Not only would this kind of reform comply with all of the GATT and WTO regulations, it would also provide the Canadian industry with a more efficient system. A consolidated support system would provide farmers with a more cost effective agricultural plan that is more responsive to an ever changing environment.

A thorough reform of the grain transportation system would have to correct the many problems within the current WGTA. The current system encourages inefficiencies like the backhauling of carloads of grain from Thunder Bay which I mentioned earlier. In many cases the same grain is shipped from Winnipeg to the lakehead and then back again. Not only is this gross waste but it is being done in part with taxpayers' money. Unfortunately the minister of agriculture is delaying the action he promised to rectify this absurd practice forced on us by the WGTA.

(1150)

Canada probably has the most inefficient hopper car allocation system in the world. No doubt the Soviet Union had one which was worse but it sort of went out of business. There are far too many different players with their fingers in the car pool. Everyone in the industry, the producers, the grain companies, the Canadian Wheat Board, the grain transportation agency and the railroads have cars going every which way and no one has the overall control to allocate and co-ordinate grain cars in the Canadian Wheat Board region.

One possible solution to that problem is to at least consider privatizing the railway's rolling stock. Economic incentives matter and it is unlikely that someone whose livelihood depends on the efficient movement of hopper cars would continue the current practice of bunching up idle cars at one end of the line while grain is waiting at the other. Neither would they let them sit for weeks at the end of sidings, either full or empty.

In the small community of Kyle in my constituency quite often the railroad sends the cars down to the community. If they would just work for 15 more minutes they could spot all those cars and they would be filled that day and hauled out of the community back on their way to export. In fact, because of the regulatory system we have those cars cannot be spotted until the train sits for eight hours. The cars are then spotted after that

period of time. This does not happen all the time but does occur quite often. The crew then leaves Kyle leaving the empty cars behind. The cars could have been filled during that eight hour period but some of the regulations would have to be changed.

The other day a train arrived in the small community of Beechy in my constituency. Because of a mixup in orders several cars left the community empty. There was no procedure whereby those cars could be allocated from one company to another that had the right grain and could fill the orders at that time.

There is another incident I would like to raise. A friend of mine travels quite frequently between Calgary and my constituency. He kept driving by the same cars which were sitting on a siding in Hanna, Alberta. He was curious so he wrote down the serial numbers of the first and last cars sitting on the siding to make sure it was the same group of hopper cars sitting there. Several months later when he drove by the same hopper cars were sitting on the same siding, not rolling, not serving the purpose for which taxpayers' money went toward in buying those cars. The system has to change.

The current system has no incentives for efficient performance in shipping grain. Perhaps more important, there are no penalties for inefficient performance. All of the players in this system are not adequately encouraged to make the system work beyond their own small involvement in the whole process.

The current system is inflexible and tends to reflect the agriculture production of yesterday. Our transportation system should serve the agriculture economy of today and have a very watchful eye on the future. The inflexibility of the WGTA, both of today and after the minor changes enacted by this bill, stifles that evolution.

Farmers of today have diversified and are now growing canola, lentils, peas, mustard and canary seed, to name just a few of the newer farm commodities. Currently our transportation system is not adequately equipped for this diversity and is therefore not serving the needs of Canadian farmers.

Also, the current system hinders innovation in transportation solutions. For instance, many private operators have offered to take over the branch lines which the CN and CP can no longer afford to run. These entrepreneurs have usually been blocked at every step by the government, crown corporations and other quasi-governmental agencies. I cannot imagine why the government would hinder any proposal that would provide a service to Canadian farmers which it cannot provide.

In short, the Canadian grain transportation industry needs a complete overhaul to bring it into the 1990s and prepare it for the next century. This bill makes a few long overdue adjustments to the system, but again only the minimum was done to ensure compliance with GATT.

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I cannot oppose this bill because the ratification of the GATT agreement through this World Trade Organization bill is absolutely essential if we are to effectively participate in the wide areas of trade and export.

I challenge the government to do more than tinker with the WGTA. In fact, I challenge this government to break down the dozens of interprovincial trade barriers which prove that our country is functioning less efficiently within our borders than we are prepared to function with our trading partners through this new World Trade Organization agreement. I challenge our government to bring agriculture support mechanisms into the 21st century. I challenge the ministers of trade and agriculture to follow up Bill C-57 with a complete and very necessary reform package.

(1155)

[Translation]

Mr. Jean-Guy Chrétien (Frontenac, BQ): Mr. Speaker, as the hon. member of the Reform Party said so well, Canada is a big country. And in this big country, there are wide differences in both views and geography. The same applies to agriculture.

Throughout his speech, my Reform Party colleague had a lot to say about grain producers, the Western Grain Transportation Act and hopper cars that ride empty in order to get the subsidies, but at no time did he mention the problem of Eastern producers, or only in passing. Most of these producers earn their living under a supply management system.

I hope that the tariffs that will eventually be substituted for supply management will be high enough to protect our farmers in Quebec and Ontario, including dairy, poultry and egg producers. These tariffs are supposed to go down by 15 per cent, while all tariffs will reach 36 per cent over a six-year period.

My question for my Reform Party colleague is this: How does he see the position of article XI in the GATT negotiations, which raises the question whether the markets of farmers who depend on supply management will be sufficiently protected? I realize that since the hon. member lives in Western Canada, he was more intent on the needs of his own constituents, and I understand that, but Quebec is still part of Canada—for a little while yet, I hope.

I would appreciate the hon. member's opinion on supply management and tariffs, as well as his party's position on these issues.

[English]

Mr. Hermanson: Mr. Speaker, I appreciate the question from my colleague from the Bloc. I would first like to inform him that

there are supply managed producers not only in western Canada, but a number of them are in my constituency. A number of them support the Reform position with regard to what will happen to supply managed industries.

During the election campaign Reform was the only party that was calling a spade a spade. We said there were going to have to be changes to the supply management industry if we were going to be able to comply with the GATT negotiations that were under way at that time and which were not completed until after the election.

In fact what we predicted almost happened to be 100 per cent accurate. The import quotas were replaced by tariffs. We suggested those tariffs would have to be high enough to protect those industries during a transition period to a global market economy. The GATT agreement has actually been very generous to the supply managed industries in that there are extremely high tariffs in place, 300 per cent tariffs for many commodities, which basically excludes any importation of those products.

As a result of this World Trade Organization agreement and regulation it seems that the supply managed industries have preferential treatment over many other sectors of agriculture which are phased down more quickly and have to take much greater reductions in subsidies.

I would respond to the hon. member in saying that the supply managed industries have probably fared better than the majority of producers in my part of the country who are going to see substantially higher reductions in the subsidies they receive.

I would also take this opportunity to remind the hon. member that if he does get his way and Quebec does separate from the rest of the country, these favourable conditions certainly would be very difficult to sustain. I am sure that Canadians would not continue to give the province of Quebec as high as a 50 per cent market share of industrial milk into Canada for instance.

(1200)

It would be wise if he would explain the situation to his constituents. In fact they would be hurt much more by opting out of Canada than by remaining in Canada, even though we agree that supply management has to be reformed and that some of the basic rules under which it functions have to change.

[Translation]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I will try to be as brief as I can. I was a little upset by what I just heard from my Reform Party colleague, when he said that if, as they say, Quebec should separate from the rest of Canada, the rules for selling Quebec milk on the Canadian market would no longer be the same.

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May I remind the hon. member that Western Canada, and especially Alberta, enjoys certain facilities for marketing its beef in Quebec which are also very attractive.

An hon. member: Eight hundred million.

Mr. Bergeron: Eight hundred million dollars worth of beef annually, I am told. That is quite a lot. I imagine Canada will not be so stupid as to jeopardize its markets in Quebec by trying to strong-arm a future sovereign Quebec. The president of the Mouvement Desjardins said that if Canada wanted to play hard ball with Quebec after sovereignty, the financial consequences would probably be the same for both parties.

Since Canada is a free trade country—at least I hope so—and since it is a capitalist country and wants to make a profit, it will not forego this attractive market in Quebec and thus will not close its own markets to Quebec products, which would make it vulnerable to the same treatment from Quebec.

That being said, my Reform Party colleague should also realize that in a North American free trade context, these so-called threats that Canada might close its doors to products from Quebec are an anachronism, and Quebecers realize this.

[*English*]

Mr. Hermanson: Mr. Speaker, it is interesting the hon. member would refer to the beef industry because it is one of the most freely traded commodities in Canada. If there is anything we have done in Canada in the way of regulation it is to help the beef industry in central Canada by shipping our feed grains to eastern Canada at subsidized rates under the Western Grain Transportation Act, which I said should be eliminated and administered in different ways.

I am not sure if there is a problem with the beef industry in Quebec, but I assure the hon. member that industry is not subsidized in western Canada. I am not sure if it is in his part of the country. The only area where there are significant subsidies is in the transportation of feed grains to his part of the country for the beef industry there.

It must be that the producers in western Canada are very efficient and are able to make a profit in the marketplace. I applaud that and say that if they lose the Quebec market I am sure they will be able to fill other markets without any difficulty.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I rise in the House today to draw the attention of my colleagues to the specific impact on culture of the current trend towards globalization. We are now examining Bill C-57, an Act to implement the Agreement Establishing the World Trade Organization. The purpose of this bill is to harmonize Canadian laws with the broad principles negotiated by GATT members.

During the Uruguay Round, we maintained and we continue to maintain, that in these wide-ranging global trade talks, culture should enjoy special safeguards that respect the sovereignty of states and their desire to preserve their specific identity. We are of course referring to the demands made by the Americans to include culture in free trade.

The Americans have been trying to impose their cultural industry throughout the world for some time. The U.S. audio-visual industry is their second largest export sector. They have been able to develop a very powerful industry, since their domestic market is the biggest in the world.

(1205)

That is why according to them, culture should be considered as just another commodity, like a pair of shoes or a computer. In fact, the Americans totally dominate the industry.

As early as 1947, the General Agreement on Tariffs and Trade contained a major provision, article IV, which was intended to protect national cultures against the unbridled implementation of the principle of the free movement of goods. This article covered special provisions relating to cinematography. Member countries were allowed to set screening quotas, in other words, a minimum of domestic films to be screened in the country concerned.

In 1961, the Americans demanded national treatment as provided under article III and felt that the quantitative restrictions imposed by certain states, including Canada, with respect to U.S. television programs were discriminatory and violated article III. Canada argued that its right to impose such restrictions arose from article IV of the agreement, which provided that a country had the right to limit access to its film market. In fact, Canada extended to television its right to limit the screening of foreign films. Of course in 1947, when the GATT agreements were signed, television was a technology whose impact was hardly predictable.

Various attempts to reach an agreement were unsuccessful, so that as far as television programs are concerned, the intent of article IV is still not quite clear. However, the controversy clearly showed the lack of enthusiasm of the American government for trade restrictions on cultural grounds.

In the late 1970s, the Americans are at it again. The GATT secretariat is mandated by the contracting parties to compile a list of all non-tariff barriers. The US list mentions various foreign practices designed to limit the importation of American cultural products. Also and for the first time, the United States denounced the subsidization of national film producers and distributors practised in 21 member countries. Again, the principle of financial freedom advocated by American interests clashes with that of cultural development and national identity.

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This exercise did not result in any concrete measures at the Tokyo Round, in particular because the major part of the cultural product was often considered within the OECD as falling under trade in services instead of trade in goods, which automatically excluded it from the scope of the GATT agreement.

Starting in 1986, at the insistent request of the United States, three new subjects were to be covered in the new round of trade negotiations: intellectual property, investments and services, culture being assimilated to a service. It then became increasingly difficult to exclude cultural products from the market logic peculiar to GATT.

In 1990, in the context of these negotiations, a special committee was set up to look into the liberalization of trade in the specific area of audiovisual. Two opposite sets of views were represented in this committee, with the United States insisting that no restriction be put on the movement of goods and services, while the European Community was asking that, where the cultural identity of a state were involved, the State in question not be forced to make concessions that could put its cultural identity at risk. This committee was eventually dissolved, it being absolutely impossible for its members to come to an agreement.

At the same time, Canada was negotiating a free trade agreement with the United States. And again, culture and cultural sovereignty were at the centre of the debate. All the lobbies directly or indirectly associated with cultural industries set out to convince negotiators and the public that cultural products had to be excluded from this agreement. The Conservative government changed its mind on this issue depending on which way the wind was blowing: one day, culture was on the table; the next day, cross my heart and hope to die, it was not.

(1210)

Completely contradictory statements made it impossible to get at the truth. The government claimed that the question of cultural sovereignty was not negotiable, but in fact did not demand the exclusion of the cultural industries for fear of jeopardizing the success of the negotiations. Furthermore, during the negotiations, the government scrapped a film bill designed, among other things, to guarantee better control over the distribution of foreign films within Canada.

In other words, even while the North American Free Trade Agreement was being hammered out, the Canadian government was backing away from one of its fundamental responsibilities intended to support cultural development. Knowing that Americans produce 97 per cent of the films we see, we cannot help but be concerned by the lack of vision of the Canadian government of the day.

The withdrawal of this bill is a threat to our cultural future. In fact, according to the experts, the cultural protection obtained

by Canada in the Free Trade Agreement and renewed in NAFTA remains ambiguous and could be challenged. This ambiguity is summed up in article 2005 of NAFTA. Paragraph 1 provides that cultural industries are exempt from the provisions of the agreement, and paragraph 2 allows the Americans to take reprisals in other areas of activity if they feel that Canadian cultural policy goes against their interests. So much for Canada's ability to undertake any legislative measures necessary to further its cultural development. Such measures could be ill viewed by the Americans, who would take retaliatory action by virtue of the powers given them under paragraph 2 of article 2005.

Now we understand why the Canadian government withdrew its bill limiting distribution of foreign films within its jurisdiction and why the present government is dragging its feet on amendments to the Copyright Act.

In the last round of GATT negotiations, we are told, culture had a narrow escape. The Americans' push for unanimous agreement that culture is a product like any other and should be exempt from national and international regulation failed because of the forceful intervention of France, supported by the European Economic Community.

In this last-ditch attempt to save cultural expression and the democracy of ideas, Canada played a minor role, overshadowed by our cousins from France. The current government, need I remind you, belatedly supported the agreement after a period of guilty silence. This attitude reveals Canada's position on the whole issue of culture.

The Ginn Publishing affair reveals just as much about Canada's position on protecting our cultural development. Under the Free Trade Agreement and NAFTA, the Canadian government can take measures to protect its publishing and book industry. This provision was designed to allow the Canadian government to maintain its policy on foreign investment in publishing.

Why did the Minister of Heritage agree to sell Ginn Publishing? By enacting a law on foreign investment, the Canadian government had given itself a tool to protect the Canadian publishing industry. Yet, the Minister of Heritage ratified the americanization of one of our publishing houses with a smile and his proverbial naivety. This minister submitted to our neighbour's blows by willingly abandoning what nothing was forcing him to relinquish.

Do you really believe that, in the current circumstances, we can trust this minister to protect our country's culture in the next round of multilateral negotiations?

Cases like that of Ginn Publishing make us wonder about what many call the "secret clauses" of the Free Trade Agreement. Is it normal that, in a democratic country, our government makes its decisions not by consulting Parliament and the people in accordance with its own laws, but under pressure from other countries?

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Some observers noted that Canada's lack of involvement in the GATT multilateral negotiations was due to the fact that it considers its cultural sector as already protected by the FTA and NAFTA. But, as we know, this protection is limited by the fear of retaliation from the American giant, by verbal agreements that leave traces and by the Canadian government's unwillingness to stand up in promoting this country's culture.

(1215)

Furthermore, Carla Hills told Congress that GATT had precedence over the FTA, that there was therefore no cause for concern about this concession to Canadians. I should point out that she said this to the U.S. Congress. In fact, the FTA has precedence over GATT. Still, this statement by the woman who was in charge of FTA negotiations for the American side says a lot about the relative importance given to this agreement by the U.S. and their intention of re-opening it in the future.

Let us go back to the last round of GATT negotiations, which addressed for the first time the issue of intellectual property. The bill before us today contains some 20 clauses on copyrights. As with the rest of the bill, these amendments are proposed to make our Copyright Act comply with the agreements in the *Trade Related Aspects of International Property Rights*, a document containing the rules of the World Trade Organization, including those related to copyright.

These changes are minor, to be sure. They create only one new right: they allow the performing artist to authorize or refuse to permit the recording and broadcast of his performance. The remaining clauses on copyright are intended to update our Copyright Act by including the agreements in *Trade Related Aspects of International Property Rights* and the provisions of the Universal Copyright Convention, to which this international agreement refers.

As examples of these changes, note the clarifications made to the definitions of "infringing" and "performance". Accordingly, industrial piracy and trade in illegally copied merchandise will be limited.

The changes imposed by international trade are commendable. Nevertheless, they put the Canadian government's inaction on copyright on the national agenda. Phase II of the Copyright Act review was planned for last spring. The Minister of Canadian Heritage, who appeared before the Standing Committee on Canadian Heritage on May 4, said this: "I have said right from the beginning, probably even when I became responsible for this portfolio, that our copyright legislation is out of date. There has not been any major change for many years. It is not even fully in keeping with the international agreements on copyrights. We need an overhaul. We are working on it. We have teams of people doing an examination of all this. They are doing the economic impact studies and extensive consultations —I am quite determined to see amendments to the Copyright Act before too long".

But like everyone in the cultural community in Canada and Quebec, we are still waiting for this Copyright Act. This delay is tragic. Of course, it is tragic for our working artists who for ten years or so have been calling for major changes to this law. It is also tragic because we suspect that this delay could be due to the difference of opinion between the Department of Industry and the Department of Canadian Heritage.

On December 22, 1993, the Union des artistes wrote this to the Prime Minister: "The Copyright Act is now being reviewed —Under the previous government, there was an obstacle to the harmonious review of that legislation: The sharing of responsibility between the Department of Canadian Heritage and the Department of Consumer and Corporate Affairs. That arrangement led to a dual vision which, more often than not, resulted in contradictory objectives. That act is the only one protecting the right of Canadian creators".

As for the Minister of Canadian Heritage, he said on CBC radio that he did not really know what the content of phase II of the legislation on copyright would be, and that there would probably be a phase III. It seems that the heritage minister no longer has any authority to impose his views on that issue. He finds himself in a weak and isolated position in his wrestling match with the Minister of Industry. This is truly tragic, considering that it is incumbent upon that department to protect the cultural interests of Canada.

The government resorts to a stopgap measure, namely Bill C-57, to make up for the tragic and unacceptable delay. The Department of International Trade is trying to ensure that the current act is in compliance with international agreements.

I want to emphasize the importance of cultural development for a society.

(1220)

The role of the department in this issue is crucial and vital. Why? Because, as evidenced by the Ginn episode, as evidenced now by the government's apathy regarding the review of the Copyright Act, and as evidenced also by what observers called a very close call with GATT, the right to culture, on one hand, and economic considerations, on the other hand, are on a collision course. And if the Minister of Canadian Heritage does not start creating strategic alliances right now, it is not only Canadian cultural industries which will be in jeopardy, but also democracy itself.

To understand that, we have to define culture. We could, of course, quote several authors. Let us take the definition given by British sociologist Raymond Williams, whom authors Marc Raboy, Yvan Bernier, Florian Sauvageau and Dave Atkinson quote in their book *Développement culturel et mondialisation de l'économie*: "At various times and in various contexts, the term culture has been used in one of three ways. First, it may refer to a general process of intellectual, spiritual and aesthetic development; second, it may describe the way of life of a people or a

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group in a specific location or time; third, it may refer to the activities of artists or intellectuals in a given society”.

Except for the last definition, which only applies to cultural producers, it appears that culture includes a wide array of information and knowledge which allow individuals to develop (including through education, as shown by Williams’ first definition), to adjust and to play a role in their community (as shown by the author’s second definition). From this viewpoint, it would seem that artists and intellectuals as well as cultural producers not only participate in the intellectual, spiritual and aesthetic development of individuals, but also help create an awareness of their living environment. This shows the importance of their activity, which comes under all three definitions of culture according to Williams.”

Canadian economist Michael Walker also gives the following definition, and I quote: “What we refer to as culture is simply a society-wide summation of the individual choices people make”.

From this perspective, culture is essentially demand as expressed by the markets. This definition puts less emphasis on cultural content, as a set of information and knowledge, than on the mechanism that promotes culture, namely a market free of any restrictions.

To compare the definitions provided by Williams and Walker is somewhat of a joke, but it goes to show the conflict between sociological and economic approaches to culture, and particularly the historical conflict between economy and culture which has characterized to this day the evolution of industrialized nations.

To conclude, the proposed amendments to the Copyright Act are imposed upon us from the outside, as a result of multilateral trade agreements signed by Canada. Are we going to let foreign countries decide what is good for Canada in terms of culture or will we pass legislation that reflects our directions, our wishes and those of our creative artists as well as the needs of our cultural industry, which promotes Canadian and Quebec talent? The Bloc Québécois has made a choice and opted for the cultural sovereignty of this country.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, first of all, I would like to heartily congratulate my colleague from Rimouski—Témiscouata on the excellent speech she just gave us. I find it quite revealing that she could make a twenty-minute speech dealing specifically with the cultural issue of the Uruguay Round accords and their applications to Canada.

She presented some facts on the implications of the Uruguay Round accord for culture in Canada and more specifically for copyright in Canada. Once again, I find it quite revealing that international trade agreements force us to make some adjustments to Canada’s copyright law.

(1225)

For months, my colleague has been clamoring for the federal government to legislate clearly on the issue of copyright. Is there not some ambiguity, a problem when the federal government is forced by international trade agreements to act or react on the subject of copyrights?

I put my question to the hon. member because I am sure that she has some points to make about this. Personally, I am very surprised that the federal government has taken so long to legislate on copyrights and that it is doing so in a roundabout way, when forced to by international agreements. Is this not further proof that the present Minister of Canadian Heritage lacks clout and credibility?

Mrs. Tremblay: Mr. Speaker, it is quite clear that it is imperative for Canada to legislate as soon as possible, calmly and in all fairness with respect to copyright. Of course, this is a very complex subject, but it will only increase in complexity as we travel further on the electronic highway. It will be complexified.

In terms of culture, I am particularly concerned when I hear Mrs. Hills tell us that neither the FTA nor NAFTA afford us any protection, while we had been led to believe they did. If indeed we are not protected under these agreements and the GATT agreement will prevail, this means in the short run that, before we know it, Canada will have been invaded by the American culture.

I would not want to be accused of trying to score political points here, but it is high time that the people of Canada, from Newfoundland to Vancouver Island, realize that the threat to English Canada is much greater than the threat to the franco-phone community in Quebec. The American culture is much more of a threat to you than to us. We are French-speaking and intend to remain so. That is why we want to leave this country which is oblivious of the fact that it is going to the dogs.

Wake up, English Canada, before it is too late and you have become Americans! Because we are your credit card, right now, and we are about to cut your financing.

[English]

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I listened with interest to the presentation and certainly would find areas of agreement in it. However I have a real concern when I hear about a bogeyman being out there in the world that is trying to close in on us and shut us down. I am not quite sure what the member was talking about concerning all the threats that exist outside the country.

We are becoming a smaller and smaller world and in fact have to start moving outward. We cannot stay looking in as we so often hear the Bloc talking about. We cannot hold everything in and keep everybody out.

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I would like to know from the member exactly what the terrible threats are against our culture from outside the country other than from the Americans.

[*Translation*]

Mrs. Tremblay: Mr. Speaker, I think that the greatest threat to any country comes from the United States of America. Immediately after the war, the Americans sought to impose their culture upon European countries, which were flat broke coming out from the war years.

The international response was: "No way. We will not let American films invade our market this easily". And the famous motion picture production agreement was signed.

When television broadcasting first started here, in Canada, the Americans attempted once more to invade our market, going as far as boycotting Canada for a while. But they eventually realized that we were not giving in and that we were protected against such an invasion by our regulations, so they accepted to sit down and talk. What the Americans are doing now is trying again, in a roundabout way, to impose their culture around the world, from coast to coast, without forgetting anybody, because they can afford to do this. And the day when only American films, soaps, news and variety programs can be seen around the world, this world of ours will no longer be a democratic world because democracy starts up here, in your head.

(1230)

[*English*]

Mr. Mills (Red Deer): Mr. Speaker, I guess I am fairly shocked at that answer, that the terrible threat out there are the Americans.

I certainly cannot imagine why any part of Canada would want to separate. Obviously the rest of Canada is going to look less favourably on a province that would separate because it would destroy the country we believe in.

Then it will be forced to deal with the Americans and let them totally dominate its culture. The best way I see for Quebec to lose its culture is the threat of separation when it would be totally dependent on the United States.

I guess I just totally do not understand the answer that I just got to my question.

[*Translation*]

Mrs. Tremblay: It is quite simple, Mr. Speaker. We are francophones, while the Americans are English-speaking. We do not tune in to American stations. We watch the French CBC network, TVA and TQS, mostly because programs produced in Quebec is of such superior quality, as compared to American and English Canadian productions, that we feel no need to check what is on in English to spend a lovely evening in front of the

TV. We watch our shows. In addition, we have concluded agreements with the international French-speaking community and gained access to TV5. We are happy with this. But English Canadians are asleep. They do not realize that the American cultural steam roller is at their door. Too bad for them if they would rather sleep and become Americans. As far as we are concerned, we plan to remain Quebecers and so we will, by leaving this sleeping country.

[*English*]

Mr. Jake E. Hooppner (Lisgar—Marquette, Ref.): Mr. Speaker, it is my privilege and honour to be in the House today to address Bill C-57.

Just before I start my address I would like to make a couple of comments on the debate I have heard this morning. I have travelled quite a bit and I think culture is very important. I have never had the opportunity to meet a cow that speaks French or a chicken that speaks French or English. I have had different cultures fry bacon and eggs for me in the morning and I have always enjoyed them no matter with what type of vocabulary they were prepared.

I think this is something that sometimes overshadows the problems we really have. It is always important to me that we address the real issues and make sure those things that help us to survive or give us the opportunity to live in this country are not destroyed.

As we know, this bill implements Canada's full participation in the World Trade Organization. This is the result of our signing the Uruguay round agreement on the GATT in April this year.

The Uruguay round agreement was the largest and the most complex trade negotiation ever undertaken. The final package included more than 25 separate agreements. The nations that signed this agreement have made commitments to eliminate tariffs and other barriers to trade.

From Canada's standpoint this makes it necessary to amend at least 31 different statutes. Each country will have to amend its subsidy and support programs and its border control measures in order to harmonize them with an overall world standard.

Reductions will occur in the volume of subsidized exports.

(1235)

These must be reduced by 21 per cent over a six-year period ending in the year 2001. Our country's expenditures on export subsidies must be reduced by 36 per cent over that same six-year period.

With a minimum reduction of 15 per cent for each commodity domestic support programs must also be reduced by 20 per cent over the six-year period. Regional development, research, environmental protection and farm income protection programs are exempt from this.

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The system of quotas in supply management sectors will be replaced by tariffs that will be lowered an average of 36 per cent over the six years.

I must agree that supply management has very good protection under this tariffication program. I will generally limit my comments to the areas for which I am responsible as the Reform Party critic. They are the areas of agriculture, transportation and agriculture trade. These are truly areas where the nations that took part in this agreement have worked toward establishing a common set of rules to standardize their industries.

The Reform Party is very much pro free trade. We supported the free trade agreement with the United States and we support further extension of free trade in general through the NAFTA and the GATT.

With agreement on the Uruguay round I think we can look forward to more economic growth around the world. This will in turn lead to more investment and more jobs. About 50 per cent of Canadian farmers revenues are generated by exports. That means the agriculture sector will definitely benefit from increased access to foreign markets and from reductions in trade distorting subsidies in other countries which are the major reasons for low world grain prices.

The Reform Party supports several transportation reforms. The underlying principle on which we base our reforms is the belief that Canadian agriculture products should move to market by any expeditious mode, any route in any form or state of processing based exclusively on the principle of cost effectiveness and with the best interests of the consumer in mind.

This is one reason I have been a very strong supporter of the Hudson Bay Route Association in promoting the port of Churchill. When I look at the distance to Churchill and to the other ports I realize how much saving there is as far as rail line maintenance is concerned.

When I see statistics, and these are done by different investigations or task forces, that we could cut our costs of transportation by about \$20 to \$25 a tonne, I think it is not only cost effective but also environmentally friendly.

The other thing we have to realize is that we have a huge north in Manitoba where the native people depend on this type of transportation.

We should be striving to develop an atmosphere that provides for a viable, self-reliant market driven industry by creating an environment in which regional development is eliminated as a goal of transportation policy.

We support elimination of transportation subsidies but the funds should be redirected systematically to comprehensive

safety net programs that are designed to defend Canada's food producers against matters over which they have little control.

We cannot eliminate transportation subsidies altogether without a definite long range plan to help the industry adjust accordingly. By reallocating the funds and paying them to farmers as part of a GATT-green program we can allow our economy to diversify and can give farmers the opportunity to take advantage of the market forces of the new international trading agreement.

(1240)

One thing that was really impressive to me the other day when the former agriculture minister, Mr. Whelan, was a witness before the standing committee was how we have lost our secondary industries, our processors and are killing plants due to transportation problems and other types of subsidies.

It is of the utmost importance that we try to resolve that problem. Canada should endeavour to create a genuinely competitive transportation system. To achieve this end the deregulation of the railway system and the privatization of Canadian national rolling stock should be clearly defined goals.

I do not know what the answers are but when I looked at the speech that the transportation minister delivered the other day, seeing that the labour force is only 64 per cent as efficient on our rail lines as it is in the United States, I know that subsidies are not the only problem. When I also see the United States transports 66 per cent more freight per rail mile than we do, we also know there is another problem of moving the products in the most expeditious way.

In the area of grains, oilseeds and special crops, Canadian producers should benefit from a more stable trading environment. Greater opportunities for exports and hopefully international prices will increase over the six year transportation period. With the volumes of subsidized wheat exported from the United States and the European union expected to be reduced 40 per cent over the next six years, significant market shares should open up for Canadian farmers.

Once this agreement goes into effect, the United States will no longer be able to use section 22 against imports of Canadian wheat. I would note however that these trade agreements can mean little if the government does not have the fortitude to back them up. We have seen other GATT agreements and they have all been broken by the bigger trade partners. As Canadians that is one thing we have to be very concerned about.

We look back to the wheat pact this government not only agreed to with the U.S. but imposed on itself. We see an example of where we were within our rights under the free trade agreement but were bullied away. Article 705.5 of the Canada-U.S. free trade agreement states clearly that the cross border grain shipments can be restricted only if they increase significantly as

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a result of a substantial change in either country's support programs for the grain in question. That was not the case last year.

Increases in wheat and durum to the U.S. last year were the result of an increased demand in the U.S. resulting from many factors. There was definitely no increase in Canadian support programs. This government agreed to surrender anyway. Mere days after this wheat pact occurred we saw the United States sign a wheat deal with Algeria with what had been a major Canadian market, export enhancement durum. The disturbing influence of the United States export enhancement program always allows it to distort grain markets.

If the Canadian government had not buckled under the U.S. pressure, its senators, congressmen and farmers would soon have realized how detrimental the export enhancement program really was. Canadian farmers would only have recouped a small percentage of damage done by the U.S. unfair trade practices.

Hopefully we will see it align its harmful subsidy program under the terms of this agreement. I would point out that although this was a bilateral dispute, there are provisions in the new rules for GATT that would force the United States to prove Canada was unfairly subsidizing exports.

Hopefully this provision will be helpful in avoiding the capitulation that we have seen in the past from our government. This was brought home again last week when the United States department of agriculture began to require that Canadian wheat farmers who export into the U.S. have end user certificates. This despite the fact that the wheat pact signed with the U.S. included a peace clause that stipulated that Canada would be free from further restrictions or harassment for 12 months.

(1245)

It is just another example of how trade agreements are useless if the government seems either unable or disinterested in standing up for the rights of its citizens. A partner in a trade agreement cannot be allowed to be a bully. If this is allowed, the agreement will fall apart sooner or later.

All that Canadian farmers really want is a level playing field. They know they can compete and be the best in the world at producing, but they cannot be expected to continue to be at a disadvantage in trading situations. With a fair set of trade rules that apply equally to all countries across the board, we can achieve that level playing field.

Before these changes can take effect there will have to be major changes to the Western Grain Transportation Act. Any government policy that favours export shipments is deemed as an export subsidy by the GATT. Canada has maintained that the Western Grain Transportation Act provides internal support to

farmers, but some countries, including the United States, insist that it provides export assistance.

Recent studies confirm that it will be viewed as an export subsidy by the GATT. This point emphasizes that the shortest route to an export port is the best route. Under the agreement there will be two systems governing WGTA subsidy restrictions; one will be for grain shipped through Vancouver, Prince Rupert or Churchill. This is specifically export grain that is subject to an export reduction subsidy under the GATT.

The second system is for grain shipped through Thunder Bay or Armstrong. This is deemed as grain for export or for domestic use, and therefore the transportation payments for grain movements under the WGTA can be considered either an export subsidy or domestic support, depending on which shipping route is used.

This clause seems to me to set up a recipe for a tremendous amount of conflict and disagreement. It can only be a detrimental clause in this agreement and will probably cause a lot of hard feelings, not just between producers but also between shippers in the different regions.

WGTA payments on grain that travels through the west ports are contingent on that grain being exported. The GATT was notified that these payments were export subsidies and will be subject to the reduction commitment of 36 per cent for export subsidies and also the 21 per cent reduction in the volume. WGTA payments on grain shipped through Thunder Bay have been notified to the GATT as green domestic support.

I do not know how we can resolve that issue. I think it will be challenged and history will tell us that it is improper and we will have to address it.

According to the GATT text the total Western Grain Transportation program is an amber domestic support program, while the portion related to grain movement to the west coast and Churchill is considered an export subsidy. Canada will have to make according changes to address the export subsidy provisions of the GATT.

The challenge for Canada is to make the WGTA GATT-green. The Reform Party had addressed this problem very well with a trade distortion program that we recommended for WGTA during the election campaign. It was well received. I think the government will sooner or later have to realize that this type of program is the only one that will really be fair and beneficial to western farmers.

(1250)

Since the GATT requires a change in the WGTA subsidy payment method from paying the railways to paying directly to farmers, it is likely the only method that would comply with GATT requirements.

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This is another area where the Liberal government will have to be tremendously diligent and innovative. It has to find a way to pay that subsidy out so that it does not distort the value of land, it does not distort taxation to municipalities because we could be find a number of different real problems.

As I stated, under GATT countries have agreed to reduce their export subsidies by 36 per cent. There are several questions that arise in this bill. I know that farmers in my riding will have a number of concerns.

For example, what safeguards are there for farmers that the railways will be obligated to move grain to other ports? Also, what safeguards do we have that our rail cars will not be going to the United States?

Last year was a disaster for grain transportation. One of the main factors was that the railways decided to chase business in the United States. With the longer car turnaround cycle, this took needed grain cars out of the picture and caused serious ramifications. What assurance do we have that this will not be repeated?

There are also reports that the railways do not have enough engines. I would like to know if anyone has looked especially at this problem. We have the rail cars but we do not have the engines to pull them. That does not give us a very effective transportation system.

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Mr. Speaker, I would like to know this. You indicated earlier in your speech that grain or whatever agricultural product is being transported should be moved by whatever means to whatever destination that the market sees fit.

At the end of your speech, you are criticizing the rail companies for—

The Acting Speaker (Mr. Kilger): Order. I would like to interrupt for a brief moment to remind members to make all interventions through the Chair and not directly to each other across the floor of the House.

Mr. Kirkby: Mr. Speaker, the hon. member mentions that the market should determine by what mode of transportation grain or agricultural products should be shipped. Near the end of his speech he indicates that there is a shortage of grain cars because the companies have decided to use them to ship grain into the United States. It would suggest that he has been quite inconsistent in his approach and I would like him to explain the inconsistency.

Mr. Hoepfner: Mr. Speaker, I do not think I was inconsistent in my remarks. The reason why these grain cars have been diverted to the United States is that under the Western Grain Transportation Act the railways get paid on the amount of grain they move.

However if we do not have the engines to pull these cars, it does not do us very much good to try to get the amount of cars on the system that are needed. Therefore these cars that provincial governments, the federal government and the wheat board bought for the transportation system have been diverted across to the U.S. to gain income. They could not be used in Canada because of the lack of engine power.

It is financially beneficial to the railways to do that. Freight rates in the United States, the pace at which they move their cars, the time of turnaround for these cars are far superior to the Canadian system.

We exported some grain last year and the agent who was shipping that grain further down the line paid from \$250 to \$750 per car according to the need that he had for them. There was a tremendous amount of incentive to move cars that the railways could not use to the U.S. because of a lack of engine power and benefit financially by probably millions and millions of dollars.

(1255)

[*Translation*]

Mr. Jean-Guy Chrétien (Frontenac, BQ): Mr. Speaker, I wish to thank my colleague from Verchères for his excellent job in directing the debate on Bill C-57. I want to point out at the outset that the time has finally come to deal with the important matter of GATT.

Bill C-57 allows us to question some aspects of this agreement which remain what I would call grey areas. The purpose of my comments is not to oppose this bill, but to raise questions to show the members of this House that it is essential that we have enough time to consider this bill before approving it.

Quebecers have been open and in favour of free trade for a long time. You will recall that Quebec stood alongside the U.S. among the first free trade supporters and that, without their support, Canada might have refused to sign the free trade treaty. You certainly remember that, in the 1988 election, when the free trade agreement with the U.S. was the main election plank of the Conservative Party led by Mr. Mulroney, the former Tory leader found his staunchest allies in Quebec.

Despite the misadventures encountered by the Conservative Party during its first mandate, Quebecers gave their overwhelming support to the Progressive Conservative Party precisely because it advocated free trade with the U.S. Quebec showed consistency by greatly facilitating the signing of NAFTA, and it now favours extending this agreement to other countries in Latin America.

It is not hard to see the logic behind this attitude. It is crucial for Quebec's small and medium-sized businesses to secure access to larger markets. Like all Quebecers, I am prejudiced in favour of free trade and therefore in favour of Bill C-57 before us today. What I would like, however, is enough time to look at it carefully, and the Liberal government's railroading of such an important bill is unacceptable.

When several major powers with sometimes conflicting interests sit around the negotiating table, we realize how difficult it is to please everyone. In the current economic context, it is essential to agree on how to develop free trade mechanisms. That is why this agreement can, if it is used properly, provide a basis for future trade negotiations.

(1300)

The potential increase of \$755 billion in international trade between now and the year 2005 is the most convincing guarantee of the positive impact of that agreement. The Final Act of the Uruguay Round signed on April 15, in Marrakesh, meets some of the expectations of Quebec and Canada. However, as regards agricultural issues, that agreement is far from making Quebec producers happy.

The structure of GATT has always differed from that of most major UN agencies. Even though Canada was among the 23 original members, it is now at the same level as the other 107 member countries. It is at the mercy of talks dominated by three major players: The United States, Japan and the European Community.

Like all the other members, Canada is somewhat subjected to the priorities and decisions of these giants, particularly the United States and the European Community. Yet, when a sector as important for Quebec and Canada as agriculture is targeted, the federal government must react and stand up for our producers.

Canada did very poorly when it came to protecting the interests of agricultural producers, regarding article XI, because it was trying to do two different things. Article XI essentially allowed Ontario and Quebec dairy producers to benefit from their supply management system. That initiative was obviously extremely important to them. In the east, producers wanted to keep their supply management programs, while in the west, they wanted new markets for their grain. Given its political situation, Canada tried to please both groups at the international level. In the end, it lost some of its credibility and more. The government found itself caught between a rock and a hard place.

As regards article XI, the government could not let down Quebec producers in the current political context. On the other hand, grain exports have very significant economic spin-offs. When you negotiate, you have to make concessions in order to make gains on those issues which are important to you. However, in order to do that, you must first define your priorities.

This example of double-edged sword is clear evidence that we have to put our house in order. The problem is a major one. How can only one voice protect the diverging interests of western and eastern producers?

The fight on Article XI also undermined Canada's credibility with its own agricultural producers. Indeed, the government

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tried to be reassuring by explaining that, in the short term, higher tariffs would provide producers subjected to quotas the same protection as under article XI. However, the government was silent on the medium term and the long term.

Even though the tariffs proposed by Canada to GATT were not opposed, there is no guarantee that we will not find ourselves in a perpetual trade dispute once they are implemented.

(1305)

However, during the bilateral talks on durum wheat, Canada made concessions in order to avoid prolonging the dispute by going before a panel.

What will Canada do when the Americans revive the debate on quota production and tariffs on yogurt and ice cream, for instance? Who will decide whether GATT or NAFTA takes precedence? These issues are still unclear.

We need assurances that the government is prepared to answer some very specific questions. You may recall, Mr. Speaker, that during the last election campaign, in the fall of 1993, the Prime Minister, the leader of the Liberal Party, was travelling across Canada and saying: "I will not sign NAFTA unless everything is reviewed from A to Z. And I will negotiate". A few weeks after he was sworn in, the Prime Minister went on a short trip to the United States, came back and quickly signed NAFTA.

Just another instance of the past being no guarantee of the future.

What will Canada do when the Americans revive the debate on yogurt and ice cream, for instance? Who will decide whether GATT or NAFTA takes precedence?

We need assurances that the government is prepared to answer some very specific questions. We must go to committee to assess the impact of this bill. We must also keep abreast of steps being taken by our principal trading partners to conform to GATT. The Canadian government should be able to tell us, for instance, whether it and the American government agree on the definition of dumping.

Although we realize that our agricultural policies must conform to our international trade agreements, the government must not take advantage of our obligation to conform to GATT to justify certain measures to reduce the deficit. In many cases, Canada has already reduced its domestic subsidies by more than 20 per cent, which means that for this round of talks, it has met its commitments for subsidy reduction.

If we look at the amendments to the WGTA to harmonize it with GATT requirements, a number of issues are still outstanding. We still do not know whether the Crow benefit will be transferred to producers or how that will be done. This matter should be dealt with immediately. The Minister of Transport, who has been responsible for the Crow so far, announced last

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spring that he would not renew the subsidy. His colleague, the Minister of Agriculture and Agri-Food, was quick to announce that his department would be responsible for the subsidy and would, we may assume, make it more effective by making certain changes.

Since that time, the minister has asked the Producer Payment Panel to examine the question. This review led to recommendations about which the minister has not said a word yet. About the Crow's Nest Pass Rates, he told the magazine *Le Coopérateur* last June: "Although this problem has been around for many years, we must, for various reasons, tackle it without delay. Not the least of these reasons is the GATT Agreement".

(1310)

We, however, still do not know anything about the minister's intentions. It must also be pointed out that Quebec and Canada will benefit from stronger trade regulations. In the last 15 years, several member states, in particular our American neighbour and the European Community, made excessive use of protectionist measures. Clarifying the GATT regulations on the definition of the types of subsidies that are allowed, compensatory or prohibited and the use of countervailing and anti-dumping duties largely favours an international system based on relationships dictated by law rather than force. For smaller states like Quebec and Canada, this strengthening of trade regulations is a safeguard against giants like the United States.

There may be many advantages to an agreement such as the one we are discussing this afternoon. In any case, there is no doubt that, given the internationalization of markets, we must take our place on the international scene and take advantage of trade treaties. Agriculture is only one component of the agreement but its place in Quebec's and Canada's economy does not allow us to minimize the impact of measures affecting this sector. Losing Article XI will require us to restructure our agricultural sector. However, only the future will tell us whether these adjustments were worthwhile. I still think that the grey areas or outstanding problems justify our asking that some aspects of Bill C-57 be clarified in committee.

Furthermore, I find it hard to understand why it is so urgent to conclude this debate when the two giants, the U.S. and Europe, are taking their time. The Americans are moving slowly since some members of Congress are in the middle of an election campaign and this type of agreement is not very popular with voters. Europeans, for their part, have turned this into a power struggle between the European Commission and the Council of Ministers. If this bill is really acceptable, why is it so urgent?

Mr. Speaker, thank you for your attention, and I must again in closing point out that my colleague from Verchères is doing an admirable job of dealing with this matter, for which he is responsible, in order to defend Quebec's major interests.

(1315)

[English]

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I have listened with considerable interest as the debate has unfolded today. The Bloc speakers have been virtually unanimous in their support of supply management.

Those who are consumers have an opinion of supply management that is somewhat different from the opinion of those who are producers. It depends whether they are getting paid or are paying for the product under supply management. Supply management in any other industry would be considered price fixing.

Could the member comment on his perception in Quebec, leaving aside the relationship between Quebec and the rest of the country? Is it his opinion that supply management is a net benefit and, if it is not a net benefit, given that consumers are paying a premium for dairy products and poultry products their costs of living are greatly increased?

[Translation]

Mr. Chrétien (Frontenac): Mr. Speaker, I wish to thank my distinguished colleague from the Reform Party for his very pertinent question. Nevertheless, as you know, three agricultural sectors in Quebec are covered by supply management: poultry, eggs and milk. Supply management in these three fields is so well structured that every month delegations from the UPA, the Quebec farmers' union, receive invitations from other countries that want to know how we could have set up such an effective supply management system.

Mr. Speaker, do you know that without this supply management system in Quebec and in Ontario, no farmer could make a living from producing poultry, eggs or milk? Why? Because we would have been invaded by the Americans. Last week, the president of the UPA told me that he visited a farm in the United States that raises 100,000 steers a year. A hundred thousand!

He told me that Quebec does not produce 100,000 steers a year. Down there, a single huge farm produces more than Quebec does. But once agriculture in Quebec and Ontario is killed off, prices would not be set by government bodies in Quebec or Ontario but by American farmers. The independence of a country is at stake.

When a country cannot feed its people, it is weak. If we want a strong country, this strength must be based on an agricultural system that is competent, productive and also versatile. Thanks to supply management, farmers enjoyed some security and could invest and acquire farms and make them profitable. As for milk production, because I am more familiar with this field, I could tell my distinguished colleague that some farmers have been bled white. They have mortgaged their farm to buy the right to produce—they have bought quotas.

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This past weekend, I met one of these farmers, who estimates that his quota is worth \$750,000. Three quarters of a million dollars and he is afraid that when the tariff system is well in place, quotas will lose their value. Quotas could eventually disappear.

(1320)

I have been asking the same question to Agriculture Canada officials week after week. I even asked the agriculture committee and I was told: "Time will tell. One thing is sure: no problem is to be expected for the first six years". But what about the seventh year or the tenth? When a farm producer has borrowed huge amounts to buy this piece of paper allowing him or her to have 25 or 30 more cows but is told: "Look, ten years from now, your \$750,000 quota may not be worth a penny", is that reassuring? Would you find it encouraging, Mr. Speaker, if you were told: "Your pension plan that you have accumulated here, at the House of Commons, will not be worth a penny, six or seven years down the road"? This is hypothetical. It may be worth something, but then again it may not. You would be concerned, I am sure you would.

Farm producers need reassurance. When you see a farmer with a production quota worth \$1.5 million or \$2 million and they come and tell him: "We expect no problem for the first six years. Later on, we will have to see", take my word for it, supply management becomes awfully important.

On predatory pricing, I cannot say that I share the views of my colleague from the Reform Party, which reflect a lack of knowledge of the situation in Quebec. To get a one cent per litre increase, milk producers have to go before a Quebec government agency called dairy commission where consumer associations, the farm producers association and the Dairies' Association are represented, and negotiate. "Our production costs are such and such, and there has been no increase in the past six months to a year". Consumers say that milk already costs too much and that its price should be reduced, not increased. Farmers want a five-cent increase. And then you have UPA representatives trying to come up with a compromise. Finally, farmers ask for a five-cent increase and often get only a one-cent increase.

So, if you come to Quebec or to Ontario, you will realize that farmers do not work 40 hours a week and then rest. They usually work seven days a week, 365 days a year, along with all their family, and still cannot afford to spend three weeks or a whole month in Florida or in Europe. They have to stay on their farm to operate it.

I would now like to give my view of the outlook for supply management. Of course, I would like the government to stand up and tell us what will happen to supply management six or seven years down the road. Farmers have the right to know. In fact, they represent the class of workers in Quebec for whom we

should have the most respect. According to statistics for all of Canada, the people who work on farms are those who work the highest number of hours in Canada.

On average, Quebec farmers work more hours than other Canadian farmers, precisely because we have a more diversified agriculture.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I would like to make a brief comment.

I am a bit overwhelmed by the very eloquent speech that we just heard from the hon. member for Frontenac. My colleague focused on what was, I think, the main problem for Canada in the Uruguay Round, namely the double talk used by the federal government in trying to protect the interests of producers in Canada and Quebec, those of grain producers from the western provinces on one hand and those of poultry and dairy farmers and other producers on the other hand.

(1325)

It must be said that this double talk, this double standard still exists today. The problem is still there and it became obvious when we asked the government very recently, as my colleague was saying, which rules would have precedence, the NAFTA rules or the GATT rules, with regard to tariffs on dairy products, poultry, etc.

The problem that exists right now is related to the fear of seeing that western grain production will be played off against Quebec's egg, milk and poultry production in future negotiations with the United States. At the present time, the United States imposes limits on Canadian grain imports and the Canadian government could very well be tempted to reduce the tariffs that will be imposed on Quebec's agricultural products in the place of quotas in order to obtain greater access to the American market.

The Canadian government could be tempted to reduce its tariffs in order to open the American market to Canadian grain. The danger is there and the double talk to which the hon. member for Frontenac was referring still exists. It is important to note that we are well aware of the problem and that we will watch the government very closely on this issue.

Mr. Chrétien (Frontenac): Mr. Speaker, my colleague, the hon. member for Verchères, is absolutely right. This reminded me of what my Reform Party colleague said earlier about high prices.

I went shopping with my wife on Friday evening and I saw Prince Edward Island potatoes at a price which was exceptionally high for the season. Three years ago, there was an oversupply of potatoes in New Brunswick. The Canadian and New Brunswick governments of the time bought the potatoes to bury them in an open dump. On the CBC news, they showed us hundreds and hundreds of thousands of tons of potatoes being bulldozed

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into a hole while we could have fed the starving people of the world with those vegetables.

To support the price of potatoes, our two governments had bought the farmers' production. They deliberately kept the potatoes from being marketed precisely to create scarcity. Sometimes we talk about environmental protection. Well it is certainly not very clever to bury potatoes, and not even make compost, when you think there are millions of people, tens of millions of people who cannot even eat a meal a day. And here, in New Brunswick, three years ago, we buried hundreds and hundreds of thousands of tons of potatoes.

When we talked about supply management, do you not think that a supply management system for potatoes would have been much better? Of course in Quebec, we could produce 25 per cent more milk if we wanted to. But why produce 25 per cent more milk if you cannot sell it?

[English]

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, it is a pleasure to speak in the debate.

I always enjoy the interventions of my hon. colleague from Frontenac. I should point out to him that I believe the potatoes to which he was referring that were buried in Prince Edward Island were not buried to support a price. They were seed potatoes and there was a problem. There was a potential for disease and in order to protect the integrity of Prince Edward Island seed potatoes, which is among the highest in the world, it was determined that it would be best to do away with the potatoes. It was not a question of price fixing.

(1330)

I also thought this might be the crowning glory and achievement of the Bloc. We have heard a lot of statements from the Bloc in this House from time to time, some statements more or less preposterous than others. I have to tell you when the hon. member for Frontenac said that we have to protect supply management because the farmers in Quebec worked harder than any other farmers, I mean that was it. How does he know? I really do believe that farmers as people and business persons in our country do work very long hours, but don't we all? I really do not think the farmers in Quebec work any harder than the farmers anywhere else in the country.

An hon. member: How can you know?

Mr. McClelland: Obviously I cannot know. I just do not think that is one contest we need to get into. This debate has been most enlightening today because we have an interesting separation.

We are talking about whether or not Canada should sign into the World Trade Organization. The actual title of this bill is the World Trade Organization Agreement Implementation Act. It is at the second reading stage. We support this bill.

There is a truism about being competitive: If you do not compete, you cannot be competitive. Therefore we have to have within our psyche the desire to compete and to be competitive. That is the dichotomy which has come in this debate thus far today. There are members of the Bloc who are by and large supportive of the notion of free trade and expanded trade, but with a severe reservation because of its impact on supply management.

It is fair to say that as a result of the implementation of the GATT agreement supply management will have seen the last of its days in Canada. Let there be no mistake: Supply management is price fixing. If it was supply management of photo finishing, it would be called price fixing. If it was supply management of shoe manufacturing, it would be called price fixing.

Supply management creates a situation whereby a limited number of producers have access to the market exclusive of anyone else. They are thereby provided a guaranteed return on their investment. What happens of course as a result of that is that everybody else who makes a living based on that investment also has a guaranteed return on their investment, the feed suppliers, the implement suppliers, everyone down the line. You know who gets it in the neck? Mr. and Mrs. Joe Consumer in the land.

If we want a situation where we are going to have industries which are non-competitive, where we are going to have winners and losers in society picked not by the marketplace but by the government, then supply management is a textbook illustration on how to do it. Therefore, one of the main beneficial and most important things that will come as a result of signing this agreement will be the ordered timely end of supply management.

This whole exercise as many people know started in 1944. It was called the Bretton Woods agreement. It was determined that at the conclusion of the second world war it might not be a bad idea if the nations of the world figured out some sort of an arrangement whereby they could learn to trade with each other under certain rules and conditions that might help to prevent future wars. That was essentially the reason behind the United Nations and the Bretton Woods agreement.

Three major decisions were reached at Bretton Woods in 1944. They were the International Monetary Fund, the International Bank for Reconstruction and Development, and the International Trade Organization.

The International Trade Organization did not really get off the ground but the successor, which is the GATT, did. To most people GATT is an obscure term. It stands for General Agreement on Tariffs and Trade. It really has a tremendous impact on the lives of all Canadians daily. It is not just an obscure international agreement that we are signing. It is an agreement that will fundamentally change the way we function as a nation.

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As Canada goes forward into the next century it is perhaps a very timely agreement for us to be signing.

(1335)

We should compare our nation today with our nation when we got involved in the free trade agreement. Going back to the time when we got into free trade with the United States it was a major leap of faith for most Canadians. It said we were going to start to break down the trade barriers within Canada and start competing on our own as a nation within the world.

First we had to compete with the United States. Then we went to the North American free trade agreement in which we decided we were going to compete with the United States and Mexico. Now we are going one step further with the GATT which means we will be competing sooner or later with everyone in the world.

What does that mean to us here in Canada? How does it affect us when we are trying to get by, trying to get a job, trying just to pay our rent? This is it. If we are not the very best that we can be, if we do not as a nation and as individuals strive for excellence, we are going to be buried in the world. We can no longer hide behind tariff barriers.

The tariff barriers in Canada existed for years and years. They created artificial subsidies. The unnatural but natural conclusion were things like the back-in agreements or the backflow where empty grain cars go to Thunder Bay and then come back so that the railways can get a subsidy, so they can get more money for some God forsaken government program. We have the situation where grain grown in western Canada is subsidized to be shipped east. It goes into a feedlot in central Canada so that we can sell beef raised in central Canada on western grain rather than having the beef fattened on western grain in western Canada and then sending dressed beef to the markets, a natural advantage.

All of these distortions that are built into our trade agreements within our own country serve one purpose only: to make us less competitive on the world stage. That is why it is so important that we as Canadians in the present supply managed sectors and all other sectors understand the absolute necessity of becoming competitive as world traders.

A quarter of our nation's wealth is derived from international trade. Eighty per cent of our international trade is with the United States. Twenty-five per cent of that trade is internal trade within branch plants.

In last Saturday's *Globe and Mail* there was a business report from the Royal Bank. I will just show it very briefly for those in television land—

The Acting Speaker (Mr. Kilger): Order. With all due respect to all those people in television land, within the confines

of this wonderful Chamber we do not use "props". We will listen attentively to the wisdom of the hon. member for Edmonton Southwest.

Mr. McClelland: Mr. Speaker, I thought I might be able to sneak that in because I wanted to give credit where credit was due. Less attentive Speakers have allowed me that privilege, but I can see you are on your toes today.

In any event distributed with the *Globe and Mail* last Saturday was a report by the Royal Bank.

(1340)

This might be a good time to put in a plug for the industry committee of the House of Commons which has put together a report on small business. I think most members of Parliament have been inundated with innovative initiatives by all of the banks to try to foster small business.

In any event the Royal Bank publication points out some of the benefits and some of the realities of the trade situation we find ourselves in. The reason I would like to quote some of these statistics is that the signing of the GATT and our commitment to become international traders will inevitably lead to the fact that we had better pay a lot more attention to the next generation of Canadians so that they can compete on a world stage. The next generation of Canadians will compete because of their knowledge based resources.

We in Canada have been very fortunate. We have been blessed for many years. We were able to live a standard of living far beyond our means because we exploited Canada's natural resources. By and large we were the suppliers to the world of natural resources at a relatively low price, but it brought a tremendous amount of wealth into Canada. We were then able to transfer that wealth into the social programs we have all grown very accustomed to and that we really like. The problem is that we are no longer such an exporting nation. We do not have the resources to export and we have not replaced them with anything else.

Let me give an example. One-quarter of our national wealth is derived from international trade. One-third of our jobs depend on international trade. Nine thousand new jobs result from every billion dollars of additional exports. Nearly half of Canada's manufacturing output is exported. Exports generate more than \$5,000 for every Canadian every year. That is really kind of nice.

This is what we are exporting and this is where the problem is: passenger cars, \$24.1 billion; trucks, \$10.5 billion; motor vehicle parts, excluding engines, \$9.6 billion; softwood lumber, \$9.2 billion; and crude petroleum, \$6.9 billion. Where do you see anything there other than the automobile industry that we have any value added?

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In Alberta we have spent zillions of dollars building one of the neatest pulp mills you have ever seen. It is one of the least polluting mills ever made. The problem is that we cut our trees down and we get something like 25 cents value for every tree that goes into that pulp mill. We turn that pulp into a finished product, bleached so that we get the environmental problems down the road, and we send that to Japan and buy it back as finished paper, as fine paper.

I learned earlier today from my hon. colleague from Lisgar—Marquette that Canada used to export a tremendous amount of milled flour to Japan. We do not any more. We export wheat to Japan. The Japanese mill it and then they sell it around the world. How is it we can get ourselves into a situation where we still end up being the purveyors of raw materials? We have to get the tertiary secondary manufacturing or we cannot allow our raw materials to be exploited any more in the same manner which was just fine for 30 or 40 years. Things have changed and we just cannot do that any more.

I mentioned a few minutes earlier about some of our primary exports. Our primary imports are motor vehicle parts excluding engines, \$18 billion; passenger cars, \$11.9 billion; electronic computers, \$9 billion; crude petroleum, \$4.6 billion; electronic tubes and semi-conductors, that sort of thing; \$4.5 billion.

(1345)

Therefore, basically through the auto pact, when we start talking about how great an exporter we are, we are great exporters if we are talking about the auto pact where we export and import and we are great exporters when we start talking about wheat or petroleum.

However, we are not great exporters when we are talking about anything that has value added. This is where we as a nation have a real problem, especially coming into the next generation.

I had a letter from a constituent the other day saying the difference between a politician and a statesman is that a politician thinks about the next election, a statesman thinks about the next generation.

Perhaps we in this Parliament have to start thinking as statesmen, not about the next election but about the next generation. We have a serious problem here. How do we go about competing on a world stage?

Think about internal trade barriers that exist now within Canada. We do not have the ability or the resolve as Canadians to get rid of these trade barriers within Canada that exist today. When we were negotiating the North American free trade agreement with the United States and Mexico there were three players around the table: Canada, the United States and Mexico.

When we were trying to break down the trade barriers within Canada, how many players were around the table—all the provinces and the federal government.

If we as Canadians are prepared to take the bull by the horns and break down these trade barriers we may have to go into a situation and say: "We are the federal government. We represent Canadians. We do not represent Albertans. We do not represent people from Ontario or Quebec. We represent the national interest. These trade barriers are killing us. They are killing our ability to compete internationally. It is time to get them out of here. You guys have exactly one year to get rid of your trade barriers. If you have not done it and negotiated an end to them within a year, kiss them goodbye because they are gone. They are out of there".

If we do not have the kind of resolve that will do it, how can we compete internationally if we cannot compete within our own country, within our own borders? It is essential that before we take on the world as these trade barriers come down, as the tariffication takes effect and the tariff barriers start to come down, we ensure that we are competitive within our own country.

It means that we have to first of all eliminate the interprovincial trade barriers. It means we have to ensure that our taxes are as low as any tax regime in the world. How do we go about doing that? We make sure that they are fair and that we do not use tax incentives that distort the marketplace.

It means that we do not use the tax money paid by someone earning \$10 or \$12 or \$8 an hour, barely getting by, take it into government and then regurgitate it, give it to somebody else to go into business with the person who paid the taxes in competition with the person who paid the taxes in the first place.

It means that we have to lower the cost of being a Canadian. We have to be competitive in the world and it means that we have to make some very strategic investment decisions in the future. It means that we have to ensure that we are not only the sources of ideas, we have to be the innovators and the implementors.

We cannot just have a brainwave, invent something and have that innovative idea brought to the market by Americans or by the Japanese or the Germans.

(1350)

It is going to be a new relationship between the innovators, the entrepreneurs, government, education and business. It is a whole new attitude so that we in our nation will honour, revere and bring to some degree of respect innovators and entrepreneurs who would at least be on the same level as a hockey player.

It is important. Think about it. Someone in our country who is a great business person, a great entrepreneur, a great innovator, a scientist—who do we know? Are they our heroes? No, they certainly are not. Somebody who can put 50 goals into a net or play baseball at all is a hero. It is a quantum change in the whole way we think about ourselves and what is worthwhile in our nation.

Government Orders

We know that our new economy is not going to work if we try to replicate what we did in the past. Going into the new economy we can do so with confidence because we can compete on a world scale. We can only do it if we strive for excellence in everything we do.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, as always I enjoy listening to the member when he speaks on the economy.

I would like to focus on a very specific remark that the member made in his speech. The member said that we must make strategic investments in ideas. Many years ago we as a government made a strategic investment in the automobile industry in this country.

We used taxpayers dollars to create a sector of the economy that is recognized today to be one of the best in the world. We can do joint ventures with Mercedes Benz, with the Japanese, et cetera. We did make a strategic investment with taxpayers dollars and the member acknowledged that strategic investment in his remarks.

My question to the member is in what sectors of the economy is he proposing that we make such strategic investments today?

Mr. McClelland: Mr. Speaker, the strategic investment that the hon. member for Broadview—Greenwood refers to is the auto pact. The auto pact came into being because we in Canada were importing all of our automobiles from the United States. We thought it would not be a bad idea that since we drive these cars here we should make a few.

We ended up getting involved in the auto pact. The auto pact almost died, as the hon. member would know. It was not easy for the agreement to reach fruition. During those years—35 years ago the auto pact came into being—that was in my opinion a very worthwhile strategic investment.

What kinds of strategic investments should we be making today? In my opinion it should be through our universities, through research and development, in colleges. We are doing reviews of all sorts of things.

The National Research Council has a budget of something in the region of \$450 million a year. Imagine if the National Research Council's budget of \$450 million a year were somehow worked into universities so that instead of getting \$450 million worth of value from that investment, we could get \$1 billion worth of value from that investment and we would also have a direct rubber meets the road responsibility. Here are people actually doing things, innovating, transferring that technology and applying it.

Another area in which we should be looking at strategic investments is the electronic highway. Years ago we had a

situation in which communication in Canada was via rivers, then it was via railroad, then by air. We strategically put airports all over the place that we are desperately trying to get rid of now. At the time we needed them for communication.

(1355)

Our future will be based upon our ability to innovate and use the collective brain power of all of our citizens, those working at home in their study, businesses and universities. There are people hacking away at their computers right now somewhere in Canada who could have the secret that we absolutely must have to make something else work. Somehow we need to connect all of this brain power. That is the kind of innovation and strategic value of government led initiative that in my view would be worthwhile.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, the hon. member talked a lot about efficiency, productivity and strategic investments. He did not have much to say about the tremendous amounts spent by the federal government on manpower training. As you know, the federal government probably wastes one or two billion dollars annually on poorly-organized manpower training. When we realize that the provinces are responsible for training, the federal government's involvement in this field means that a lot of money is being wasted.

I believe that if we keep going in this direction, there is a real danger that we will be unable to compete with the rest of the world. I am all in favour of free trade and globalization but, to deal with that, our people must be properly trained. He did not have much to say about that, and I would appreciate his comments on manpower training, federal involvement in this field, the attendant inefficiencies and the adverse impact of those inefficiencies on the potential of our economy.

[*English*]

Mr. McClelland: Mr. Speaker, I want to thank the hon. member for the opportunity to say a few words about manpower training and, in a more general sense, overlap and duplication, the favourite mantra of the Bloc Quebecois.

Irrespective of whether the Bloc is successful in its quest to take Quebec out of Canada, and I hope sincerely that it is not successful, we should be devolving responsibility as close as possible to the people who are going to be the consumers of that responsibility.

If a job can be done by the federal government but could be done better by a municipal government, then the municipal government should do it.

The Speaker: 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.

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STATEMENTS BY MEMBERS

[English]

EQUALITY

Ms. Maria Minna (Beaches—Woodbine, Lib.): Mr. Speaker, 65 years ago Canadian women won the right to be legally recognized as persons.

On Monday of this week, five Canadian women were honoured with the Governor General's Award in recognition of their outstanding contribution toward the promotion of women's equality.

I want to congratulate and thank Shirley Carr, Dr. Rose Charlie, Alice Girard, Morag O'Brien and Dodi Robb for their dedication and determination.

While women in Canada have made significant advances since 1929 they still have a long way to go. We need only look at the representation in this Chamber to see the distance they still have to go.

I would encourage all members of this House and all Canadians to continue to work for the advancement of Canadian women in every sphere of life and in pursuit of the goal of equality.

* * *

[Translation]

FERRIES

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, for more than 18 months, Ottawa has been trying to make up its mind about replacing the old *Lucy Maud Montgomery*, the ferry link between the Magdalen Islands and Prince Edward Island. Since the beginning of this Parliament, the Bloc Québécois has urged the Minister of Transport to decide what should be done, but the minister still cannot make up his mind and is trying to shirk his responsibilities. However, interprovincial ferry services are a federal responsibility and the Magdalen Islands transportation co-op cannot go ahead without federal financing.

Not long ago, the Minister of Transport received letters from Quebec MNAs on the subject. Mr. Farrah, MNA for the Magdalen Islands, and Mr. Paillé, the Quebec Minister of Industry, agreed to ask the minister to act without delay.

Now that the minister knows it is up to him to make the decision, what is he waiting for?

[English]

VIOLENT OFFENDERS

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, while Reform with the support of grassroot Canadians is asking for more protection from violent, ruthless offenders proven in a court of law to be a threat to society, the Liberal government states that any bill seeking to keep sexual predators behind bars will not pass a constitutional challenge. The Liberal government is saying that it does not have the will or the courage to introduce legislation to protect our innocent children.

A learned lawyer stated that if the government contacted constitutional lawyers instead of bureaucratic bosses, whose only interest is keeping their departments running smoothly and not for the best interest of Canadians, legislation could indeed be drafted that would pass the challenge.

When is the Liberal government going to get some gumption, some concern for protecting grassroot Canadians and stop its do nothing, say nothing leadership? Using provincial health laws to keep offenders in jail is even a more stupid idea.

Learn the Constitution. Write the legislation. Do something for a change. Grassroot Canadians want what the government seems unwilling to give them: a safe and secure Canada.

* * *

THE POPPY

Mr. Ivan Grose (Oshawa, Lib.): Mr. Speaker, at this time of year when most of us are wearing the symbol of supreme sacrifice, the poppy, a question nevertheless is sometimes asked: Did the young Canadians who made this sacrifice die in vain?

Yesterday in a citizenship court in Oshawa this question was answered eloquently by 54 people of 17 different countries. These people had decided that the country bequeathed to us by the total sacrifice of too many young Canadians was, to use the words often quoted by a prominent member of the House, "the best country in the world".

I say to those who may oppose this comment that the evidence suggests they are mistaken. Being a long time gambler I will go with the odds. Fifty-four people from seventeen cultures say they are wrong. Come join with us and make it 18 different cultures working to enhance that which was so dearly bought.

I would also like to point out to all hon. members wearing a poppy that as a symbol of the supreme sacrifice it should be worn above all other symbols and decorations including the parliamentary pin.

* * *

JOHN C. POLANYI

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, on November 3 and November 4, 12 Nobel laureates from around the

world, four of whom are Canadian, will gather at the University of Toronto to inaugurate the John C. Polanyi chair in chemistry. The celebration will be accompanied by a series of free public lectures entitled the "Science in Society Lectures" to be given by the laureates at the University of Toronto.

I mention this event not only because it honours a great Canadian, a wonderful professor at the University of Toronto and, if I may say, a resident of my riding of Rosedale, but also because it is a reminder of the important place which scientific research occupies in our modern Canadian society. It is a reminder of the role of our universities in ensuring that basic research continues to advance the interest of science and thus of all Canadians.

We all owe a great deal to the countless number of dedicated researchers throughout Canada of whom John Polanyi is one remarkable example. If Canada is to continue as one of the world's leading technological countries, we must support these men and women and the universities at which they work and teach.

* * *

SOCIAL WORK

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, last week graduates from Canada and around the world met at Toronto to celebrate the 80th anniversary of the faculty of social work at the University of Toronto.

Social workers play a pivotal role in Canadian communities through the promotion of social justice and equity for all groups in society irrespective of class, gender or cultural heritage, and especially for the disadvantaged during financially tough times.

As the oldest faculty of social work in Canada and the third oldest of its kind in North America, the faculty has left a proud legacy of achievements. Research advances in child welfare, family care giving for Alzheimers disease victims and family mediation are only some of the areas in which the faculty has contributed to the betterment of Canadian society.

I would therefore like to take this opportunity to recognize the great work done by social workers and to congratulate the faculty of social work of the University of Toronto as it celebrates its 80th anniversary.

* * *

(1405)

[Translation]

ELECTRONIC HIGHWAY

Mr. Yves Rochelleau (Trois-Rivières, BQ): Mr. Speaker, adding insult to injury, yesterday the Minister of Canadian Heritage indicated that he was prepared to consider letting Quebec play a role with respect to the electronic highway, a role

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as important, said the minister, as that of cable companies or municipalities.

In so doing, the minister showed how indifferent he is to Quebec's cultural identity. It should be obvious that the electronic highway would have a decisive impact on Quebec society. It should be obvious that its cultural and educational content is the exclusive jurisdiction of the government of Quebec.

And incidentally, how does the minister account for the lack of representatives from Quebec's cultural community on the advisory council on the electronic highway?

The minister's incompetence and his lack of sensitivity to these issues are another good reason to demand his resignation.

* * *

[English]

ESPRIT DE CORPS

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, in addition to questions about the integrity of this government regarding the Minister of Canadian Heritage, I must raise the issue of integrity within the defence department.

It has now become clear that defence, along with Industry and Science Canada, is actively attempting to undermine and close down the operation of a small military magazine, *Esprit de corps*, which had the audacity to criticize defence department procedures and officials.

By threatening to refuse contracts to companies like Mercedes Benz and General Motors that advertise in the publication, the government is attempting to remove the base upon which the magazine operates. These are the tactics of a police state, not a developed democracy. In Canada, citizens have a right to criticize the government if they disagree with its policies or practices.

I do not agree with everything *Esprit de corps* says or how it is said, but I passionately defend its right to say it and I am appalled that senior government officials think otherwise.

The minister of defence has been repeatedly advised but refuses to act on problems within his department. He has no excuse for inaction here.

* * *

IMMIGRATION

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, the plan released today by the Minister of Citizenship and Immigration is the result of a comprehensive consultative process and is the first government consultation to come to fruition.

After talking to a cross-section of Canadians over an eight-month period, the minister has tabled a strategy which reflects the needs and desires of our countrymen. The changes introduced will ensure an increased emphasis on immigrants

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with skills and investment potential while continuing to make family reunification a priority.

This plan generated by the people of Canada reflects compassion, humanitarianism and tolerance, time honoured values of the Liberal Party.

I tip my hat to the minister and to the people of Canada for a well balanced and comprehensive citizenship and immigration program that shall meet the needs of Canadians for years to come.

* * *

TOURISM

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, our eastern Ontario caucus was informed that the only increase in tourism in our region during the recent recession was the result of overflow tourists from Quebec. These were visitors brought to Canada by Quebec government advertising.

I believe the federal government through the new tourism commission should work with the private sector to promote Canada by promoting Canadian heritage. In eastern Ontario, for example, the Trent, Severn and Rideau waterways are part of our national heritage. They are a great attraction to tourists from other provinces and countries.

Promotion of major features of Canadian heritage will attract tourists to Canada from around the world and will encourage Canadians to travel in Canada. At the same time promotion of Canadian heritage will strengthen our sense of national identity.

Let us encourage interest in our heritage in Canada and around the world.

* * *

[Translation]

QUEBEC REFERENDUM

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, I am pleased to inform the House that the leader of the Bloc Quebecois has just sided with the Prime Minister, whom he now supports. Indeed the leader of the Bloc Quebecois said yesterday that he now wants a referendum "as soon as possible".

This new position of his is in contrast with what he was saying on September 20, when he pleaded for a referendum at a time where it would be likely to be won. Now that the official opposition and the government agree on holding a referendum as soon as possible, we hope that the leader, the self-described partner of Jacques Parizeau in the referendum saga, will be able to convince his associate to proceed forthwith. Then, as the Prime Minister was saying, we can put to rest the uncertainty that now prevails.

(1410)

NATIONAL DEFENCE

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, in its dissenting report tabled yesterday, the Bloc Quebecois demands that the Minister of National Defence proceed with a complete review of military spending, in particular the purchase of submarines, taking into account the new missions the armed forces will have to undertake in the years to come.

The measures proposed in the majority report of the special joint committee do not go far enough. The Minister of National Defence must come up with a realistic budget, in keeping with the catastrophic situation we are in because of the deficit. The minister must try harder to streamline operations to cut some \$1.6 billion.

The government must show more courage and tackle a deficit which is eroding the future of our children.

* * *

[English]

JUSTICE

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, for the third time in less than a month the excuse of extreme drunkenness has been used as a defence in a criminal court.

The Supreme Court recently made a ruling in the Daviault case and what has ensued has been devastating for all victims. On Friday in Alberta a man was acquitted of assaulting his wife following a 24-hour drinking binge in 1993. The judge ruled that the man could not be held responsible for his actions because he was so drunk he was insane.

Reform MPs have twice asked the Minister of Justice to enact legislation to plug this loophole but we still have seen nothing.

This is not the Land of Oz and the minister I hope is not Dorothy. Supposedly the justice minister is troubled by these cases, but we all know that his clicking of the heels three times will not make the issue disappear. Amending legislation must be brought in immediately if victims in the country have any chance at all for justice.

* * *

CANADIAN WHEAT BOARD

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the minister of agriculture has stated that the debate surrounding the future of the Canadian Wheat Board is an important one. In response he has announced a process which will include asking farmers what they think.

Consultation is important. Indeed just two years ago farmers were consulted in what was then known as transportation talks wherein a vast majority of farmers and rural residents spoke in favour of maintaining the crown benefit and strengthening the Canadian Wheat Board. Then more than 13,000 rural Sas-

katchewan residents attended a rally in Saskatoon, the vast majority again sending the message to Ottawa that a strengthened wheat board was necessary to protect the positive future of agriculture in Canada.

The minister of agriculture and his party have in the past expressed strong support for the Canadian Wheat Board. In light of consultations that have already occurred, I urge the minister to stand firmly behind the board and its long term commitment to farmers.

* * *

BELL ISLAND

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, I rise today to honour the 69 men who perished in the fall of 1942 near Bell Island, Newfoundland. I would also like to pay tribute to those in the community of Bell Island who have kept the memory of these men alive.

Many Canadians do not know that Bell Island was the only community in North America to come under direct enemy fire during World War II. In the fall of 1942 four ships, three from Britain and one from France, were sunk by U-boats in two separate incidents. Although 69 men died the people of Bell Island are credited with saving many lives.

Tomorrow, November 2, the Royal Canadian Legion of Bell Island will dedicate a seamen's memorial at Lance Cove Beach, close to the spot where the four ships were sunk. A special plaque to honour the people of Lance Cove is also included in the memorial.

The liberal government has introduced the Canada remembers program, and in this spirit tomorrow the community of Bell Island plans to commemorate an event that should never be forgotten.

* * *

CIVIL AVIATION

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, as chairperson for the Standing Committee on Transport it is my privilege to acknowledge the 50th anniversary of the opening of the international conference convened in Chicago to plan the post-war future of international civil aviation. I would like to note that the ICAO was created to ensure the orderly development of civil aviation.

In honour of the 50th anniversary the ICAO has convened another worldwide transport conference that will be held in Montreal on November 23. There are many global developments that will influence the future evolution of commercial air transportation in the years to come. These include changing

Oral Questions

trade patterns, technological advances and the growing affluence of countries that were once less developed.

It is therefore quite timely for the nations of the world to begin reviewing the economic rules and regulations under which international air services are operated.

(1415)

The ICAO is to be commended for the leadership it has shown by organizing this conference. I wish all the conference participants every success in their endeavours.

* * *

JULIETTE KANG

Mr. John Loney (Edmonton North, Lib.): Mr. Speaker, on behalf of my colleagues I rise to congratulate Juliette Kang of Edmonton, a brilliant young violinist, who won the gold medal, the \$25,000 first prize, and first place in four individual categories at the recent International Violin Competition of Indianapolis. In fact she has captured more special prizes than anyone else in competition history.

Ms. Kang is internationally recognized as having virtuosity and great musical maturity, and the rare ability to regulate rational and emotional balance.

This morning Ms. Kang was a featured guest on CBC's "Morningside". Her exceptional talent was displayed in her performance of two pieces of music during the show. I hope the interview is replayed on "The Best of Morningside" this evening so that more listeners can hear this fabulous musician.

I would ask the House to join in recognizing and congratulating the dedication and sacrifice of Ms. Kang. Every Canadian should be proud to have such an accomplished representative in the international music world.

ORAL QUESTION PERIOD

[Translation]

ETHICS

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, we are informed that the Minister of Canadian Heritage sent at least seven other letters directly to the CRTC, in addition to his letter supporting a licence application. The minister's error is definitely compounded by the frequency with which he interferes with the CRTC's decisions. In fact, the minister sees nothing wrong with maintaining a regular correspondence with a quasi-judicial tribunal. The minister himself said this morning that the news about seven other letters improved his credibility, which just shows how good his judgment is.

Oral Questions

I want to ask the government how it can keep maintaining that the Minister of Canadian Heritage committed an honest mistake, knowing now it was not an isolated incident but common practice for this minister.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Leader of the Opposition was once a minister, and he knows that as such, one has certain responsibilities. For instance, when people write to complain about the content of television programs, a minister not only has the right but also a responsibility to refer such complaints to the CRTC, which was done in the case of the seven letters. It is, after all, the minister's responsibility to make appropriate references to the CRTC.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I may recall that five ministers were caught sending letters of support and, in four cases, letters very specifically advising the CRTC of that support, which means they were directly and unduly interfering with the CRTC's decision-making process.

I want to ask the government how many more letters from the minister it will take to convince the government of the minister's lack of judgment. Does the Deputy Prime Minister share the position taken yesterday by the Minister of Immigration that a minister should not communicate directly with an agency for which he is responsible, thus directly condemning the behaviour of his colleague for Canadian Heritage vis-à-vis the CRTC?

Are we to understand that in the mind of the government, in the mind of the Deputy Prime Minister, there are two codes of ethics, one for the Minister of Immigration and one for the Minister of Canadian Heritage?

[English]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Leader of the Opposition was a minister.

In his capacity as a minister he was required from time to time to write to bodies that were under his authority. Not only did he have the right to contact those bodies he had the responsibility.

It seems to me that when the minister responsible for communications receives complaints from the public about the cost, for example, of cable increases he not only has the right to refer those letters to the CRTC he has the responsibility.

The Leader of the Opposition would be the first person to complain if the minister responsible for communications refused to communicate with the body that develops those kinds of regulations. That is his responsibility. He is doing his job and he will continue to do his job under the guidelines that the Prime Minister has now established.

(1420)

[Translation]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, when we hear the Prime Minister promise a stricter code of ethics for the future, what the Deputy Prime Minister just said is not reassuring. She promises that things will go on as before since there are no objections. I may remind the government that under Prime Ministers Joe Clark and Pierre Elliott Trudeau, there were specific rules prohibiting ministers from communicating directly with tribunals like the CRTC.

To show how far removed the Minister of Canadian Heritage is from the real world, I would ask the government to consider the fact that one of the letters that the minister sent to the CRTC and that were revealed this morning is dated October 13, less than two weeks after he received absolution for his first blunder, the letter of support dated March 15. Does the Deputy Prime Minister not realize that the hon. member for Laval West lacks the judgment required of a minister and that he is inept and thus incapable of performing the duties of a minister?

[English]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I have a copy of the letter in question. I would like to table it, along with the other letters that have been referred to, because I think they make the point very clearly that the minister was only carrying out his job, his responsibilities and his function as minister.

What he was responding to was a letter from the member of Parliament for Okanagan—Similkameen—Merritt who wrote to the minister complaining on behalf of a constituent about cable television rates.

The minister in his capacity as minister for communications very appropriately referred this letter from the member for Okanagan—Similkameen—Merritt to the CRTC. If he had ignored the letter or thrown it in the waste basket, which seems to be the reference of the hon. member, he would have been in breach of his duty.

We believe the minister should carry out his duties in the context of the very strict guidelines that have been established by the Prime Minister to avoid any conflict of interest.

[Translation]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, according to the Canadian Press, the government's ethics counsellor, Mr. Howard Wilson, had signing authority for federal contracts taken away from him in July 1992 as the result of an investigation by the Auditor General himself. This action was taken against him for having awarded contracts worth close to a million dollars without a call for tenders.

Oral Questions

When it was decided to appoint Mr. Wilson ethics counsellor, did the government know that he had his signing authority taken away from him by the Deputy Minister of Industry in 1992?

[*English*]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Prime Minister and the Government of Canada have full confidence in the integrity and the ethics of the ethics counsellor.

If the member of the opposition has anything to prove otherwise, let him come forward and make a charge.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I conclude from the Deputy Prime Minister's answer that the government knew and so did the Prime Minister. In this context, how could the Prime Minister hide this information from the opposition? Does the Deputy Prime Minister not recognize that when the Prime Minister consulted the opposition last June regarding the appointment of Mr. Wilson, he himself committed a serious breach of elementary rules of ethics by keeping this information from the opposition?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, yesterday, at noon, the Leader of the Opposition, in response to the Prime Minister's statement said, and I quote: "We never doubted the Prime Minister's integrity". He said it himself yesterday, he was even consulted on the appointment of the person in question.

The Prime Minister stated yesterday that he takes full and entire responsibility for his ministers' decisions. If the member opposite wants to attack civil servants who are not allowed to defend themselves, let him make accusations.

(1425)

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister has said that ministers are handed a set of confidential rules of conduct by the PMO when they assume their responsibilities. This is the minimum we would expect from a government that claims to have a serious interest in integrity. The public and Parliament have a right to see such guidelines so they can judge whether they are kept or broken.

In keeping with the Prime Minister's commitment to integrity and openness in government, would the Deputy Prime Minister agree to table these original guidelines given to the ministers in November so we can compare them with any proposed new guidelines and the government's position on the activities of the Canadian heritage minister?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Prime Minister has promised a full and open debate of the new guidelines. I am sure in the context of those guidelines the commissioner for ethics is going to want to bring all the facts forward.

I hope there will be a full public debate because I know the guidelines will stand the test of time. However no guideline is the measure of a person's honesty.

The Prime Minister said that he was putting his integrity on the line because the hallmark of this government was not determined by what was written down in guidelines, but rather the fact that he and his ministers carried out their jobs with honesty and integrity. Nobody is challenging the honesty or the integrity of the Prime Minister.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, they will not submit the guidelines.

Anyone who has studied the relations of ministers to quasi judicial tribunals knows there is only one guideline that ought to guide their communications. They should communicate only through statutes, orders in council and the submissions to public inquiries.

Yet yesterday the Prime Minister said the only guideline he gave ministers last November on such communications was that they should only do so through the duly authorized officials. Surely a Prime Minister who has spent 30 years in public life, some of them as justice minister, can come up with a better guideline than that.

Are the rest of the government's guidelines on ethics as weak and as poorly worded as this one? If so, what specifically is the government going to do to strengthen them?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, if you follow the rationale of the leader of the third party, basically you would tell the member for Okanagan—Similkameen—Merritt, who wrote to the minister on behalf of a constituent who was concerned about the increase in the cost of cable television, that the minister cannot pass his concerns along. The minister has a responsibility in the discharge of his duties to make sure that the cable television system is working properly.

The Prime Minister has set in place is a system where all future correspondence must go through the ethics counsellor. We think that is an interim fair measure. We are looking for a very full and open debate in the House on guidelines that will permit ministers to do their jobs and at the same time will make sure that members of Parliament get the service they deserve from ministers of the government.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, what 99 per cent of ministers in other jurisdictions do

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in that case is tell the constituent to communicate directly and give the reason why. This is not exactly rocket science.

An hon. member: That is right.

Mr. Manning: Mr. Speaker, the rules of conduct for ministers and the role of the ethics counsellor are inseparably related. Yesterday in the House the Prime Minister refused to disclose the content of his office's discussions with his own ethics counsellor on the dubious activities of the Minister of Canadian Heritage. This sort of closed room, back door, ad hoc handling of an ethical issue runs contrary to his profession of interest in integrity and openness.

I ask the Deputy Prime Minister directly, what specifically was the advice that the ethics counsellor gave to the government? Did he or did he not say that the Minister of Canadian Heritage should resign?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I cannot accept the premise of the hon. member that when Jim Hart, MP for Okanagan—Similkameen—Merritt wrote to the minister—

Some hon. members: Oh, oh.

(1430)

The Speaker: My colleagues, it would be better to refer to one another by our ridings rather than mentioning our names.

Ms. Copps: Mr. Speaker, the letter reads: "Dear Minister: A constituent of mine has a concern in regards to pending fee hikes at Regional Cable T.V. Inc. It would be very much appreciated if you"—the minister—"would review the enclosed letters from Mrs. Kirkland and provide explanation as to why she must pay \$3 more per month in basic rates even if she does not want the additional channels".

Presumably the minister in making a reference to the CRTC was passing along the concerns rightfully expressed by a member of Parliament on behalf of his constituents. That is part of the job of being a member of Parliament. We would hope the Reform Party would not want to tie the hands of members who are trying to represent their constituents.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, when I listen to the answers of the Deputy Prime Minister, I realize that the Minister of Canadian Heritage is not the only one to confuse the duties of a member of Parliament with the role of a minister.

Can the Deputy Prime Minister tell us what credibility the Minister of Canadian Heritage still has, considering that he is

not even able to understand the responsibilities he has regarding the CRTC?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Prime Minister himself said in this House that mistakes were made. Is the hon. member looking for a solution or a political issue?

Last week, the Prime Minister adopted the following solution: he wrote to every minister that no correspondence can be sent directly to quasi-judicial bodies. That solution was arrived at before Mr. Wilson proposed more elaborate rules which will be debated in this House. There was a problem and mistakes were made. These mistakes were corrected and we should respect the integrity of ministers when they are carrying out their duties.

The Leader of the Opposition was a minister at one time. He knows that he had a responsibility to his constituents from Lac-Saint-Jean and also to his position as minister. We would not want his constituents to have their hands tied just because their member of Parliament happened to be in the cabinet. They want to obtain services. We want to provide good, efficient and honest services. And that is what we are trying to do.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I am not a minister, but last Wednesday evening, when I heard about this issue, I immediately knew that the minister had to resign. That is the real solution.

Some hon. members: Hear, hear.

Mrs. Tremblay: And if it is not, then this will turn into a political issue.

What kind of credibility can a minister have when he does not understand the basic rules governing his department's operations, and how can he deal with the important issues for which he is responsible, including the financing of the CBC, the future of Telefilm Canada and the National Film Board, the electronic highway, as well as the review of the Copyright Act which we have been waiting for so long?

[*English*]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Prime Minister has made it very clear that a mistake was made and that the government has put in place a system to ensure it does not happen again. The minister himself made it very clear that as soon as he understood the CRTC was misinterpreting his original letter, he sent a second letter to rectify the issue.

The member says she is going to turn it into a political issue. If the member is really interested in a solution she will recognize the fact that as of last Friday the Prime Minister issued a directive to all members of the cabinet that any letter by any minister to any quasi-judicial body will go through Mr. Wilson.

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(1435)

In the meantime Mr. Wilson is working very hard. In fact he had a meeting with cabinet this morning to establish hard and fast guidelines for dealing with quasi-judicial bodies that will respect the work of ministers and at the same time respect the rights of constituents across this country to be rightfully represented in Parliament. I do not want the electors of Hamilton East to have their hands tied just because I happen to be in the cabinet.

The Speaker: My colleagues, once again I would appeal to you to make both the questions and the answers as brief as possible.

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

We learned that the Minister of Canadian Heritage has written eight letters to the CRTC. Seven of these letters do recognize that he cannot interfere, yet in the eighth letter he does not qualify his interventions. The minister knew that he was not to interfere in seven cases. Why did he choose to intervene in this particular case with the quasi-judicial body for which he is responsible?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the premise of the hon. member's question in fact is refuted by a letter that she received from the person to whom she referred yesterday when she said there were allegations of undue influence.

In fact the secretary general of the CRTC has written back to the hon. member stating: "All communications related to a public process are treated in the same way regardless of originator. This includes a minister of the crown or other members of Parliament". The member will know that because she received the letter from Mr. Darling which clarified very specifically that no special treatment had been received.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question was directed to the Minister of Canadian Heritage. I believe we still do have a Minister of Canadian Heritage on the other side.

With respect to the communication between the CRTC secretary general and my office, yes indeed I did have a panic-stricken secretary general call me yesterday.

My question is focused on the Deputy Prime Minister in this instance. Yesterday in an interview the minister of immigration stated he would not send a letter to the Immigration and Refugee Board. He said it would be wrong for him to write to a quasi-judicial body that reports directly to him. I do not understand this. The minister of immigration appears to understand it, but the Minister of Canadian Heritage does not.

The Prime Minister is not applying the same ethic requirements to all of his cabinet. I ask this question specifically and directly for an answer. Why is he giving the Minister of Canadian Heritage such special treatment in this instance?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Prime Minister came to this House and provided members with all the facts and information surrounding the matter. In fact he stated quite clearly that the minister in question made a mistake.

(1440)

The minister in question made a mistake and the guidelines as they relate to quasi-judicial bodies were not clear. He had moved to rectify the mistake, first of all by the member's letter specifically to the CRTC. Second the Prime Minister moved to clarify the guidelines by asking Mr. Wilson to reintroduce a new package. In the meantime he has established interim guidelines where all future communications of all ministers to quasi-judicial bodies must go through the ethics counsellor.

I think he has done the job in four days and I feel that he has delivered on his promise of honest government. I believe he has reinforced the notion that ethics and integrity are the hallmark of his administration, they are not simply a regulation.

* * *

*[Translation]***CANADIAN SECURITY INTELLIGENCE SERVICE**

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, while the Minister of Canadian Heritage continues his soul searching and is probably getting ready to confess all, let me address another issue. My question is for the Deputy Prime Minister.

CSIS is back in the hot seat. According to a book entitled *Betrayal*, which will hit the stands this week, CSIS asked one of its agents to plant a bomb aboard an Air India plane in Rome in 1986, so that Sikh terrorists would be blamed for it.

Does the government intend to check such troubling allegations and does it acknowledge that, if they are proven true, the strongest measures should be taken against such criminal activities?

[English]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, this matter was reviewed by the Security Intelligence Review Committee and was reported on in its public report in 1987-88. It is my recollection that the Security Intelligence Review Committee in that report found that CSIS had acted properly, contrary to the allegations.

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[Translation]

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, let me point out to the Leader of the Government in the House of Commons that one of his own members made this serious allegation.

Considering the allegations that democratic organizations were infiltrated by CSIS, that the conversations of members of the Quebec government were monitored by the CSE and a bomb was placed aboard an Air India plane by a CSIS agent, will the government agree to set up a real public inquiry on the actions of federal secret agents?

[English]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, responses about the CSE would have to come from the Minister of National Defence.

With regard to the matter reported in the press as being the subject matter of a book, which I have not seen yet, I have just read about it in the press, I understand the matter of Ryszard Paskowski was thoroughly examined by the Security Intelligence Review Committee. In its annual report for 1987-88 it stated: "CSIS dealt properly with Ryszard Paskowski". I think that speaks for itself.

* * *

ETHICS

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, my question is for the Deputy Prime Minister and has to do with the role of the ethics counsellor in the now infamous Minister of Canadian Heritage affair.

We have it on good authority, namely from the counsellor himself, that he first found out about the letter on Wednesday, October 26 and that his source was the press and not the Prime Minister's office. He was not asked by the Prime Minister's office to do anything. He was not asked to prepare a report on the letter and he has not done so.

My question is simple: Why did the Prime Minister take the trouble to appoint an ethics counsellor and obligate the taxpayers to pay for the cost of that position if he does not consult with him on an issue this critical when he had over a month to do so?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I think the Prime Minister more than adequately answered that question when the same question was posed yesterday and last week.

Mr. Ken Epp (Elk Island, Ref.): I suppose, Mr. Speaker, we will ask the same question again until we get an answer that is correct for the Canadian people.

(1445)

The ethics counsellor has confirmed that it was only on Friday last, October 28, that he was given a document which outlines the rules for ministerial conduct and that he was asked to bring it up to date vis-à-vis dealings with quasi-judicial bodies. The Prime Minister stated yesterday that his recommendations were to be discussed by cabinet.

Would it not enhance public confidence if the guidelines for ministers would be made public, be presented, debated and possibly amended in this House and approved by a free vote of members of Parliament on behalf of all Canadians?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, that is exactly the process that the Prime Minister promised earlier this week.

* * *

[Translation]

ELECTRONIC HIGHWAY

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage. Speaking yesterday at the convention of the *Association des câblodistributeurs du Québec*, the heritage minister stated that only the Canadian government should control the electronic highway, in order to be able to set national objectives and promote the Canadian cultural identity. He categorically refused to acknowledge the role or responsibility of the provinces in this matter.

How can the heritage minister exclude Quebec and all the other provinces from the electronic highway project and consider them, along with cable operators and municipal governments, as mere lobbies?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, had our colleague taken the time to read the speech I made yesterday, he would know that what he has just said is absolutely incorrect.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I am just quoting today's newspaper.

Must we infer from the scornful attitude of the minister that not only does he deny in fact Quebec's distinct character, but that he also rejects off-handedly all our historic claims in matters of culture and communication?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, it is interesting to see how my words are distorted. In fact, I have been very open to any contribution the industry and any stakeholder in Quebec can make to the development of the electronic highway.

[English]

INDUSTRY

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, I would like to change the line of questioning in this House if I could. My question is for the Parliamentary Secretary to the Minister of Industry.

It has been one year since we were all elected to this prestigious House of Commons. In reviewing my files I happened to notice that this government had made a commitment one year ago that we wished to become a nation of exporters.

I have a large representation in the business community in Nepean and a large number from the high tech industry asking if this ministry has moved ahead on making sure that we become a nation of exporters?

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I want to acknowledge this very timely question from the member for Nepean.

Some hon. members: Oh, oh.

Mr. Mills (Broadview—Greenwood): The Reform Party does not seem to show a lot of interest here in the government's commitment toward small and medium sized business. This is National Services Month.

The service companies of this country employ close to 9 million Canadians and the Government of Canada has made a commitment to work with the service organizations of this country to make sure that they are properly equipped to be more competitive as we head into a global trading experience. We are adding all kinds of support to the FBDB and to the rest of the Department of Industry to make sure that the service companies of this country are looked after.

Some hon. members: Hear, hear.

(1450)

The Speaker: I am sure we will all agree that all questions should have the same weight and they should be getting an answer that we all listen to. I would encourage you that when questions are asked we give the responder a chance to get the answer out.

* * *

ETHICS

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I too would like to change the line of questioning. The Liberals of the 1990s are scandalously similar to the Liberals of the 1970s, smacking of allegations and conflict of interest.

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In 1971 our present Prime Minister called a Quebec judge. Regardless of the reason he maintained he could call since he was acting just as a member of Parliament and not as a minister. Sound familiar? He did not say that was a mistake.

Could this be the reason 20 years later why the Prime Minister will not ask this minister to resign because he could not hold this minister to a higher level of responsibility than he himself had?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I am surprised and disappointed at the line of questioning of the hon. member.

The fact is there is no one in this House who has a greater sense of integrity or honesty than the Prime Minister.

Some hon. members: Hear, hear.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, in 1976 Prime Minister Trudeau brought in guidelines that stated: "Nor may any member of cabinet communicate with members of quasi-judicial bodies", except of course through the proper formal channels. Even in 1984 Mr. Mulroney put guidelines in place.

Are these guidelines of the 1970s and the 1980s not good enough for these Liberals of the 1990s? Will the Prime Minister live up to that fine sense of integrity and ask this minister to resign?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I think the hon. member is somehow leaving the impression with the public that this guideline is in some way different from the guidelines that have been in place in the past.

The guideline the Prime Minister instituted with respect to quasi-judicial bodies was the guideline that had been in place for more than a decade. The guideline is obviously not clear and that is why last Friday the Prime Minister asked the ethics counsellor to make sure there is a full public—the previous minister of Mulroney's government did not seem to mind when they were his guidelines at that time in 1989.

The fact is the current guidelines are not clear and to clear up any uncertainty the Prime Minister is asking for a full open parliamentary public debate on new guidelines. I do not see how much clearer the Prime Minister can get than that.

* * *

[Translation]

GOVERNMENT SPENDING

Mr. Jean-Marc Jacob (Charlesbourg, BQ): Mr. Speaker, we are now facing a very serious financial crisis, as the Minister of Finance found out himself just recently. In that connection, we learned that the cost of travel made last year by federal civil

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servants reached \$617 million, which is more than \$2.5 million a working day in travel by federal civil servants.

(1455)

The minister asked members of the Bloc Québécois for suggestions; should he not work at reducing travel by federal civil servants which costs, as I said, \$2.5 million a working day?

[English]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, actually the amount of travel costs has been going down.

There has also been a decline in the number of people in the public service as has been pointed out previously. Of course this is kept under very close scrutiny by the Treasury Board and by the various ministries. We intend to keep doing that.

We are in a position in which we have to cut the cost of government to get the deficit down to 3 per cent of GDP. It requires that we keep vigilant on all of our expenditures including travel expenditures. We intend to do that.

[Translation]

Mr. Jean-Marc Jacob (Charlesbourg, BQ): Mr. Speaker, while we are on the subject of costly travel, my second question is for the defence minister. Can the Minister of National Defence confirm that Lieutenant-General Scott Clément used a government Airbus 310 for the sole purpose of going to the William Tell missile firing competition in Florida, when he could have taken a commercial flight?

[English]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I have no knowledge of the specific question the hon. member has posed.

Quite often there are training flights using A-310s and Challengers. I will look into the matter for him.

* * *

CRTC

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

With respect to the Minister of Canadian Heritage, it is becoming increasingly obvious that the application process of the CRTC was tainted by political interference by the minister.

The CRTC in refusing the application may itself have made a political decision just to be on the safe side. The panic stricken phone call from Mr. Darling to the member for Calgary South-east yesterday merely confirms the concern felt by many Canadians that this quasi-judicial body is now feeling pressure for political reasons.

How can the Prime Minister assure us that the integrity of the CRTC and its decision making process have not been compromised by the actions of the minister?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, in the letter of the secretary general to the hon. member he states quite categorically that all communications related to a public process are treated in the same way. This includes a minister of the crown or other members of Parliament.

The member pointed out quite rightly yesterday that obviously the influence of the minister could not have been that substantial because the application was denied.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, when a letter comes from a minister it is often as much what is not said as what is said that influences an outfit like the CRTC.

In 1976 the Minister for Public Works at that time telephoned a judge on behalf of the current Minister of Foreign Affairs. That minister offered his resignation voluntarily to the Prime Minister but the Prime Minister of the day, Mr. Trudeau, refused to accept it.

Surely it is not Liberal tradition to interfere with judicial bodies and get away with it. Will the Prime Minister, if it is, break with that tradition, do the right thing and ask for the resignation of the Minister of Canadian Heritage?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the member can pose his question to the Prime Minister.

The Prime Minister is not here. It is awfully hard for us to respond to allegations of things that were not said in letters that were not written.

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THE ECONOMY

Mr. David Iftody (Provencher, Lib.): Mr. Speaker, my question is for the Minister of Finance.

There are growing concerns among the Canadian small business community about the sustained growth of the economy and third quarter results.

The small business community in particular now is undertaking long term investment and hiring decisions on the prospect of sustained growth. What assurances can the Minister of Finance give this House that the recovery is secure and under way?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I would like to congratulate the member for asking a question on the economy which is obviously of the greatest interest to Canadians, albeit clearly not of interest to the opposition.

(1500)

Small and medium size businesses in the country are obviously very encouraged by the strong growth we enjoyed in the month of August, but it is also important to look at the details behind that growth.

The fact is that half the increase came in manufacturing. In fact manufacturing is up 8.7 per cent over the month of August last year. At the same time construction is up 7.7 per cent over a year ago. There is a clear revival as a result of the increase in the number of jobs and consumer confidence; retail sales are up.

One thing I am delighted to be able to say—and I congratulate the member for his question—is that we are clearly on the way to the strongest growth in the country since 1988.

* * *

PRESENCE IN THE GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of our fellow parliamentarians who are here with the Commonwealth Parliamentary Association: Mrs. Elizabeth Hubley of Prince Edward Island; the hon. Gérald Clavette of Newfoundland; the hon. Emery Barnes, Speaker of British Columbia; Anthony Whitford, MLA, Northwest Territories; Neil Reimer, Assistant Committee Clerk, B.C.; and Peter Doucette, Government Whip, P.E.I.

Some hon. members: Hear, hear.

GOVERNMENT ORDERS

[Translation]

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

The House resumed consideration of the motion 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.

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, as a Quebecer and as the member of the Bloc Québécois representing the riding of Longueuil, I am pleased to take part in this debate on the bill to implement the World Trade Organization Agreement. In my remarks, I will rely on my personal experience.

I worked in the business sector for 15 years. I owned a small business that employed about 25 people. I was also the president of a company in the wholesale business with some 30 employees and president of the Chamber of Commerce of the South Shore of Montreal, the third most important chamber of commerce in Quebec. During the same period, I sat as director on the board of a credit union. I say all that just to show that most business people in Quebec are deeply involved in their community, just as I was, and can be pressed for time.

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It is sometimes difficult for them to deal with international matters. I am proud of my deep involvement in the business sector, because it is a marvellous and exciting sector. Business people are constantly looking for means to improve both management and productivity. It is a world of constant change and inventiveness.

As a businessman and a politician from Quebec, I am delighted at the new opportunities that will flow from the new GATT.

(1505)

Business people, through trade, will also get to know each other better and probably become the best instrument for achieving a more lasting peace in the world. So the Uruguay Round and Bill C-57 are important steps, as I have just mentioned. Today, the globalization of markets creates important and increasing opportunities. Businesses have to be more and more efficient.

Businesses need a flexible and efficient framework regulating trade as well as credible dispute-settlement mechanisms. Businesses must be able to count on the co-operation of enlightened government partners as well as unions sensitive to the economy. Businesses need laws and rules adapted to this new environment.

The Uruguay Round negotiations will lead to an increase in international trade. Some statistics put the increase at \$750 billion over the next 10 years. The amount of money flowing from one country to another is potentially enormous on the international level. So we must carefully watch this increase in international trade. This will also bring about an increase in total wealth of some \$200 billion.

Here also, people will be richer, they will be able to spend more and they will have a greater potential for doing so. With Bill C-57, which implements the accord in Canada and Quebec, what are the stakes for Quebec, what is the importance of trade for Quebec? Quebec has a long commercial tradition. The history of our people is marked by trade.

Fur, fish and softwood trade has been the backbone of our economic development for the last four centuries. Today, we still export softwood, newspaper, electricity, aluminum and communication services. The last thirty years have allowed Quebec to open to the world.

The increase of international trade in Quebec is important and, of course, we have established some bases in other countries. We have several offices in several major cities of the world, in the United States as well as in Europe. Even in Japan, we have trade commissioners, so that Quebec is remarkably open to the world, and we will continue to work in that direction.

Quebec is very open to the world. Here is an example that happened not too long ago. In 1988 the government had a free trade project with the United States. Quebec was one of the first to support free trade. Free trade was supported almost un-

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animously, certainly by the Quebec Liberal government, the Parti Québécois and the vast majority of Quebecers.

Of course, at that time, federal Liberals were against free trade. Over time, they finally understood, but I can tell you that it was a never-ending battle, particularly during the 1988 election, which was mostly based on free trade. Unions were also against it because they were supporting the NDP. But now, they have changed and are starting to understand that free trade with the United States is a good thing, that world market liberalization is a good thing for most businesses.

Quebec also supported the latest agreement, NAFTA, between Canada, the United States and Mexico. Once again, that demonstrates that Quebecers are very open to world markets. I will now talk about Quebec's openness towards the coming of new partners in NAFTA. Quebec, a growing society, has become a partner which is credible, efficient and well respected not only in North America but also in Europe. More and more businessmen and businesswomen in Quebec are active in international trade. Quebec needs a legal framework in order to develop its export industry. International trade is a challenge for business people in Quebec. There are numerous and daily challenges in the business sector but international trade is even more demanding.

(1510)

There are some aspects to be considered. First, the financial soundness of the company. Before considering the export related costs, we have to assess all the costs in terms of prospecting and distribution network. For instance, as far as foreign accounts receivable are concerned, we have to take into consideration customs clearance and exchange rates.

Second, the control of production costs. Can the production be done within the timeframe without altering services provided to local customers who bring in our daily bread and butter?

Third, staff qualifications. Is the staff fully qualified to meet the demand? In terms of foreign languages, legal and technical vocabulary, business networks, financial support agencies, market, traveling, etc., can we train current staff? Should we hire qualified staff or people abroad?

Fourth, the marketing instruments. Before investing in marketing activities, a company should get some information on the way of doing things in the country with which it intends to do business.

Fifth, the expectations of customers. Check if the product or the service you wish to export meets the expectations of our new customers. International trade is a complex matter, hence the importance of trade agreements and mechanisms necessary to their implementation.

The role of governments. International governments, the 108 governments party to the agreement must first establish a framework for international trade; negotiate trade agreements furthering the access to new markets as well as preserving harmony and balance; eliminate barriers to international trade. The Uruguay Round satisfies those requirements to a great extent.

Sixth, business support. I believe the government should keep a close eye on the performance of businesses, their needs and the different matters that I have already mentioned, for example a certain guarantee concerning accounts receivable. When you export, collecting bills can be a difficult thing. The government should establish some sort of guarantee. That already exists for larger companies but it becomes very difficult and costly for small business, small and medium-sized firms. Governments should create a fund that would guarantee accounts receivable for small and medium-sized firms wishing to export.

There is also the issue of loans for the promotion of our products. It is often very difficult for small firms who have excellent products to export them if they do not have the necessary cash flow and it is often difficult to obtain it from the banks. Measures should be taken to ensure provision of funds for the promotion of our products. These funds would not constitute a gift but would rather be a loan guaranteed by the government or by independent insurance companies or others. Such a fund should definitely be set up to promote our products on foreign markets.

(1515)

There are also trade bureaus abroad that are dynamic and available, people who are very willing to help our small and medium-sized businesses wishing to export and to develop markets. Public servants often lack drive. There is a lot of diplomatic talk, but when the time comes to do business, it is considered inappropriate. But I believe that the best way to survive is to do business, especially in these very open markets. It will really be necessary to support our businesses, to at least give them the information they need about the culture and the economy of those countries, the way they do business, all kinds of information that is available to the staff of the Department of Foreign Affairs and that could be useful for small and medium-sized businesses.

Because it is important I want to focus on an area over which Quebec has been claiming exclusive control for a long time, manpower training. We shall have to really consult each other, to try to be as efficient as possible and to train highly advanced people in order to be able to produce, create, be productive, to have adequate manpower, etc.

This is a very important point. I read in *L'actualité* of September 15 an article I found interesting. I knew a little bit about it, because when I was chairman of the Committee on Science and Technology we toured Europe. I had been struck by the dynamism shown by the Germans in the area of training in

science and technology. Scientists I met there were utterly different from the scientists here; they acted like car salesmen. They were extremely energetic and, what is extraordinary, they had business acumen.

In the article I was mentioning, Sylvie Halpern writes: "A small town of 15,000 inhabitants can have its own technical school, provided there is some industry and specific needs for specialized manpower. The financing comes from the Lander, the 16 administrative regions of Germany".

In Germany, the regions are responsible for vocational training. The federal government does not tell the regions what they need in terms of training, they each look after the needs of their area. It is said that Quebec and Ottawa quarrel about that. I should have said at the start: "Here is a model that works, the German model".

This system has been in existence in Germany for a long time. They decentralized manpower training long ago, and they did it in a way which is more responsive to the needs of business.

Here is another interesting excerpt: "The strength of the German technical colleges resides in the fact that students come and go constantly". I must say that in the vocational schools, even in the schools of high technology, students share their time between the workplace and the classroom. They put to use what they learn and are much more capable and efficient when they get on the work market. This way, products are better, productivity is greater, etc.

It is also reported that: "Technical colleges are a new type of university focusing on practical abilities". That is what they do. The report says we simply must be more practical in what we teach instead of teaching vague notions, horizontally. We must be closer to businesses and focus more on their needs. It will be necessary.

It goes on to say: "About 800 industry professionals teach in these institutions". Their teachers are not people who know nothing of the industrial environment but only big principles learned in books. They are people who work in the industry and are well-acquainted with this environment.

(1520)

What I mean is that manpower training must be managed by Quebec, by businesses and even by those regions with highly specialized sectors. This is the only way we will become truly productive and be able to meet the competition from other countries in a global economy. I support the opening of markets, but, at the same time, we must ensure that our labour force, be it technicians, managers or business owners, is adequately trained to compete on the world markets.

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Germany is an excellent example of this. I even took the trouble to send a copy of this article to Mr. Garon, the new education minister in Quebec, for him to read.

It bears to be repeated. We will never repeat it enough because the federal government is so stubborn. We have been talking about it for the past 20 or 30 years, but during all that time we have been falling behind. That is why we have to repeat it again and again. I wonder if we will ever succeed. The federal government is so pig-headed and, as you know, it wants to keep its spending power all for itself so that it can tell Quebecers: "Look, if I had not been here, this would not have been possible". That is the idea, you see. This is not logical, this is not practical. This is not the right thing to do. But what the federal government is saying is this: "I want to impose my will. I want to prove that I am important. If I were not here, you would not be able to succeed". And herein lies the misconception.

Have I run out of time, Mr. Speaker? I feel as if I have only been speaking for ten minutes. I still had a lot of things to say. Anyway, I am very proud to have taken part in this debate.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I just heard the hon. member opposite talk about the stubbornness of the government of Canada and governmental services such as the FORD-Q, the Federal Business Development Bank, and the services responsible for promoting Canadian exports.

I would really like to know whether the federal government was stubborn when it came to providing assistance to Canadair, Bombardier, SNC Lavalin, when it came to providing assistance to Spar Aerospace in Montreal and Quebec pharmaceutical companies. Did they call it stubbornness on the part of the federal government when tens of thousands of jobs were created with the direct participation of the government of Canada?

Unfortunately, the hon. member takes a stand that completely ignores such accomplishments as well as the unconditional support of the Canadian government to Quebec businesses.

The member opposite talks about the qualifications of Quebec representatives abroad, but what does he think of the appointment of the former chairman of the Société Saint-Jean-Baptiste of Montreal, an ideologist who knows nothing about Quebec business, let alone about international affairs. You would call him a worthy representative of Quebec and Quebec business people abroad?

I know what I am talking about. I speak from experience. I have had the privilege of working in Japan myself on a number of occasions. To think that we, Quebecers, are represented by an ideologist from the Société Saint-Jean-Baptiste of Montreal whose sole purpose for being there is to sell separatist propaganda instead of working to open up new channels of trade for Quebec businesses, I say it is time that we determine how useful

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these Quebec offices abroad really are, when we are represented by the likes of Mr. Doyon, the former chairman of the Société Saint-Jean-Baptiste of Montreal.

With respect to education in Germany for example, one must remember that nothing prevented Quebec from training semi-skilled manpower because, as we know, education is a provincial jurisdiction. Quebec has had control over education matters for much more than 30 years; it has had it for 125 years.

So, nothing is preventing Quebec from setting up a real vocational training program that meets the needs of the people of Quebec and the challenges of the next century.

(1525)

I would be curious to hear what the hon. member opposite has to say on these three subjects: first, the fact that the federal government has always participated and that many businesses in Quebec have benefited from its participation; second, the fact that I challenge the qualifications of the Quebec delegate general in Tokyo and, third, whether or not he recognizes that Quebec was never prevented from conducting its own in-house vocational training program.

Mr. Leblanc (Longueuil): Mr. Speaker, when the hon. member talks about the subsidies received by Quebec businesses, I agree with him. However, he forgot to mention something I pointed out in my speech earlier, namely that the money received by Quebecers is the money they sent to Ottawa previously. It is not a gift from the federal government; that is the problem.

Federalists are always trying to make Quebecers believe that Quebec could not survive without the federal government. In fact, the money given to Quebec, whether it is the New Horizons Program for seniors, the old age pension or business subsidies, comes from Quebecers. Let us stop pretending that this money comes from the federal government, when it comes from the pockets of Quebec taxpayers. God knows how much we pay in taxes! God also knows how much is wasted because, while this money goes from Quebec to Ottawa and back to Quebec, perhaps 25, 30 or 40 per cent is lost through waste, inconsistency, etc. That is the first answer.

As for representatives abroad, I can say that the Government of Quebec is doing an excellent job. Four or five representatives in New York, Boston, Tokyo or elsewhere have already been replaced as it is quite normal for a government to be represented by people who share its vision and its business policy. Would the Liberal Party of Canada not replace its representatives if they did not share its vision? The Parti Québécois is moving quickly and doing a very good job, and I do not see anything wrong with that.

As for the former President of Montreal's Saint-Jean-Baptiste Society, I know him personally. I can tell you that he is an

exceptionally intelligent man. His vision is much wider than that just outlined by the hon. member for Gaspé, much wider than the hon. member thinks. If he has such a narrow view of people, I think that he has no place in this House. He shows flagrant disrespect for this person who devoted himself body and soul to protecting the French language in Quebec. He may not think French is important in Quebec but it is very important to us; we have great respect for this language and I think he should, too.

As far as training is concerned, there is no doubt that Quebec is responsible for training, but the federal government stubbornly continues to spend billions of dollars on manpower training. There will be a \$2 billion UI surplus. Of course, the federal government will want to keep this money and then spend it in Quebec so that it can boast that it is doing Quebecers a favour. We know that this money is being spent in a disorderly fashion. It is spent with an efficiency rate of about 25 per cent. I am not saying that it is completely wasted, but spending on manpower training is about 25 per cent effective.

Very little really adequate training is going on for the money that is spent. The amounts are huge! Imagine if the federal government left this \$2 billion with Quebecers or gave it to the Quebec Department of Education to create proper programs that are more focused on businesses that need better adjusted training. No, that is not what happens. Seventy-five per cent is wasted.

On Monday, I was in my Longueuil riding office and three people with manpower training problems were there to say that they were finishing high school and their aid was being cut. They were told that they were not entitled to assistance anymore and it was over.

(1530)

That is crazy. I prefer not to talk about it. I am tired of it, because every week we have problems with this system. For a long time, Quebec has demanded control of manpower training. It is essential and Quebecers are unanimously for it. Everyone in Quebec—business people, labour, the Department of Education, the former Liberal government, the Parti Québécois, the present government—demands it. The Bélanger-Campeau Commission also called for it, but the federal government is stubborn and nothing can be done about it.

[English]

The Deputy Speaker: The hon. member for Okanagan Centre will have the floor next. I might indicate to colleagues that after the member speaks, we will go to 10-minute speeches because we will have debated the matter for five hours.

However the hon. member for Okanagan Centre has the full 20 minutes.

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Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, it is a pleasure for me to enter the debate on Bill C-57.

This bill supports the conclusions of the latest round of GATT, an agreement that provides a framework in which Canada and the rest of the free trading world can share in prosperity and put the world economy on a sound footing as it heads toward the 21st century.

For Canada, a country heavily dependent on trade, the GATT represents the world's commitment to a strong international trading system. GATT shows us that the world has the courage to co-operate, not hide behind destructive, protective measures and that it is able to find a trade dispute mechanism which can be agreed on, not only in principle but in the real world.

The GATT has created the World Trading Organization, a strong, effective, permanent institution which will oversee world trade policy and settle disputes between nations on a multilateral basis.

The GATT has strengthened trade rules on subsidies and countervailing duties. The GATT has achieved commitment from 120 participating countries to lower or eliminate tariffs or other barriers to trade. The GATT is multilateral. One hundred and forty-one partners in 21 countries came to these agreements. It is progress. It is prosperity.

But the GATT does something else, succinctly, clearly, loudly. It points out a glaring deficiency. It is easier for Canadians to trade with the world than it is for Canadians to trade with Canadians. While the world creates its own window of opportunity, the federal government and the provinces are still unable to make any real progress toward achieving the same.

Emphasis is put on the fact that one in five jobs are dependent on international trade and that 30 per cent of Canada's GDP is reliant on international trade. But what about the four jobs that rely on internal trade within Canada and the 70 per cent of GDP that still relies on a sound fiscal and monetary climate right here within our own boundaries?

It is like throwing salt in a wound to know that the textile industry can find more support in the GATT than it can at home. Canada's textile market is about to gain improved access to major developed trading partners including the European union and Japan. It is what the textile industry pushed for and it is what they got. But not here in Canada.

The same is true for 11 other sectors from wood to steel to agriculture. Everywhere in the world, but not here. This must change.

More than an avenue of tacit trade globally, the GATT has provided Canada the blueprint for success in breaking down

internal trade barriers. Like the GATT, we must acknowledge that it takes the development of a strong, central body like the World Trade Organization to ensure a well engineered program.

In Canada we need a strong central federal government able to direct the provinces toward initiation of a multilateral, equally beneficial agreement among the provinces like the GATT. It is important to acknowledge that in large part the success of Canada in the GATT negotiations has been inspired by an industry driven agenda.

(1535)

Industry knows what it needs to increase production and provide more jobs. The federal government must listen to it, as the world has, for industry's drive and confidence will give the provinces the incentive to want to trade with other provinces.

Like the GATT, we must seek to find a level playing field. We must encourage the internal trade market to expand so that the trading system does not operate solely for the benefit of a powerful few. We must create an environment in which all provinces will be encouraged to become key players. Each province must have the opportunity to access the Canadian market without fearing counter-protective measures or costly compromise.

The Minister of Industry has said again and again that we must ensure Canada's prosperity, that trade barriers are a question of economics, that we must liberalize trade in Canada. The minister says we are making progress in this direction, but I cannot agree. The urgency of this matter seems apparent to only a few. Otherwise the government and the provinces would be trying harder to come to an agreement.

The GATT agreement should give Canadians the confidence to reach an interim trade agreement and prove that the advantage lies in being less protective of our home markets, not more. Industry knows it, but government is slow to respond. Industry is anxious to develop a strong market inside the country, but it is being forced to rely more and more on what is outside. Why? Because the provinces have become so adept at their political agendas they have forgotten the initial agenda.

We do not act like a country. We act like jealous neighbours whose sole interest is to protect ourselves. By doing so we fail to see that we are divesting, not investing, in ourselves and creating limits to the markets we could access. Internal trade is about economic unity. Without it we do not progress, but are mired down on issues like sovereignty which only serve to divert our focus.

While we struggle with these secondary battles the rest of the world moves on and takes advantage of the global marketplace. While we bicker about organization and administration, we fail to consider strategy. We do not present ourselves to the world as Team Canada, but 12 small and separate countries.

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The irony is that while we work so hard at being separate, we all bear the cost of those Canadians who are not given the opportunity to succeed. It is a sad commentary that we define ourselves as Canadians through our failures more than our successes.

We have failed at internal trade. Canadians are not good at it and it is an attitude that reflects much too often on the way we trade internationally. For all that Canada's international trade represents 30 per cent of our GDP, only 100 companies or so really represent that volume of trade. Perhaps industry would trade better and would take advantage of international opportunities if the governments of the country provided them with a safe environment in which to practice their trading abilities.

We must ask ourselves whether Canada can take advantage of the opportunity provided by this round of GATT. Can we provide a world market? Can we survive a world market and fully participate in it if we do not bind together and pull together as a whole? Can we find a way to work together so that issues of sovereignty do not jeopardize us in the eyes of the world monetary culture? Will we have the luxury of fighting our cultural battles if we do not establish a strong economic foundation first? Can we take full advantage of trade opportunities if we insist on being the sum of our parts and not the whole?

Some have suggested that the new era of global trade is making the necessity for internal trade barriers obsolete. Soon industry, they say, will lobby Geneva not Ottawa. Soon, they say also, nation states will gradually delegate their sovereignty to world trade organizations; but 70 per cent of our GDP says otherwise. Four out of five jobs say otherwise. It may be the future but we will not survive there in the future if we do not survive and master the present.

We require the federal government to pursue the breakdown of internal barriers with the same commitment it did in the GATT negotiations. It must do more to ensure Canadians work better together and enhance the opportunities of our internal trade market. If it does not, the government will be guilty of negligence both to the people and to the unity of this country. It is true that the divided are more vulnerable to failure but we have all the makings of a true economic union. It is time we saw the necessity to achieve it. We cannot drift on the premise that failure is far round the corner. It is not.

(1540)

We need freer trade within the country. We need an agreement that will reflect all the valuable lessons that have been achieved in the GATT. We need to emphasize co-operation to create jobs and balance the budget. We need to bypass the political agendas for an industry driven agenda that will give all parts of the country equal access to opportunity. We need to respect that trade barriers are a question of economics and not issues of

cultural protectionism. We need to lay more than a foundation, we have to break through the barriers and take advantage of a potentially profitable internal trade market. We need Canada to succeed at home as well as abroad.

One hundred and forty-one partners in 21 countries found a way. Surely 13 partners in one country can do the same.

[*Translation*]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, I rise on behalf of the Bloc Québécois to discuss Bill C-57. This government bill, tabled by the Minister for International Trade, concerns the implementation of the agreement establishing the World Trade Organization.

Consequently, this legislation primarily aims to bring Canadian laws into conformity with the agreement signed by 117 GATT member countries, in Marrakesh, on April 15. The agreement marks the end of the Uruguay Round of negotiations, which started more than seven years ago. Bill C-57 confirms Canada's full participation in the World Trade Organization, which will replace GATT, as of next January.

It comes as no surprise that the Bloc Québécois supports the signing of this agreement, as well as the bill tabled by the government. As you all know, Quebec has always been very open to the world. For many years now, Quebec governments have maintained economic, scientific and cultural links with several countries. Quebec has been aware of the global village reality for a long time already. Therefore, it is normal that the Bloc Québécois be in favour of free trade.

In fact, you all remember that, during the 1988 federal election campaign, Quebecers were the strongest supporters of the Free Trade Agreement. More recently, we all remember as well that Quebecers greeted the coming into force of the North American Free Trade Agreement, NAFTA, with maturity and confidence and, of all Canadians, Quebecers are still the strongest supporters of free trade.

On the other hand, just a few years ago, our Liberal colleagues, when they were in opposition, fought the fight of their lives against the free trade agreement. More recently, in the latest federal election, the red book said that the two free trade agreements were seriously flawed, referring to the Canada-U.S. Free Trade Agreement and NAFTA. It said that a Liberal government would renegotiate them. The Liberal program went so far as to mention cancelling the trade agreements if the proposed changes were not made.

We are pleased to note that our colleagues have caught up with economic reality today and become fervent advocates of freer trade. But as they abandon their election promises, we warn the Liberal government that we in the Bloc Québécois will insist that it keep its commitment to help businesses and workers affected by the trade treaties.

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(1545)

The red book is clear on this subject. I quote: "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".

The federal government must urgently meet its responsibility for the integration or reintegration of workers and companies affected by the adjustments necessary for the transformation of our economy. International competition will affect some industrial sectors more than others. The federal government must fulfil its commitments so that Quebec and Canada can move toward innovation and excellence.

We know that, on the whole, freer trade promotes economic growth and, in that sense, the agreement stands to make more winners than losers. It is estimated that increased exports and imports could translate, says the OECD, into potential gains of \$270 billion US, with six or seven billion dollars going to Canada. Even then, the people of Quebec and Canada have to feel that the government is behind them, that it is implementing industrial reconversion measures to enable businesses to adjust to new realities and meet the challenges of the 21st century.

And we will not be the only ones to benefit from this more buoyant economy. The poorest countries of the planet as well as developing countries could also take advantage of this. Too many trade barriers have proven to be discriminatory in the past with respect to products that these countries are in the best position to produce and to export.

The North-South Institute recently pointed to a glaring contradiction between our foreign aid policies and trade barriers. For example, under the Multifibre Arrangement, Canada applies restrictions on textiles from Bangladesh. If Canada lifted these restrictions, the net gain to Bangladesh would amount to \$370 million, or three times our government-to-government assistance.

I could quote many more examples of protectionism targeting disproportionately products from the Third World. We have only to think about anti-dumping measures, export subsidies and customs tariff increases. Under the new agreement, governments may no longer resort to these measures, which had a major negative impact on poor countries.

The measures adopted as part of the Uruguay Round should raise the net revenue of developing countries by about US\$70 billion a year, which is equivalent to a 3 per cent increase in their export earnings. This exceeds the aid they now receive from other countries. However, as the OECD and the World Bank recently reminded us, the poorest region of the planet, sub-Sa-

haran Africa, may well lose out after these agreements are signed. Canada and the other signatory countries will have to redouble their efforts to ensure that this region of the globe can also benefit from a richer world.

It will also be necessary in the next few years to check on the distribution of the wealth created in developing countries. Except for our humanitarian efforts, Canadian aid too often ended up helping our local businesses, propping up dictatorial regimes, making the wealthiest people in those countries even richer, or financing the purchase of military or paramilitary weapons.

The internationalization of trade, however irreversible it may seem, must not be restricted to northern countries. Trade practices towards developing countries must be redefined.

(1550)

The new World Trade Organization will, we hope, deal with issues affecting not only the restructuring of rich economies but also the distribution of wealth as well as improved social and economic justice.

[English]

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, as a western farmer it is a special privilege to have the opportunity to speak today to Bill C-57. This bill as has already been noted provides the legislation to follow through on Canada's commitment to participate in establishing the World Trade Organization. I am pleased to support this legislation.

For farmers who have struggled through many years of depressed grain prices caused by the grain subsidy war between the European Economic Community and the United States, the completion of the Uruguay round of the GATT negotiations last spring after more than seven years of seemingly endless negotiations was as welcome as the first spring rain.

While all of us recognize that this agreement is just another step toward the ongoing liberalization of international trade regulations and not the end of the process, we must not forget it is a very important step for Canada and the other signatory countries. As I have said Canadian grain producers in particular applaud this step because it at least brings the world a little closer to restoring some sanity to the international grain trade.

The establishment of the World Trade Organization as the successor to GATT is especially encouraging. For the first time against the powerful lobbying efforts of the European farmers the GATT negotiations included agriculture. The dispute settling mechanism and appeals process is a long awaited ray of hope for Canadian farmers. So much for the good news. Does this bill go far enough to eliminate the trade distorting inefficiencies in our agricultural sector?

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My oldest daughter turned 16 today. I wonder what the future holds for her and other potential farmers. If she chooses to stay in agriculture, without restructuring our programs will she and other Canadian farmers be able to survive in the next century?

Although it is a good first step the Uruguay round just touches a fraction of the unfair subsidies our farmers face in the international marketplace. Bill C-57 amends 31 statutes toward the implementation of GATT. However it fails to achieve the spirit and the intent of GATT which is the elimination of trade distorting policies built over decades of government interference in the market.

What has this government done with the bill? Instead of a complete overhaul of the agriculture programs to create a truly internationally competitive industry, this government is doing the absolute minimum to be in compliance with GATT. It looks at GATT green programs but does not touch them even if they create a further distortion in our domestic market. It looks at the Western Grain Transportation Act for example which is not GATT green and searches for an easy out to redesign WGTA just enough to make it less objectionable to the international marketplace.

Canada has been blessed with some of the finest agricultural land in the world. Due to a combination of factors such as the short growing season and the long distance to potential markets our prairie grain farmers face unique conditions that influence their decisions on what to grow, how much to grow and where to send it.

The Canadian Wheat Board was established in 1935 to provide some stability as well as equity of prices and export market shares to the grain producers spread across the prairies. Because of the size of its purchases this virtual monopoly has led to a system of dependency and distortion.

Lately the Canadian Wheat Board appears to be moving far beyond its traditional mandate as a central marketing agency for Canadian farmers. Just as Canada Post competes with private courier services, we now find the Canadian Wheat Board operating in direct competition with grain trading companies.

While the establishment of the CWB may have been necessary to ensure the survival of Canadian grain farmers when it was first set up, we live in a different world today. As GATT reduces agricultural subsidies in other countries we cannot afford inefficiencies in our marketing and transportation system if we want to be successful internationally.

(1555)

We have all read the news. Entrepreneurial farmers in border zones are prevented from trucking their grain a short distance south across the border. Instead they must sell their export grains to the CWB which will probably load it on a freight train and ship it thousands of miles to a Canadian port.

About 90 per cent of the grain produced by Canadian farmers is exported. We must remain internationally competitive if we are to keep our market share. However, we are not playing on a level field. Domestically, grain transport subsidies have distorted the costs of production and delivery to our markets and internationally, producer subsidies abound.

Over the last few years Canadian grain producers were caught in the middle of the subsidy war between the U.S. and the European Community. They have poured billions of dollars into their war in an effort to steal each other's market shares but they only succeeded in driving international grain prices down to levels not seen since the depression.

Despite Canada pouring billions of dollars into aid for grain and oilseed producers, thousands of grain farmers still went bankrupt. In addition to the billions spent directly on stabilization and insurance programs for farmers, the government also spends over \$700 million a year in grain freight subsidies to the railway companies through the Western Grain Transportation Act.

Under the WGTA the federal government pays the railways an annual subsidy on a dollars per tonne basis to cover the transportation of eligible grain from prairie shipping points to Thunder Bay, Churchill, Vancouver and Prince Rupert. As a result of GATT's analysis of our transport subsidies, Thunder Bay is not subject to the GATT sanctions but the western ports and Churchill are.

Already, valuable rail cars are tied up backhauling grain from Thunder Bay merely so the grain qualifies for the subsidy. Does this make sense? Yet this government's minister of agriculture has indicated it may take him until next summer to halt this ridiculous practice.

Because only the WGTA payments for grain transport to the west coast and Churchill have been deemed export subsidies by the GATT community, this means we will have to substantially reduce export shipments of grains and oilseeds through these ports within the next few years. In addition to a volume reduction, a portion of the total tonnage would also be assessed at the full freight rate.

This creates yet another distortion in our agriculture transport sector. There will be a major incentive for detouring grain shipments through Thunder Bay. This is despite the fact that grain markets have changed and the Pacific rim countries constitute a growing share of our grain market and it is the western ports that will be subject to the volume caps. Even though some of the grain going to Thunder Bay is also destined for export, the GATT has deemed those WGTA payments part of the domestic support program and not subject to GATT sanctions and countervailing measures by other countries.

Considering two of the targeted ports are in British Columbia, I question the fairness of this section of the agreement. British Columbians overwhelmingly rejected the Charlottetown accord because of the special status awarded to some citizens and

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provinces. This is merely another example of special status being granted to central Canada.

Signatories to the GATT have agreed that by the year 2000–01 they will reduce their export subsidy levels by at least 36 per cent in dollar terms and by 21 per cent in volume terms below the 1986 to 1990 average levels.

The 36 per cent target does not eliminate major subsidies to our competitors. Instead the export subsidy reductions are tied directly to average support levels during the height of the grain subsidy war between the U.S. and the EEC. At that time subsidies for some European grain exports reached levels at least twice the price of the product. Reducing these subsidies by 36 per cent would still leave a subsidy in place worth more than the cost of the grain, hardly what I would call a level playing field for Canadian farmers.

We cannot afford to tinker with our subsidy programs in the hopes that they might comply with future GATT agreements. We must act now to eliminate disincentives inherent in our system which prevent more efficient handling and transport of grains. We must act now to give farmers the information and tools necessary to make sound management decisions based on real market prices and transportation costs.

Given a fair chance I believe Canadian farmers can compete successfully on the world market. However we must go much further than this bill does when it merely modifies our programs to meet with current international approval. As subsidies are brought down over time we must restructure all of our programs to prevent more internal distortions from creeping into the domestic decision making process.

(1600)

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, today we all have to take a look at what is going on around us and realize the globalization that is occurring leads us to where we are in terms of the agreements we are talking about.

I have heard today that farmers are asking for a level playing field. I have heard that there is new hope for the industry and for Canadians. I have heard that supply management is on its way out but we do have time for adjustment so that people can get used to it.

I heard from one Bloc members that there is a great fear and a hatred for the U.S., that it is trying to destroy our culture, and that it is going to gobble us up. Separation, it seems to me, is a good way to get gobbled up, certainly with regard to whom they are going to be trading with. When they start having to trade with the Americans they had better believe it will be in English. The young people of Quebec will certainly be speaking English rather than French.

It is incredibly ironic we are making good progress on eliminating trade barriers internationally but have an awful long way to go at home. Under the current system Canada's domestic market is seriously fragmented by provincial trade barriers. This not only affects our competitiveness internationally but reduces our collective prosperity at home. Provincial impediments to free trade in Canada add around \$6.5 billion annually to the cost of doing business in the country. It is around \$1,000 per family and is absolutely unacceptable.

While the government is pressing hard for freer trade worldwide and is presenting the WTO enabling legislation in the House, it must also spearhead a movement to get rid of provincial trade barriers once and for all. If we could eliminate barriers to trade at home, the efficiency of Canadian businesses would be increased and their ability to trade internationally would be expanded. What better way is there to improve our position in the international marketplace? This is especially true for small and medium sized businesses which are suffering under the current system.

Today we are globalizing. We have talked a lot about that. We are finding that the world is probably breaking up into three major units. We have Europe including the eastern part of Europe. We have the Americas both north and south, and we have the Asia-Pacific. We must get outside. We must realize that the world is much smaller and not stick our head in the sand and hope that it will not catch up to us.

I was fortunate to travel across the country to listen to briefs presented by Canadians. Everywhere we go, including many international areas, we are told that we are not competitive because we are not aggressive enough, because we do not get out there and sell the country and the products we have.

We have trade departments that are doing a good job. They are attempting to market Canada and our products throughout the world. Something like the WTO is a great boon to them because it gives them a common level playing field on which to market the country and its products.

In my role in the foreign affairs area I have heard time and again about the importance of such rules based multilateral systems. While the WTO does not solve all the problems that exist over international trade, it does take a giant step in the right direction. Such a rules based multilateral trading system will protect countries like Canada from the unilateralist tendencies of the largest trading companies and increase our position in bargaining and negotiating with the United States. Hopefully in the years to come Canada will play a leadership role in the strengthening of the rules based multilateral system by promoting the WTO to effectively deal with the questions of trade remedies and anti-dumping actions.

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Over one in five Canadians depend on exports for their jobs. That is over two million jobs. In addition over 30 per cent of Canada's gross domestic product comes from exports. Therefore it is vital that Canada aggressively promotes itself throughout the world. If we become naval gazing isolationists and protectionists all Canadians will lose. It is also vital that the House support Bill C-57.

(1605)

The WTO offers Canadian farmers and businessmen a great opportunity to continue building our sales abroad. While we also have to open our markets to others, I do not see it as a threat. Canadian businesses can compete with anyone in the world. All we want is a fair and open international system with a level playing field. The WTO goes a long way toward accomplishing this.

When this agreement comes into effect next year it will commit some 120 countries to gradually reducing trade barriers. This will have the long term effect of increasing world trade dramatically. As we know, any increase in world trade means more exports for Canadian businesses and more jobs for Canadian workers: over 11,000 for every \$1 billion in new exports. This means greater prosperity for Canadian families and this is what government should be all about.

We could talk about things like culture. When the Montreal Symphony and the Winnipeg Ballet go somewhere they are promoting the country. That is good for Canada and good for trade. We have to stop having an inferiority complex about ourselves. We are as good or better. We can compete and the WTO will help us do that.

Tourism, about which I know a fair amount, is a major industry of the world. Canada can do so much. We can be a leader. Everyone agrees that we have the most beautiful country in the world. Yet we have only barely touched the surface possibilities. As we deal with the world and as we communicate with the world we are going to do much more in the area of promoting ourselves.

The threat to Canada does not exist in the world. We must open our eyes and get out there and trade. The new forum does that for us. That is why I strongly support it. We must go further, however. We must liberalize our financial service institutions and our telecommunications; harmonize our professional, technical and licensing standards; and the list goes on. We must co-operate on environment because, as I said in the House yesterday, the environment is a world issue. It is not isolated to one country.

To conclude, Canada must aggressively promote free trade throughout the world. This means eliminating provincial trade barriers at home and becoming a leader in the WTO. I express my support for Bill C-57 which will go a long way toward

creating prosperity for our generation and that of our children. Therefore I ask all members of the House to join me in supporting the bill.

[Translation]

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

Some hon. members: Question.

(Motion agreed to, bill read the second time and referred to committee.)

* * *

*[English]***YUKON SURFACE RIGHTS BOARD ACT**

The House resumed from October 21 consideration of the motion that Bill C-55, an act to establish a board having jurisdiction concerning disputes respecting surface rights in respect of land in the Yukon territory and to amend other acts in relation thereto, be read the second time and referred to a committee.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I rise to address the House on Bill C-55, the Yukon Surface Rights Board Act. I join with the government speakers who have spoken before me today, including the Minister of Indian Affairs and Northern Development, in urging support for the bill. It is time to conclude the debate by giving our unanimous support for Bill C-55.

(1610)

As hon. members have noted, it is a complex and technical bill and there is a good reason for it. The objective of Bill C-55 is to put in place a comprehensive surface rights regime that will apply throughout Yukon. This is not something that can be achieved without a detailed setting out of rights, obligations and responsibilities. However the impact of Bill C-55 will be far more significant than the creation of a new institution of public government, as important as it is.

Essentially the bill is saying that economic growth and job creation in Yukon will now become real priorities. Often when we come from urban ridings we tend to forget about Yukon and the Northwest Territories; we tend to be so focused on our own activities.

During my experience as an opposition member it seemed as though I had a little more time to see parts of the country. I had the privilege in my first term as a member of Parliament of visiting parts of our north. As many members would know, it is an area of the country that most Canadians know very little about other than looking on a map. That is about the only time we focus on the north. During my first term in office our leader organized a caucus in Iqaluit in the eastern Arctic. Our colleague from western Arctic took some of us to James Bay. Later in our

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term in opposition we went to the western Arctic where we visited the various local communities.

Until one goes there one cannot imagine what is going on. Because they are out of sight they are out of mind in our agenda in the House. The issues and concerns are as important to them as our concerns in our communities, in our big cities or in our rural areas.

The bill is about giving Yukon the ability or the instrument to start generating some of its own economic activity. Members know that everyone in the north supports the bill. It is not as if the bill will put in the hands of people in the north, whether they be governments or businesses, the ability to do whatever they want. As I read the bill there are a couple of very specific points I want to mention. They have to do with the environment and are found in clause 47 which talks about terms and conditions. I would like to read it into the record:

On application made by a Yukon First Nation that does not reach an agreement with the minister in respect of terms and conditions for the exercise by any person, on the settlement land of the Yukon First Nation, of a right of access described in section 2 of schedule II that are additional to any application, terms and conditions—

There are conditions. Clause 48 reads:

Unless the Yukon First Nation and the minister agree otherwise, terms and conditions may not be established pursuant to an order made under section 47 for a purpose other than

- (a) protecting the environment;
- (b) protecting fish or wildlife or their habitat;
- (c) reducing conflicts between the exercise of that right and the traditional or cultural uses of settlement land by the Yukon First Nation or a Yukon Indian person; or,
- (d) protecting the use and peaceful enjoyment of land used for communities or residences.

(1615)

This bill has very specific reference to ensuring that the environmental concerns in the north which we all care about are addressed. Any transactions taking place there have to fall within the concerns specified in the act.

I hope all members will support this bill. As we focus on our own economic activity and our own cities, let us not forget there are many Canadians in the north who are hoping that with this bill we can give them the instrument to develop their own economic activity in a whole range of sectors, from mining to tourism. With this bill we will give them the stability to make those decisions.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the member for Broadview—Greenwood talked about many different issues.

With regard to the surface rights board although it is designed to operate solely within the Yukon with two sets of representatives designated by the Yukon Indians as well as by the Minister of Indian Affairs and Northern Development, the whole concept of the board is that it will be paid for from federal funds. This is a particularly obnoxious part of the bill.

If we want to give this board long term stability and something that is locally responsive, then I firmly believe we need to ensure those groups that are benefiting from the existence of the board are the ones who are paying for it. I would not mind having a response to that comment.

Additionally, when we talk about northern communities, it is very important to recognize that Whitehorse is a very modern community. It contains 90 per cent of the population of the Yukon. There are 25,000 people, a modern airport, modern highways, modern housing. It has many more facilities than equivalent or smaller sized communities in my province of British Columbia. When I was in Whitehorse this summer I had a tremendous golf game. We cannot treat these communities and these areas as somehow being subject to a whole different set of rules than communities south of 60, certainly not in the case of the Yukon. That is my belief.

There was also a statement that everybody in the Yukon supports this bill. As we know, this bill flows from Bill C-33 and Bill C-34 that went through the House earlier this year. The member for Broadview—Greenwood knows very well how the Reform caucus felt about those bills. Bill C-55 is required as companion legislation in order to implement Bills C-33 and 34, even though they have already received royal assent.

At the time of considering Bills C-33 and C-34 we were given that very same statement that everybody in the Yukon supported those two bills. As a matter of fact everybody in the Yukon did not support those bills but certainly the filtered message we received in Ottawa was that everybody in the Yukon supported those two bills.

(1620)

Given that Bills C-33 and C-34 have already received royal assent and we are currently looking only at Bill C-55, the degree of support in the Yukon is to just get on with business. It is a much higher degree of support. I am the first one to admit that is the case, but I did not want to holus-bolus let that remark slip by without making a comment on it.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, I will begin by addressing the remarks about the support for the bill. I did not mean to suggest that every single person was behind the bill holus-bolus but generally speaking I think people are in favour of it. That is what I was trying to communicate.

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As far as the board being funded by the federal government, the member mentioned he had some problems with that. I do not have any problem with that. I happen to be a member of Parliament who believes passionately in making sure that the Government of Canada presence is alive and well in every region of this country. In fact there are times when I think we devolve things too quickly around here. The fact that we are paying for this board would certainly give us some relationship with it which in the long run could be very important for all members of this House.

What is more important are the fiscal concerns that all members of this House have. Quite frankly the Reform Party has done a very good job in focusing our attention on grinding every ounce of fat out of the system. What we have to look at in this bill is the fact that we are going to set up a framework for generating real economic activity. It will turn this community into a more vibrant economic unit with more jobs, more taxpayers and less cost on the social security system.

We have to look at the total economic equation. The fact that we have to fund some administrative costs and board members to get the rest of the economic engine going in the north, in the long haul this bill will create a more fiscally responsible and productive environment for all of us.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, I am pleased to speak on Bill C-55 today. Before I start my remarks I must address a couple of points made by the hon. member from across the way.

The business community in the Yukon and northern British Columbia of course is supportive of this bill, but it really has no choice. What this bill is doing is mitigating some very bad legislation that was passed through the House in the spring of this year. The mining industry felt this would be the only way it would have an opportunity to stay in the mining business in the Yukon after that legislation was passed. I had to bring that up right off the top and say that is the reason there is some support for this bill. It is not because the business community loves it, it just feels it has no choice.

(1625)

What is this bill? It is an act to establish a board having jurisdiction concerning disputes respecting surface rights in respect of land in the Yukon territory and to amend other acts in relation thereto. It sounds like something out of the Income Tax Act.

What it really means is that there will be a board made up of a chairperson and not less than two or more than ten other members to be appointed by the minister of Indian affairs. Half of the members other than the chairperson will be selected from nominations by the Council of Yukon Indians and the other half and the chairperson will be appointed by the minister. The only

qualification is that every member must be a resident of the Yukon.

This bill relates to Bills C-33 and C-34. The passage of this legislation is needed as a last step to fully enact the Yukon self-government and land claims umbrella final agreements which were rammed through Parliament in June and given royal assent on July 7 of this year. Bill C-55 will establish a Yukon surface rights board which is deemed to be needed for the implementation of Bills C-33 and C-34 as an arbitration panel.

I would like to talk for a minute about Bills C-33 and C-34 and the land claim agreements that have been reached up in the north in general in the Northwest Territories and in the Yukon. In the last three or four years we have had four agreements: the Gwich'in; the Sahtu, Dene and Metis agreement which was passed this spring; Nunavut; and the latest is the Yukon land claim agreement.

Those land claim agreements encompass 560,000 square kilometres of land in the Northwest Territories and in the Yukon. The four land claims will cost the taxpayers of Canada \$1.5 billion. The existing aboriginal programs that are in force today in Canada are guaranteed in perpetuity under the agreements that have been reached. There are 46,932 natives affected by these four agreements for a land mass of 560,000 square kilometres, a land mass roughly equivalent to the size of France, and a cost of \$1.5 billion.

Of course the Reform Party took exception and takes exception to these land claim settlements because we feel they are too generous. Also the ongoing obligations of the federal government with respect to aboriginal programs is in no way affected by these agreements. They go on in perpetuity. Further, new bureaucracies are created as a result of these agreements. This is what we were saying in June and now we are seeing the realization of that in this Yukon surface rights board.

We recognize that land claim settlements have to be dealt with and we recognize there will be a land component as well as a cash component. I do not think any thinking Canadian doubts that. However, we do have a problem with the size of the land transfers and the amount of money involved. We think that for the population involved it is extraordinarily high and will affect Canadians in the future. Right now there is not a hue and cry because there are not very many non-aboriginals living the area. However, it is the future we are thinking of. It is the future opportunities in mining, forestry and other resource uses that we have concerns about when we are in opposition to these bills.

Going on to the bill itself because half of the members other than the chairperson will be appointed from nominations by the Council of Yukon Indians and the other half will be appointed directly by the minister of Indian affairs, patronage appointments will be rampant.

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(1630)

We all know what happens historically after every election when we get a change in government from the Liberals to the Conservatives. It will be the Reform the next time around. When we get a change in government, we see harbour boards and transportation boards, all kinds of boards that are stacked with political appointments automatically, mysteriously overnight all the faces change. We saw it after the last election in October of last year.

A great deal of partisan political manoeuvring goes on with these appointments. As much as our friends on the other side of the House will hasten to say there will be no partisanship here, of course there will be. That is the way it works.

We would like to see local business people submit a list of names to the minister. From that list of names the minister could make his appointments. At least that would remove some of the partisan opportunities or the partisan influence that this board might have in the future. It is very important for the mining industry and it is very important for people to believe that this board is going to be impartial.

It is a requirement that three people sit in judgment of each individual case that is arbitrated by the board. One of these people must be from the Council of Yukon Indians. However it is not a requirement that one individual be from the business industry or from the mining industry.

This board has the potential to be skewed and could give decisions that are not based on the proper representation that we think should be required.

The board will mediate disputes as to who may cross land. What will happen on undeveloped settlement land is something that is also a concern of ours. What will happen to non-settlement lands? The board has a fair bit of influence over lands which are not directly included in the land claims agreement. This is something that we are concerned about and I am sure the mining industry is as well.

This board parallels the work of other boards that are already in place. We say therefore that it is duplication. Each board member is allowed to use contract workers such as advisers who are also paid on a per diem basis. Board members are paid on a per diem basis. A multiple array of experts at DIAND are sitting around fully capable of acting as contract workers, already being paid by the taxpayers.

Why not select from these people who are already employed rather than hiring contract workers at an additional expense to the taxpayers?

Furthermore, because the work of the board is going to be on a per diem basis, there is a possibility that the board's deliberations will drag out far longer than they need to, especially when the board members are being paid between \$200 and \$300 a day.

We would like to see some kind of a mechanism to make the board accountable for the length of time that it engages in deliberations and to make sure that its actions are kept at an absolute minimum.

The potential for conflict of interest is also there because claims are not assumed to be reviewed by the entire board but by a panel of three. At least one must be a member appointed to the board from the Council of Yukon Indians and two others are to be chosen by the chairperson. Could this not end with a blatant bias or conflict if all were from the Council of Yukon Indians? There are no rules to the contrary.

If the government is so concerned about allowing aboriginal peoples to have a say in surface and subsurface rights or subsurface uses of the land—I believe there is room for that—I have to question the government's concern over the ability of aboriginals in the Yukon to have a say in land use decisions. This concern apparently does not apply to the Champagne and Aishihik peoples whose traditional territories include the Tatshenshini–Alsek area of northwest British Columbia.

(1635)

The Champagne–Aishihik people live primarily in the Yukon, but their traditional territories are the Tatshenshini–Alsek area and what is now the Kluane park. Economic opportunities were lost to these peoples when the Kluane national park, also a part of their traditional territories, was created in 1943.

They are now facing the prospect of seeing the Tatshenshini–Alsek designated a world heritage site by the United Nations. This proposal has been submitted to the United Nations, and is supported by the B.C. and federal governments. Our information is that the vote will be on December 14 of this year. If it is adopted by the United Nations it is going to take away Canada's sovereignty and ability to make decisions or reverse decisions on this land for all time.

I recently came into the possession of a letter written by Chief Paul Birckel who represents the Champagne–Aishihik First Nations. He writes to the premier of British Columbia expressing his concern, disappointment and frustration over the fact that the province of British Columbia has designated this area as a class A provincial park, without any consultation whatsoever with the Champagne–Aishihik people.

Now the federal government has come on board by agreeing to support the province of British Columbia having the area designated as a world heritage site. I would like to read a small bit from the letter that Chief Birckel has written to Premier Harcourt:

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Therefore, I am requesting that you withdraw the support of your government to the establishment of a world heritage site nomination for the Tatshenshini-Alsek wilderness park area in British Columbia. Until some mutually satisfactory resolution of Champagne and Aishihik First Nations aboriginal rights, titles and interests in the area are dealt with. This area was initially established as a class A provincial park in June 1993. This was done without any consultation with our First Nations. This is a breach of the fiduciary responsibility that is owed by your government and by Canada to our First Nations. Therefore I am appealing to you to withdraw your support for the world heritage site nomination in our traditional area in northern British Columbia.

I believe these people should have as much opportunity to be involved in land use decisions in northern British Columbia as the Council of Yukon Indians is in the Yukon territory. This does not seem to be the case. I urge members on the other side of the House to talk to their heritage minister and the Prime Minister, and get them to agree to withdraw the nomination for the Tatshenshini as a world heritage site at this time. There is no support for it.

In conclusion, this bill is vague in its rules and regulations concerning its principal responsibilities. It mentions minimum requirements for Council for Yukon Indians involvement, but none regarding its maximum. The notion of sufficient negotiation as a pre-requisite for mediation is misleading and has a great potential for favouritism and unfair treatment of some cases and not for others.

The idea of a per diem rate of pay for board members and their contracted staff, while mediating a case, may mask the reality of the formation of another level of bureaucracy for some, but it is the same old game from where I stand.

Nothing is stopping members from dragging out mediations for the benefit of more pay. As well, I am appalled that the government, which preaches democracy, is willing to let the minister of Indian affairs appoint half of the board members from a list of nominees submitted by the Council of Yukon Indians, but not let a similar list of nominees be submitted by the business industry. After all, is this board not meant to fairly mediate the claims of both aboriginals and non-aboriginals? Why then should the business community not be included on the same basis? Why was the business community not consulted on this bill and allowed to state their feelings on it before it is implemented? As I said earlier, they are forced to agree. They have no choice.

(1640)

The government seems to be finally waking up to the reality that the national debt must be dealt with. We hear more and more talk about it all the time, particularly from the finance minister, but not from everybody else I might add. Since the board adds another level of bureaucracy to the already top heavy government, why then should not the now duplicated positions be abolished?

This is what the Reform Party has been asking of the government since day one, since we first came here last October. Stop

duplication. We cannot afford it. Be responsible with the taxpayers' money.

Since the Yukon aboriginals want—and with closure invoked on Bills C-33 and C-34—and have now attained a certain level of self-government, why then do they not assist with the payment for this board which will be mostly made up of and hence representative of their interests? This would be too logical for the government to understand.

I would like to end by urging members who believe in fairness, honesty and accountability to oppose this bill as it portrays the epitome of patronage and racial bias for which Canadians should never be known.

I would like to remind the House that such land claims, self-government and racially segregated mediation boards will set a precedent for future negotiations with aboriginals which Canadian taxpayers will be hard pressed to pay for.

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, I am pleased to speak on this very important legislation, Bill C-55, the Yukon Surface Rights Board Act.

I would like to clarify, since there might be some misunderstanding, particularly with regard to the previous speaker's comments, that this is companion legislation to Bill C-33, the Yukon First Nations Final Land Claims Settlement Act and Bill C-34, the Yukon First Nations Self-Government Agreement Act. Both of these bills were passed in Parliament in the spring session but will not come into force until Bill C-55 is passed in the House of Commons.

As someone who has represented Yukon for seven years and who previously has been very involved in land claims settlement in the Yukon, I urge all members to speedily pass Bill C-55 to ensure that all Yukoners, aboriginal and non-aboriginal, have the tools to move forward with the certainty that is necessary for business, the respect and dignity accorded to First Nations in the Yukon and that will lead toward self-sufficiency of the Yukon territory.

This is a technical bill establishing a Yukon surface rights board which will resolve dispute between parties, guaranteeing access to holdings of private lands. That is an important and key factor here. This board only comes into effect if there are disputes that cannot be reconciled other than through this process. However, there must be a process in place prior to that which will attempt to settle disputes.

This legislation will settle disputes between persons holding surface rights and those holding subsurface rights. It is obviously very important in an area where mining is an extremely important part of the economy. The board will also deal with the amount of compensation for the expropriation of settlement lands and the amount of compensation for pockets of government lands retained within settlement lands.

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A number of comments were made previously about the composition of the board. If I recall, the previous speaker said: "it is a racially segregated board".

(1645)

The previous speaker from the Reform Party is quite wrong. This is a board which attempts to reconcile and to bring together, not to divide as I believe the previous speaker would do, peoples in the territory.

The composition of this board as of many other boards under the land claims legislation passed last spring in this Parliament will include representation by First Nation's people.

Both in consultation on the land claims and self-government legislation and on this legislation, many groups have been consulted and approved of this legislation: the Yukon Chamber of Mines, the Klondike Placer Miners Association, the Mining Association of Canada, the Canadian Association of Petroleum Producers, Prospectors and Developers Association of Canada, the Yukon Territorial Government, all political parties within the Yukon Territory, the Council for Yukon Indians and the Gwich'in Tribal Council.

There have been a number of consultations with a wide variety of business interests, private interests and with the aboriginal people of Yukon.

As with the self-government and land claims legislation, this piece of legislation, Bill C-55, is supported by a number of groups in Yukon that want to see us move forward, that want to see Yukon have the respect and dignity that we should be accorded and to do something very significant not just for Yukon but for Canada.

What we are showing can be done within Canada is that we can respect the languages, the cultures and the historic traditions of all peoples within a certain territory, and we can do it under the flag of Canada.

In this time when there is discussion about the future and integrity of this country surely it should be a source of pride to all members of this House to have participated in this historic piece of legislation, of which this forms the third piece, to resolve these differences, to accommodate, to respect—let me underline respect—all of these factors and do it within a united Canada. This is historic.

I must address an issue raised by the previous speaker I believe from Skeena who made the point and came to the defence of Chief Paul Birckel from the Champagne Aishihik Band. The Champagne Aishihik Band is one of the bands noted in the land claims and self-government legislation. I must assure the member for Skeena that I am aware of a number of meetings that have taken place between the Champagne Aishihik and the Government of British Columbia. He can rest

assured that the Government of British Columbia is taking very seriously the issues raised by the band of the Champagne Aishihik.

Where was the member for Skeena when his colleague in the Reform Party stood in this House last spring and called the people of the Champagne Aishihik Band lazy children and called the people of Yukon and aboriginal people peoples who were living in the south sea islands and conditions similar to that? Where was the member from the Reform Party in defending Chief Paul Birckel and the people of that band at that time?

It really is ironic that the member stands in this House today supposedly defending the people of the Champagne Aishihik Band yet last spring stood in this House voting against this very legislation that would enable the people of the Champagne Aishihik Band and other First Nation bands in Yukon to become more self-sufficient and to recognize their historic and traditional rights.

This kind of double talk certainly does not foster the future of our country. We are talking here about how we as a country from diverse regions with diverse languages, cultures and traditions live together. The United Nations has said in the past that we are one of the best countries in the world in which to live. Some in this House would dispute that. Most would not.

(1650)

This particular piece of legislation completing the land claims and self-government legislation for Yukon respects and fosters the future of Canada, a united Canada and one that respects all peoples.

Pursuant to this legislation there have been some concerns raised, I mentioned earlier the one by the member for Skeena, in implicating that this piece of legislation contains an area of bias. That illustrates the profound difference between the philosophy of the New Democratic Party and the philosophy of the Reform Party. We feel as New Democrats that it is our job as elected representatives in this House, representing Canada as well as our own ridings, to bring people together in a positive way rather than find ways to divide people.

If our country is to move forward in the 21st century the responsibility we as legislators hold in this crucial time leading up to that period we must find ways for provinces, territories, different groups in this country to come together. It is shocking to me that there are people in this House who would undermine that objective.

I believe that the consensus that has been developed in Yukon around this piece of legislation and the companion pieces, Bills C-33 and C-34, illustrates that it is possible to achieve great things in this country. It does not come easily. This has been 21 years in negotiation. There have been many changes. There have been many people from all parts of the community who have been involved, some sadly who are even no longer with us.

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With the passing of this legislation and the support of this House we will see a real step forward for Yukon and I believe for Canada.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I would ask the hon. member representing Yukon, and I know that her discourse was passionate and heartfelt, is it better in her estimation to pretend problems do not exist, to consider everything that is done in this House on behalf of the Indians of Canada since the beginning of our recorded history, if the perpetuation of that and the situation that the aboriginals in our country live in today is representative of the kind of compassion that this House has afforded them, if this is worthy of continuing, or perhaps some of the foundations and some of the ideas that this House taken as a self-righteous mantra should be questioned.

Ms. McLaughlin: Mr. Speaker, if I understand the member's question correctly I think it is an appropriate question. It is true that this Parliament historically has not respected the First Nations people of this country, historically has implemented legislation which resulted for example in Indians not having the vote until the 1960s. It has passed legislation in the past that has made a distinction between who and who is not an Indian through defining status Indians.

Historic wrongs can be righted. What is being acknowledged in this legislation is the right of First Nations people who were not defeated in a war, who were not a conquered people, to the lands which they occupied before both the hon. member's and my ancestors came here.

The honour in this form of legislation and the honour that comes to this Parliament with this legislation is that we can acknowledge that those were historically wrong decisions made in the cultural context of the time and that it is possible to address those in a way that benefits First Nations people, acknowledges their rights and responsibilities, but also, as do this legislation and the companion pieces, Bills C-33 and C-34, serve to enhance the rights and responsibilities of all Yukoners.

(1655)

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, I would like to make a couple of comments and then I ask a question of the hon. member for Yukon.

I would like to say that because the Reform Party and I in particular was against the legislation that was in front of the House, it does not mean that we are against resolving land claims. We are against the kind of land claims that have been brought in front of this House today for the reasons that I outlined: the generosity of the agreements, the fact that it created more bureaucracy and the fact that entitlement to existing programs was guaranteed in perpetuity under those agreements.

If the hon. member is as concerned as she appears to be for the welfare of native people, maybe she will join with me and go and talk to her friends in Victoria who have designated the Tatshenshini-Alsek area a world class park, a class A provincial park. Then maybe she will join with me in trying to convince our friends across the way that we will withdraw the nomination to declare that area a world class heritage site.

I ask the hon. member will she join with me in those efforts?

Ms. McLaughlin: Mr. Speaker, certainly I again think it ironic that the member for Skeena has suddenly discovered the interests of the First Nations people of Yukon. I can assure the member that as the representative for Yukon, representing all of the people of Yukon, Chief Paul Birckel has been very effective in making his views known to the British Columbia government. The British Columbia government has responded.

While I am the representative of the Champagne Aishihik band in this House, I have always been extremely impressed and respectful of the ability of Chief Paul Birckel and the Champagne Aishihik band to very effectively represent themselves. Again I underline this is one of the four bands in the legislation that came before this House in the spring. I think it would have made the argument of the hon. member for Skeena much stronger had he supported the Champagne Aishihik band at that time.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, last week in this House the minister of Indian affairs indicated that the Reform caucus had never supported an aboriginal bill in this House. Last week we had already supported Bill C-36, the Split Lake Cree agreement in northern Manitoba. That went through third reading and we supported it at third reading last Friday.

The member for Yukon stereotyped our caucus in her speech and the member for Yukon would be the first one to complain if anyone else were to do any stereotyping. I would like the member for Yukon to answer to that.

Ms. McLaughlin: Mr. Speaker, I think the people who were stereotyped here were the First Nations by the member who called them lazy children and their treatment being like a south sea island. I am greatly disappointed in the leader of the Reform Party who then promoted that member to the front benches.

[*Translation*]

The Acting Speaker (Mr. Kilger): 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 Burnaby—Kingsway—Human Rights; the hon. member for Chambly—Customs Brokers; the hon. member for Notre-Dame-de-Grâce—VIA Rail; the hon. member for Kindersley—Lloydminster—Ethics.

*Government Orders**[English]*

Mr. Jake E. Hoepfner (Lisgar—Marquette, Ref.): Mr. Speaker, it is a privilege and an honour, maybe with a bit of hesitation, to speak to this bill today.

(1700)

As I was listening to the hon. member from Yukon, I threw a few pages from my speech away. I thought I probably did not have the insight into native land settlements or land agreements, but I do have some insight into what division means and I do have some insight into what co-operation means.

As a farmer I must say I have never seen any farm operations succeed when they started dividing and becoming independent. When a father owned all the property and all the machinery and had control of the situation, the family usually worked together very well. There was very little infighting. However when some of the members felt that their wisdom was probably greater than that of the founder who had built the corporation or the company and they wanted to divide and become separate little nations, it seemed to run into problems.

Sooner or later the governor was neglected. They were setting up boards which consisted of neighbours trying to settle disputes in the farming operation. Generally there was conflict. There was hurt. Usually it wound up that family members did not even want to see each other or recognize each other as being in the same family.

It really worries me when we start addressing our problems by creating separate little nations. We have talked so much about the Quebec issue. I have explained very often in this House that unity cannot be created by division. That seems to be so contradictory. That is one thing we are missing with these bills.

I was very much opposed to Bill C-33 and Bill C-34 for one very simple reason. I did have those bills analyzed by some of my native friends. I asked them to give me direction on how I should vote on those two bills. The feedback I got was: "If you vote for Bill C-33 and Bill C-34, I will lose my hunting rights. I will lose my fishing rights that I had in this great country of ours. From now on I will have to go and ask each individual nation to have those privileges". That really hit home to me. How is that type of feeling going to solve the problems of what happened probably a century or so ago?

The other problem I had with these bills was the way they were debated and the way they were rammed through this House. When true democracy is neglected it generally is the beginning of human rights violations and the beginning of unrest and civil disobedience which in a lot of cases ends in revolt or revolution. That is happening now in eastern bloc countries.

After being in the Soviet Union in 1990-91 and looking at the conditions some of the native people enjoy today, I wonder what we are grumbling about in this country. No matter where we live in this great country of ours today, we have nothing to complain about. We have not got people starving. We have not got people freezing to death for lack of clothing. We have not got people killing each other just so they can get to the food supply.

We have a federal government today that has a great desire to treat everybody equally. The government in previous years has not only passed laws that are supposed to work against discrimination, it has passed laws that are going to be guaranteed under the Charter of Rights and Freedoms. When I see that now we are creating separate nations and these laws that work so well are not going to be applicable, what are we getting into?

(1705)

When I look at this bill that is setting up a board with 50 per cent of the people appointed by the Yukon natives council and 50 per cent by the federal government, I wonder why. I own property and there are all kinds of acts that protect my rights should the mining companies or oil drilling companies want access to that land. If I am not happy with the decision these acts force upon me I have the full right to go to the Supreme Court of Canada but I am also liable for the costs that are incurred through that. That is one deterrent I think is very effective in avoiding a lot of disputes we would probably otherwise have.

It seems to me that this board will have the power to make some decisions. If the First Nations do not feel the decision is right, they can appeal to the Yukon courts. If the First Nations feel that ruling has gone against them, what happens then? Do they go to the Supreme Court of Canada? Are the laws enforced by the native law enforcement agency or the Canadian law enforcement agency? This is something that really bothers me because I am sure there will be disputes where the resolution will not be acceptable to either side and law enforcement will have to be used.

I listened to the hon. member for Churchill the other day when he said: "My people have made a commitment that we want to live in peace and enjoyment of the land and the resources with generations in the future". How does that pertain to these land settlement claims or independent nations? "We want to live with each other, we want to co-operate but we want to separate". To me that is a recipe for disaster.

When I try to analyze these bills in light of my own experiences with other situations, I must say we are binding our future generations to dispute after dispute after dispute. It does not seem possible that these boards under the conditions in which they are set up will ever be able to be disbanded. We will continually have problems in developing these huge tracts of land.

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We in the Reform Party are so often classified or stereotyped as not being beneficial to other people. Personally I would rather donate half of my resources to the next generation than to find out in later years that my children or their children are fighting and forcing a settlement on each other.

We see that happening today in the former Yugoslavia. All of a sudden they have decided they can live better as separate little nations. It takes foreign countries to come in and try to solve the disputes.

(1710)

I would never be able to rest in my grave if I were party to some agreements that in the future should have to be resolved by military force or by some other type of unlawful activity as I would call it.

I think back to the 1940s. I can remember the situation right after the 1930s and how the white people in our community and the native people shared their assets and their food because everybody was in a tough situation. If we could get back that type of concern I do not think we would be talking about these huge land settlement deals.

It worries me when I see \$8 billion to \$10 billion being paid to our native brothers every year and we are not being given one little bit of recognition for that.

Ms. McLaughlin: We have sisters.

Mr. Hoepfner: Well sisters, brothers, whoever it is. I would think that the government has never been able to print money. The government's money comes from the taxpayers and it only comes from taxpayers who are working and sharing it with other people. If that \$8 billion to \$10 billion is not sharing I would like to know how much it would take before it was called sharing.

Right now with the attitude of the sharing that our government has had, we are in debt to the tune of \$550 billion which some day either the native children or my children will have to repay. How this is going to be accomplished I do not know, but I wish the hon. member for Yukon could give me some suggestions. I would surely support her in any way that we could resolve that issue so that it could be settled in some better way.

Eventually when financial disaster does come upon a nation it creates a lot of other problems. That is one thing we have to realize with all these settlements. If we are going to be fair to future generations we had better be fair to the generations here today. We will be forcing them to pay something we were not willing to pay.

With that I will close my remarks. I wish this House would make some decision that would not just benefit us today but that would also benefit future generations.

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, the hon. member talked about "laws that worked so well over the years". I wonder if the member was talking about the laws that established residential schools, or the laws that resulted in aboriginal children being taken away from their parents. Would it be the laws that prevented aboriginal people from voting? Would it be those laws that took away the right of aboriginal people who fought for their country or became a doctor or a lawyer to be identified as a status Indian?

The member is so much against this bill and its dispute settlement capabilities. As a member of the Reform Party that supported, ill advised I would suggest, the U.S.-Canada trade deal and NAFTA, does he think we should do away with the dispute settlement mechanism in that trade deal?

Mr. Hoepfner: Mr. Speaker, I am quite convinced there were laws and institutions that abused our native brothers and sisters. It makes me very sad that I lived to pay testimony to that.

(1715)

I think through some of the law reform that we have had we are at a stage now where that should not happen, not nearly as easily.

I would also like to remind the hon. member for Yukon that the white people were not always here. I read in history where there was self-government by these native people. They did also have problems. They had a right at that time to live very peacefully. They had a right to live without starvation. When we read the history books it did happen.

I am not blaming them for that but we have to realize that through history there have been problems. As we have learned from these problems I think we have become wiser. That is what we have experienced through the thirties and the forties probably where a lot of abuse was happening to these First Nations and it makes me very sad that it did.

I also note that if we are going to pass laws and make commitments which we have to honour with future generations' wealth we are asking for severe problems and a lot worse conditions in this country than we have today.

Ms. McLaughlin: Mr. Speaker, the member is against this bill which has a dispute settlement mechanism. Would he also say that because the trade deal between Canada and the U.S. has a dispute settlement mechanism it should be done away with as well?

Mr. Hoepfner: Mr. Speaker, I would say if we had one government and the same laws we would not need that trade dispute settlement mechanism. Here we are creating more governments, more laws and we are forcing more dispute settling mechanisms on our society.

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If we were one nation with the United States we would not even have trade laws. This is a very good example. If we were a North American community we would probably have some of these problems resolved before they ever happened. Because we are different nations we fight for each right. It is only natural.

That is why I tried to explain that when a father allows his son to go into different operations usually it brings problems with it. That is what I have been trying to point out. Division does not create unity and unity does not create division.

[*Translation*]

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, I am pleased to participate in the debate on this bill. Considering that we supported Bill C-33 and Bill C-34 on self-government and land claims in the Yukon, it will come as no surprise that we will also support Bill C-55.

I want to use a different approach regarding this issue. I have my own way of dealing with native issues. I do not claim to have a new approach, but I do think it is important to go and meet those who have been the victims of injustices for a long time.

Consequently, I have been to the Yukon and I would like to tell you about the attitude and the atmosphere which prevail there following, among other changes, the passing of the two aforementioned bills in the previous session, as well as the anticipated passing of Bill C-55.

It was my first visit in the Yukon, and I was accompanied by my 13-year-old daughter, who was discovering the western and north-western regions of the country. We were both amazed at the beauty of this place and astonished to see how people had settled here well before we came and shared such a lovely country. The Yukon River, for instance, is extraordinarily beautiful. When I went there, during the summer, the glaciers were melting, and this produced a kind of blue I have never seen in our rivers here in Quebec. It was fascinating to see the beauty of the countryside and also the wonderful atmosphere of the way of life in the Yukon.

(1720)

I had read about the gold rush in the Klondike, and about what today is called Dawson City, and I had a chance to go there and see how mining operations destroyed some of this lovely countryside when they ruthlessly extracted the riches that were there, riches that did not necessarily benefit the First Nations.

I also discovered what was for instance the midnight sun, something we do not have here, but they do over there. The native people took me to the top of a mountain, The Dome, and at 11.30 p.m., I saw the sunset. I was both impressed by the sight and touched by the people's gesture.

Another surprise was the warm welcome I received. We saw this tremendous capacity of Canadian native people and aborigi-

nal people throughout the world to share what they have. These people do not feel they have been conquered. They see themselves as the first occupants and consider that the arrival of the Europeans was an opportunity for them to share their territory and their wealth.

Unfortunately, as a result of the greed of the Europeans, because that is what it was, what we did at the time was to establish a kind of social contract with these people: We will take care of you, we will take 95 per cent of your wealth and confine you to reserves and we will pay for whatever you need. This caused a lot of problems, and I will get back to this later on, but in any case, we can say that this was a case of blatant injustice which we are now trying to remedy here in the Yukon, to some small extent.

We started with the two bills I mentioned earlier, and now Bill C-55, which will make the two other bills operational, so that we are now waiting to pass Bill C-55. As I said before, C-55 makes the two other bills operational and also brings a measure of justice to these people.

In fact, people have recognized for decades, for centuries even, that there was an injustice. The native peoples realized that there was an injustice, and 21 years ago they began a process of negotiation leading to the adoption of two bills prior to this session and to the consideration of the bill before us, Bill C-55, which as I have said will make the two earlier bills operational.

I think it worth reflecting for a few moments on the first two bills. What exactly is self-government? Many are seeking a definition, but is an exact definition important, when it can mean different things to different people? I turned to the dictionary and found that self-government has to do with the importance of being politically independent to direct one's own destiny.

We have several examples, at the present time, of the non-performance of the Indian Act. Lengthy speeches are not necessary. In terms of socio-economic development, native peoples are probably the most disadvantaged group of people in Canada. And this morning I was present when the health committee noted the seriousness of the health and social problems they face.

The simple fact is that the social contract that existed at the time to take responsibility for native peoples and their wealth is no longer tenable and never was, and we are correcting the situation. Do aboriginal peoples want to take part in this process? I believe they do. If we are speaking about Yukon, there is a desire to take responsibility for their own lives, and I would say this is the case in most of Canada. Native peoples are themselves realizing that the government can no longer effectively pay for them and provide paternalistic protection, while at the same time respecting their particular conditions and values.

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I believe that in the Yukon, as elsewhere, native peoples are realizing that the solution to their problems is through self-government.

(1725)

The will of the natives to assume responsibility for themselves is there. The feeling I get from the government of Canada is one of wanting to withdraw from the Indian Act. I think the minister did make announcement to that effect also. Of course, this is not going to happen overnight. Pilot projects are under way, in Manitoba for example, to examine the possibility for First Nations to withdraw from the Indian Act.

But resolving the self-government issue would go a long way toward solving the problem of withdrawing from the Indian Act, so that the government can go ahead with the dismantling as soon as possible. On this subject, the minister and the government have referred to their intention to put an end to their trusteeship over Indians. The Bloc Québécois will keep a close eye on this. The government has ventured to say that it should be abolished. Now, we in the Official Opposition will make sure that this is done properly.

It has to be done with respect for the cultures involved. On our side, we are from a European background originally. The aboriginal peoples were the first inhabitants of this land. How do we reconcile all of this? Our self-government negotiation process actually leads to this. It leads us to say: "What can be devolved in terms of autonomy, level of activity, legislation?" Such choices should allow them to live in harmony with us and be in keeping with our legislation.

I think that the kind of agreement we have before us indeed provides a middle ground that enables the First Nations to steer away from the Indian Act, to assume responsibility for themselves and to live in perfect harmony with our laws. They also attach a great deal of importance to gaining control over their own administration because their health system, for example, is not the same as ours. They have a much more holistic approach to health. They are more prone to using healing circles, a much more gregarious approach than the curative approach we currently have in Canadian society.

The same with justice. We note that, in extremely remote communities, they often have their own law enforcement system. Healing circles take charge of young offenders or individuals with adjustment difficulties. They solve the problems they encounter themselves. We are not even aware that when we barge in with our way of looking at the situation it often is inappropriate and just makes the problem worse.

All this to say that, to deal with self-government, we have this bill and it is important to have such a bill. It will also be important to implement it.

How do we go about it? The hon. member who spoke before me said, "We give them \$8 billion a year". It is not quite \$8 billion; I think it is around \$6 billion. But if we want this to end, we must help them take control of their own destiny.

We need a territory that is large enough and contains enough resources so that we can stop spending millions of dollars on education, health care, etc., and let them take control of their own destiny. That is why we will allow them to tax or collect royalties from all their lands. Giving them land in the Yukon is a solution which, I think, will allow them to develop their own territory to compensate for the shortfall due to the withdrawal of our financial assistance.

Compensation in the order of \$242 million will enable these people to make their decisions now. These people will no longer have to deal with federal officials trying to impose their programs. They will create their own programs, which I think is something worth mentioning.

We must, of course, have confidence in these people. I have confidence in them because I have seen them in action. I have seen how serious they are about taking control of their own destiny. I think that we must simply recognize that the First Nations will be in a much better position than federal officials in Ottawa to implement programs and that we must trust them.

Quebec is in a good position to help in this regard. The James Bay Agreement and the motion passed by the National Assembly show that Quebec can be proud of being a pioneer in the transfer of powers to aboriginal nations. I see Quebec's James Bay Agreement as a model which, in my opinion, has been used for many existing agreements on self-government.

(1730)

I remind you that this model was entirely financed by the Quebec government. The takeover and the relationship between the native community and the Quebec government are getting closer. This is demonstrated by the way Quebec's current government is handling joint management with the natives. Important and judicious negotiations are continuing in this regard.

Before moving on to the content and clauses of Bill C-55, I must mention a few things that I find regrettable. I do not want to appear overly critical to my friends from the Reform Party, but it must be noted that immigrants, in my opinion, are not very respectful of Natives. I am willing to give them the benefit of the doubt and say that there are financial and territorial implications to be looked at, as we are doing in committee and right here, but we know at the outset that they have no respect for natives taking control of their own destiny or for their ability to do so.

I listened to the speeches made by some members, including the hon. member for Okanagan—Shuswap, who does not think that any native group should be given self-government rights

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exceeding those of municipal governments. I am sorry, but they were here first. They are more than municipal governments.

In our parliamentary guide, we in the Bloc Québécois say that these people are entitled to self-government. They are nations, just as there is a Quebec nation, an Anglo-Saxon nation, an Acadian nation; there are native nations and it is important to point that out.

The previous speaker said that he was afraid for his fishing and hunting rights. We can all say that the arrival of Europeans here upset their hunting and fishing rights as well. It is the wrong approach to say that reviewing the rules of the game will prevent us from hunting and fishing in the Yukon. I myself have gone there and I invite the hon. member to go there too.

I was taken fishing. It did not prevent me from being very well received on native territory. I could well have been told that those resources belong to the native people and that I was not welcome. On the contrary. As we have seen over the centuries, native people know how to share and I was glad to be invited to go and fish there. I think that fishing and hunting rights will be maintained.

I also heard Reformers call them spoiled children. I heard the Reform Party compare them to people on southern islands. I gave you some statistics and opinions a while ago: that is false. People who live near the 60th parallel are not vacationers. They are not on a holiday, when you realize that unemployment is 50 per cent. People on holiday do not care about the unemployment rate, they can afford a trip south.

Many of these people cannot afford as much and I think that the kind of example put forward by the Reform Party does not help the debate. I admit that there may be reasons or financial arguments but it is harder for me to accept arguments based on mistrust of native people.

On Bill C-55 as such, what is interesting in this bill is that a board is created to settle disputes. Settling disputes is important because there are issues involving trappers and mining and forestry companies. These people will certainly have disputes at some point. Bill C-55 will give the native people, who will be well represented on the board, a means to settle such disputes. It is much better than what we have in the rest of Canada. I think that the failures elsewhere in Canada must have inspired the bill now before us.

(1735)

The example of Split Lake comes to mind. Indeed, even if an agreement was reached with one of the nations, the whole water system of that part of the country was affected and these people have practically no recourse, except arbitration. If there was a

board located closer to them, such disputes would be solved much more quickly.

The Bloc Québécois will pursue its work in committee. Obviously, we support Bill C-55, although there may be room for improvement regarding certain provisions. We will do our work seriously. We will review the bill and we will examine it more in detail at the committee level. At this stage, the Bloc Québécois can only support that legislation. After all, we made speeches to support these people in Yukon who, for generations, put all their hopes in a successful negotiation process, before finally seeing their dream come true in the last session of this Parliament. Under the circumstances, it would be very inconsistent to now oppose Bill C-55.

I want to say that both myself and my Bloc colleagues have confidence in native people. We do recognize, for example, that they were the first ones here, that they deserve more respect, and that they should have full control of their destiny. And to recognize those things implies a great deal of confidence. But we do have total confidence in native people.

Programs which, until now, were run in Ottawa will now be administered much closer to native communities, and I hope to never again hear negative, if not nasty, comments about natives. These people follow the debates of the House of Commons and I think that they sometimes have a wrong impression of parliamentary democracy. Their own approach is based on reaching a consensus but, more importantly, they are guided by a profound need for respect.

I am among those who have the greatest respect for native people. I do recognize that they were subjected to many injustices and these have to be corrected. The previous bills corrected those injustices, and Bill C-55 will confirm the autonomy of 14 First Nations in Yukon. Four of them have reached agreements, while ten others are in the process of doing so. They will be heading for self-government and I know they will take care of their communities, because I trust them on this issue.

I think the federal government will be able to save some money by granting the native people a land base that will help them grow and become much more self-sufficient.

Of course, since I am from Quebec and well-versed in independence issues, I fully understand why a First Nation or some First Nations would want their independence, and this is why we are extremely pleased to support Bill C-55, although we will want to clean up the legislation to ensure that the bill reflects our vision. As far as the substance of the bill is concerned, we think that self-government for the people in Yukon and elsewhere is very important and we are pleased to tell the Yukon residents who are watching us, the native peoples in Yukon, that the Bloc Québécois will support Bill C-55.

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Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, my Bloc colleague from Saint-Jean who just spoke in my view painted some scenarios essentially that do not exist and painted scenes of conflict where it does not exist.

We have talked on many occasions about a municipal style of self-government in committee and in this House. I also talk about it quite publicly.

(1740)

We have a living example in the province of British Columbia with the Sechelt band. That form of self-government has proven for that particular band to be very progressive. It is what the people want and they are thriving under that form of self-government.

There is no reason to suggest that form of self-government would not be a very appropriate form of self-government in many other jurisdictions. I want to set the record straight in that area.

What we have heard here is the Quebec provincial agenda being promoted on the rest of Canada. The Bloc is not proving to be the steward of federal or other provincial resources. When I heard the member talking about James Bay what I heard was a promotion of 100 per cent provincial involvement in these issues. I find that to be a contradiction in terms as to what we are talking about today. Perhaps my colleague could offer some clarification in that area.

[Translation]

Mr. Bachand: Mr. Speaker, I want to tell my colleague who also sits on the aboriginal affairs committee that what I quoted the hon. member for Okanagan—Shuswap as saying is not intended to indicate that there is no possible application of the municipal model. I merely quoted the hon. member for Okanagan—Shuswap as saying that no aboriginal group should be given rights to self-government exceeding those of municipal governments.

If a municipal government model applies, as it seems to be the case with Sechelts, then it is fine. But I do not think it is appropriate to put First Nations on the same level as municipal governments. That is all. I did not reject the municipal model. I only rejected the terms used by the hon. member for Okanagan—Shuswap.

As for the James Bay case, I must reiterate that it continues to be a model according to me and to the Bloc Quebecois. The Canadian government did not invest any money in it. This was promoted directly by the Quebec government and I do not think we have some secret agenda that we would want to hide from the Reform Party. As we know, the Quebec government has close ties with them. They have their own way to deal with issues. Here, at the federal level, we do things differently.

We examine all proposals and legislation before us on their merit and, of course, sometimes we suggest amendments and sometimes we support some bills. We even sometimes reject legislation. But this does not mean that we have a secret agenda. We only want to work with the aboriginal people and to get the best results possible, based on mutual trust.

[English]

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, on debate rather than questions and comments, I would forego a moment of my time and ask the member for Saint-Jean, who was so effusive in his praise for the settlement in C-33 and C-34 I believe it was, that this legislation enables, if he would then use this as a model for a land settlement with the northern Quebec Cree on exactly the same terms, exactly the same conditions, exactly the same land base, exactly the same surface and subsurface rights and exactly the same money.

[Translation]

The Deputy Speaker: Since a question was asked before the hon. member began his speech, I will authorize the hon. member for Saint-Jean to answer.

(1745)

Mr. Bachand: Mr. Speaker, I must admit that James Bay is indeed a model, but self-government cannot be applied everywhere from Halifax to Vancouver. We can see that a form of self-government respecting their past and their traditions is working for the Sechelt Band. Another formula was applied to the James Bay Crees and we can come up with yet another formula for Northern Quebec.

So, when we negotiate with the Northern Inuit, we will see how to apply self-government to their case by listening to what they have to say and what proposals they put forward during negotiations. Thus we will be in a position to react. I simply want to say to my colleague that there is no single way to implement self-government, there is no predetermined framework. Self-government is function of the tradition of the First Nations to whom it applies as well as of the climate that prevails in their negotiations with the governments.

[English]

Mr. McClelland: Mr. Speaker, could you tell me the time that I have.

The Deputy Speaker: The member has 20 minutes but there is a bell at six o'clock.

Mr. McClelland: Members of the Bloc are always quick to say what we should do, how we should do it and with whose money we should do it. However when it comes around to whether or not it is good for them, all of a sudden we see people slip and slide. It is absolutely amazing. We certainly cannot nail them down in the House on anything they would do. I congratulate them on their ability to tap dance around issues that have to be talked about, that have to be addressed. In fairness, when all

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is said and done it is my hope and desire that members of the Bloc will be living with it because we will continue to be Canadians one and all together. That is my greatest hope.

I also thank the hon. member for Yukon for participating in the debate. She brought another perspective to the issue. We sit through these prepared speeches and we listen to what each other has to say about various issues. However when someone can inject a little emotion into the debate it tends to make the debate much more interesting. The member injected some emotion into the debate. She called into question the motivation of specific members of my party as individuals and the party as a whole. I think she cast unfair aspersions on what our role or our function is in Parliament.

I would ask if there is anyone in the whole country, including members of the Bloc, who could think for even one second that what we as Canadians have done to our native brothers and sisters is something we should be proud of. I am wondering if anybody here thinks it is something worthy of repeating.

When a party comes into the House and questions the wisdom of legislation brought forward by the government, first that is its job. Second, maybe there is something to be learned from it.

The fact of the matter is that as an individual I did not become sensitized to the situation of Indians in our country yesterday or when I was elected. I live in western Canada. I was brought up and lived among Indians and with Indians going to school with me who lived in residential schools. We played together. We had fun together. We have relations together through marriage and adoption. We are in a much closer relationship with Indians in western Canada than exists in other parts of the country. It is very much part and parcel of our daily lives in many instances. It is absurd to suggest that somehow it is anti-Indian or racist because our views do not match government legislation or the views of an interest group or someone who is going to benefit and we question it. It is our function. It is our job. It is our duty to question legislation. It is what all of us are supposed to be doing.

(1750)

If we did that more often, members on the government side and members on the opposition side, and not just automatically salute the flag because it is on the pole, maybe we would not be in the miserable condition we are as a country with debt that we cannot possibly pay in our generation. Our generation and the generation before us got us into this mess.

If we are bankrupt as a nation for our boneheaded decisions, does it matter whether we are bankrupt Indians or bankrupt non-Indians? Does it matter if we are bankrupt immigrants? If our country does not have the funds to pay our commitments, does it matter where we came from? It does not. We have to start

thinking in terms of our responsibilities to future generations, not to the next election.

As I mentioned earlier, I received a letter from a constituent the other day which said that the difference between a statesman and a politician is that a politician looks to the next election and a statesman to the next generation. Maybe we should be spending more time thinking about the next generation, less time about the next election, and a whole lot less time trying to make political points or political hay out of misrepresentation just so we can win another election. It is demeaning and it is below the dignity of the House.

Another question in the debate is our relationship with Indians in Canada. We have to go from this father knows best Department of Indian Affairs and Northern Development making all the decisions and put the responsibility for decision making with the people affected by it. There is nothing, at least in my opinion, that will do more to create self-sufficiency and self-respect, the cornerstone of advancement, than responsibility.

We cannot give people vast or even small sums of money and say: "There is more where this comes from. Don't worry about being responsible about spending it and looking after it. It is a bottomless pit". We have to give with the opportunity to generate wealth and income the responsibility for doing it. If we are not prepared to do that we are not going to achieve anything.

Before we start doing all this, let us start figuring out a way to dismantle the Department of Indian and Northern Affairs and pass off the responsibility to the people to whom it should be given, that is the Indians themselves. The cornerstone upon which success will be built is self-respect and pride.

I would like to spend a couple of minutes talking about another situation, the whole notion of two row wampum. Last winter a group of Indians were demonstrating in front of the West Block and around Parliament Hill. Last winter in Ottawa was brutally cold. After about three days of these people standing around trying to get attention I looked at them and thought they really had to care about what they are doing to stand around in the cold and not hire somebody to do it for them.

I talked with them for a while and got to know a couple of the people involved. One fellow in particular, Stuart Myiow, was from Akwasasne. He is the publisher of a small newspaper, *The Eagle's Cry*. He wanted to get the attention of parliamentarians because he said we had broken the two row wampum, which means equal but separate. It means that they cannot have their feet in two different canoes at the same time: when Indians take on the mantle of the white man they are no longer Indians. How can they be both? According to him it brings out a whole host of social problems, identity problems, and problems in how they are going to go forward into the future.

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(1755)

It caused me to think about the difference between collective rights and individual rights. Perhaps we basically have grown up understanding and valuing individual initiative and individual rights.

It is my experience that not all but many Indian bands and many Indians are far more collective in the way they relate to each other and to society as a whole. If we are ever to bridge this chasm and get on to the future, in my opinion we are going to have to respect the tradition of the Indian people to the sense of collective responsibilities.

This means, as the hon. member for Saint-Jean mentioned earlier, that perhaps the justice system we have brought to North America is not suitable to the Indians. The recidivism rate among Indians is far higher than that in the general population. Indians in Canada comprise something like 5 per cent of the population, yet they are something like 25 per cent to 30 per cent or even more of incarcerated people. It is vastly disproportionate. In that case we should be looking at non-traditional means of changing the habit through what is being attempted now in the west: sweat lodges and the belief in the collective meting out of justice.

We certainly are in opposition to the particular bill, not because of the fact that it sets up a dispute settling board. Obviously that is needed and it is patterned after the one in Alberta anyway. We are in opposition because we are in opposition to Bill C-33 and Bill C-34 which this bill enables. We are in opposition not to create problems for the Indians but because we want some real solutions. In this debate we want to talk about real issues and to deal with things as they are, not as we would wish them to be.

We have to understand that there are all kinds of vested interests in the debate, not just the vested interests of the department of Indian affairs, people in Parliament, Indian bands or leaders of various Indian bands. We did not get into this situation by accident. We got into this situation because we were cross-threaded in everything we have done as far as the Indians are concerned ever since day one.

More of the same is not going to get us out of the mess we are in. We need fresh thinking. We need new vision and, above all, we need to question every move and every word that comes out of the Liberal government which got us into this mess in the first place.

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

The House resumed from October 31 consideration of the motion that Bill C-56, an act to amend the Canadian Environmental Assessment Act, be read the second time and referred to a committee

The Deputy Speaker: It being 6 p.m., pursuant to Standing Order 45(5)(a) the House will now proceed to the taking of the deferred division on second reading of Bill C-56, an act to amend the Canadian Environmental Assessment Act.

Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 95)

YEAS

Members

Adams	Alcock
Allmand	Althouse
Anderson	Arseneault
Assad	Assadourian
Augustine	Axworthy (Winnipeg South Centre)
Bakopanos	Barnes
Bellemare	Benoit
Bernier (Beauce)	Bertrand
Bethel	Bevilacqua
Blaikie	Blondin-Andrew
Bodnar	Bonin
Boudria	Breitkreuz (Yellowhead)
Bridgman	Brown (Calgary Southeast)
Brown (Oakville—Milton)	Brushett
Bélair	Caccia
Calder	Catterall
Chamberlain	Chan
Chatters	Clancy
Cohen	Collenette
Collins	Comuzzi
Copps	Cowling
Culbert	Cummins
de Jong	DeVillers
Dromiskiy	Duhamel
Duncan	Dupuy
Eggleton	English
Epp	Finestone
Finlay	Fontana
Forseth	Frazer
Fry	Gaffney
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Galloway	Gauthier (Ottawa—Vanier)
Gerrard	Gilmour
Godfrey	Goodale
Graham	Gray (Windsor West)
Grey (Beaver River)	Grose
Hanger	Hanrahan
Harb	Harper (Calgary West)
Harper (Simcoe Centre)	Hart
Harvard	Hayes
Hermanson	Hill (Macleod)
Hill (Prince George—Peace River)	Hoepfner
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jackson
Jennings	Johnston
Jordan	Karygiannis
Keyes	Kirkby
Knutson	Kraft Sloan
Lastewka	LeBlanc (Cape/Cap Breton Highlands—Canso)
Lee	Lincoln
Loney	MacLaren (Etobicoke North)
MacLellan (Cape/Cap Breton—The Sydneys)	Malhi
Maloney	Manning
Marchi	Marleau
Martin (Esquimalt—Juan de Fuca)	Martin (LaSalle—Énard)
Mayfield	McClelland (Edmonton Southwest)

Government Orders

McCormick
McLaughlin
McTeague
Mills (Broadview—Greenwood)
Minna
Murray
O'Brien
Parrish
Penson
Peters
Pickard (Essex—Kent)
Reed
Richardson
Riis
Robichaud
Rock
Schmidt
Scott (Skeena)
Sheridan
Simmons
Solberg
Speller
Stewart (Northumberland)
Strahl
Taylor
Terrana
Thompson
Ur
Vanclief
Volpe
Wayne
Williams
Young

McKinnon
McLellan (Edmonton Northwest)
Milliken
Mills (Red Deer)
Murphy
Nault
O'Reilly
Patry
Peric
Phinney
Ramsay
Regan
Rideout
Ringuette—Maltais
Robinson
Rompkey
Scott (Fredericton—York—Sunbury)
Shepherd
Silye
Skoke
Solomon
Steckle
Stinson
Szabo
Telegdi
Thalheimer
Torsney
Valeri
Verran
Wappel
White (Fraser Valley West)
Wood
Zed—180

(1825)

The Deputy Speaker: I declare the motion adopted. Accordingly the bill stands referred to the Standing Committee on the Environment and Sustainable Development.

(Bill read the second time and referred to committee.)

The Deputy Speaker: Pursuant to order made Thursday, October 27, 1994, the House will now proceed to the taking of the deferred division at second reading stage of Bill C-53, an act to establish the Department of Canadian Heritage and to amend and repeal certain other acts.

* * *

DEPARTMENT OF CANADIAN HERITAGE ACT

The House resumed from October 28 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; of the amendment; and of the amendment to the amendment,

(The House divided on the amendment to the amendment, which was negated on the following division:)

NAYS

Members

Bachand	Bellehumeur
Bergeron	Bernier (Mégantic—Compton—Stanstead)
Bouchard	Bélisle
Canuel	Caron
Chrétien (Frontenac)	Crête
Dalphonh—Guiral	Daviault
Debien	de Savoye
Dubé	Duceppe
Dumas	Gauthier (Roberval)
Godin	Guay
Guimond	Jacob
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Marchand
Mercier	Ménard
Nunez	Paré
Picard (Drummond)	Plamondon
Pomerleau	Rocheleau
Sauvageau	St-Laurent
Tremblay (Rimouski—Témiscouata)	Venne—44

PAIRED MEMBERS

Members

Asselin	Bernier (Gaspé)
Brien	Deshaies
Discepola	Fillion
Lefebvre	Loubier
MacAulay	MacDonald
Manley	Ouellet
Peterson	Pillitteri
Tremblay (Rosemont)	Walker

*(Division No. 96)***YEAS**

Members

Ablonczy	Althouse
Bachand	Bellehumeur
Benoit	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Blaikie
Bouchard	Breitkreuz (Yellowhead)
Bridgman	Brown (Calgary Southeast)
Bélisle	Canuel
Caron	Chatters
Chrétien (Frontenac)	Crête
Cummins	Dalphonh—Guiral
Daviault	Debien
de Jong	de Savoye
Dubé	Duceppe
Dumas	Duncan
Epp	Forseth
Frazer	Gauthier (Roberval)
Gilmour	Godin
Grey (Beaver River)	Guay
Guimond	Hanger
Hanrahan	Harper (Calgary West)
Harper (Simcoe Centre)	Hart
Hayes	Hermanson
Hill (Macleod)	Hill (Prince George—Peace River)
Hoepfner	Jacob
Jennings	Johnston
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Manning
Marchand	Martin (Esquimalt—Juan de Fuca)
Mayfield	McClelland (Edmonton Southwest)
McLaughlin	Mercier
Mills (Red Deer)	Ménard
Nunez	Paré
Penson	Picard (Drummond)
Plamondon	Pomerleau
Ramsay	Riis
Robinson	Rocheleau
Sauvageau	Schmidt
Scott (Skeena)	Silye

Government Orders

Solberg	Solomon
St-Laurent	Stinson
Strahl	Taylor
Thompson	Tremblay (Rimouski—Témiscouata)
Venne	White (Fraser Valley West)
Williams—93	

NAYS

Members

Adams	Alcock
Allmand	Anderson
Arseneault	Assad
Assadourian	Augustine
Axworthy (Winnipeg South Centre)	Bakopanos
Barnes	Bellemare
Bernier (Beauce)	Bertrand
Bethel	Bevilacqua
Blondin—Andrew	Bodnar
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bélair	Caccia
Calder	Catterall
Chamberlain	Chan
Clancy	Cohen
Collenette	Collins
Comuzzi	Copps
Cowling	Culbert
DeVillers	Dromisky
Duhamel	Dupuy
Eggleton	English
Finestone	Finlay
Fontana	Fry
Gaffney	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Galloway
Gauthier (Ottawa—Vanier)	Gerrard
Godfrey	Goodale
Graham	Gray (Windsor West)
Grose	Harb
Harvard	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jackson	Jordan
Karygiannis	Keys
Kirkby	Knutson
Kraft Sloan	Lastewka
LeBlanc (Cape/Cap Breton Highlands—Canso)	Lee
Lincoln	Loney
MacLaren (Etobicoke North)	MacLellan (Cape/Cap Breton—The Sydneys)
Malhi	Maloney
Marleau	Martin (LaSalle—Émard)
McCormick	McKinnon
McLellan (Edmonton Northwest)	McTeague
Milliken	Mills (Broadview—Greenwood)
Minna	Murphy
Murray	Nault
O'Brien	O'Reilly
Parrish	Patry
Peric	Peters
Phinney	Pickard (Essex—Kent)
Reed	Regan
Richardson	Rideout
Ringuette—Maltais	Robichaud
Rock	Rompkey
Scott (Fredericton—York—Sunbury)	Shepherd
Sheridan	Simmons
Skoke	Speller
Steckle	Stewart (Northumberland)
Szabo	Telegdi
Terrana	Thalheimer
Torsney	Ur
Valeri	Vanclief
Verran	Volpe
Wappel	Wayne
Wood	Young
Zed—131	

PAIRED MEMBERS

Members

Asselin	Bernier (Gaspé)
Brien	Deshais
Discepola	Fillion
Lefebvre	Loubier
MacAulay	MacDonald
Manley	Ouellet
Peterson	Pillitteri
Tremblay (Rosemont)	Walker

(1835)

[Translation]

The Deputy Chairman: I declare the amendment to the amendment lost.

* * *

[English]

SOCIAL SECURITY PROGRAMS

The House resumed from October 28, consideration of the motion that Bill C-54, an act to amend the Old Age Security Act, the Canada Pension Plan, the Children's Special Allowances Act and the Unemployment Insurance Act, be read the second time and referred to a committee; and of the amendment.

The Deputy Speaker: Pursuant to order made Thursday, October 27, 1994, the House will now proceed to the taking of the deferred division on the amendment of Mr. Dumas at second reading stage of Bill C-54, an act to amend the Old Age Security Act, the Canada Pension Plan, the Children's Special Allowances Act and the Unemployment Insurance Act.

Mr. Boudria: Mr. Speaker, I rise on a point of order. Perhaps you will find consent to apply the vote that we applied on the main motion of Bill C-56 in reverse to Bill C-54. You may find that one member may rise to indicate that the NDP members may want to indicate a variance to that effect and that would save us the time of taking an additional vote.

(1840)

Mr. Taylor: Mr. Speaker, I rise in response to the offer from the government benches about applying the vote. There would be consent from this corner of the House on behalf of New Democrats but we would like our vote registered as an affirmative, as a yes vote in this case.

The Deputy Speaker: Subject to those interventions is there unanimous consent to proceed as suggested?

Some hon. members: Agreed.

(The House divided on the amendment, which was negated on the following division:)

*(Division No. 97)***YEAS**

Members

Althouse	Bachand
Bellehumeur	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Blaikie
Bouchard	Bélisle
Canuel	Caron
Chrétien (Frontenac)	Crête
Dalphonde—Guiral	Davault
Debien	de Jong
de Savoye	Dubé
Duceppe	Dumas
Gauthier (Roberval)	Godin
Guay	Guimond
Jacob	Lalonde
Landry	Langlois
Laurin	Lavigne (Beauharnois—Salaberry)
Lebel	Leblanc (Longueuil)
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Marchand	McLaughlin
Mercier	Ménard
Nunez	Paré
Picard (Drummond)	Plamondon
Pomerleau	Riis
Robinson	Rocheleau
Sauvageau	Solomon
St-Laurent	Taylor
Tremblay (Rimouski—Témiscouata)	Venne—52

NAYS

Members

Adams	Alcock
Allmand	Anderson
Arseneault	Assad
Assadourian	Augustine
Axworthy (Winnipeg South Centre)	Bakopanos
Barnes	Bellemare
Benoit	Bernier (Beauce)
Bertrand	Bethel
Bevilacqua	Blondin—Andrew
Bodnar	Bonin
Boudria	Breitkreuz (Yellowhead)
Bridgman	Brown (Calgary Southeast)
Brown (Oakville—Milton)	Brushett
Bélaïr	Caccia
Calder	Catterall
Chamberlain	Chan
Chatters	Clancy
Cohen	Collenette
Collins	Comuzzi
Copps	Cowling
Culbert	Cummins
De Villers	Dromisky
Duhamel	Duncan
Dupuy	Eggleton
English	Epp
Finestone	Finlay
Fontana	Forsyth
Frazier	Fry
Gaffney	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Galloway
Gauthier (Ottawa—Vanier)	Gerrard
Gilmour	Godfrey
Goodale	Graham
Gray (Windsor West)	Grey (Beaver River)
Grose	Hanger
Hanrahan	Harb
Harper (Calgary West)	Harper (Simcoe Centre)
Hart	Harvard
Hayes	Hermanson
Hill (Macleod)	Hill (Prince George—Peace River)
Hoeppner	Hopkins
Hubbard	Ianno
Iftody	Irwin

Private Members' Business

Jackson	Jennings
Johnston	Jordan
Karygiannis	Keys
Kirkby	Knutson
Kraft Sloan	Lastewka
LeBlanc (Cape/Cap Breton Highlands—Canso)	Lee
Lincoln	Loney
MacLaren (Etobicoke North)	MacLellan (Cape/Cap Breton—The Sydneys)
Malhi	Maloney
Manning	Marchi
Marleau	Martin (Esquimalt—Juan de Fuca)
Martin (LaSalle—Émard)	Mayfield
McClelland (Edmonton Southwest)	McCormick
McKinnon	McLellan (Edmonton Northwest)
McTeague	Milliken
Mills (Broadview—Greenwood)	Mills (Red Deer)
Minna	Murphy
Murray	Nault
O'Brien	O'Reilly
Parrish	Patry
Penson	Perric
Peters	Phinney
Pickard (Essex—Kent)	Ramsay
Reed	Regan
Richardson	Rideout
Ringuette—Maltais	Robichaud
Rock	Rompkey
Schmidt	Scott (Fredericton—York—Sunbury)
Scott (Skeena)	Shepherd
Sheridan	Silye
Simmons	Skoke
Solberg	Speller
Steckle	Stewart (Northumberland)
Stinson	Strahl
Szabo	Telegdi
Terrana	Thalheimer
Thompson	Torsney
Ur	Valeri
Vanclief	Verran
Volpe	Wappel
Wayne	White (Fraser Valley West)
Williams	Wood
Young	Zed—172

PAIRED MEMBERS

Members

Asselin	Bernier (Gaspé)
Brien	Deshaies
Discepola	Fillion
Lefebvre	Loubier
MacAulay	MacDonald
Manley	Ouellet
Peterson	Pillitteri
Tremblay (Rosemont)	Walker

PRIVATE MEMBERS' BUSINESS*[Translation]***RECALL ACT**

The House resumed from October 28, consideration of the motion that Bill C-210, an act to provide for the recall of members of the House of Commons, be read the second time and referred to a committee.

Private Members' Business

The Deputy Speaker: Pursuant to order made Thursday, October 27, 1994, the House will proceed to the taking of the deferred division on the motion of Miss Grey at second reading of Bill C-210.

The vote will be taken by row, beginning with the member who moved the motion, followed by those who are in favour of the motion on the same side as the mover of the motion, one row at a time. Votes will then be taken from those sitting on the other side of the House who are in favour of the motion. Those who are against the motion will be called in the same way.

(The House divided on the motion, which was negatived on the following division:)

*(Division No. 98)***YEAS****Members**

Ablonczy	Benoit
Breitkreuz (Yellowhead)	Bridgman
Brown (Calgary Southeast)	Chatters
Cummins	Duncan
Epp	Forsyth
Frazer	Gilmour
Grey (Beaver River)	Hanrahan
Harper (Calgary West)	Harper (Simcoe Centre)
Hart	Hayes
Hermanson	Hill (MacLeod)
Hill (Prince George—Peace River)	Hoepfner
Jennings	Johnston
Manning	Martin (Esquimalt—Juan de Fuca)
Mayfield	McClelland (Edmonton Southwest)
Mills (Red Deer)	Penson
Ramsay	Schmidt
Scott (Skeena)	Silye
Solberg	Stinson
Strahl	Thompson
White (Fraser Valley West)	Williams—40

NAYS**Members**

Adams	Alcock
Allmand	Anderson
Arseneault	Assad
Assadourian	Augustine
Axworthy (Winnipeg South Centre)	Bachand
Bakopanos	Barnes
Bellehumeur	Bellemare
Bergeron	Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)	Bertrand
Bethel	Bevilacqua
Blaikie	Blondin—Andrew
Bodnar	Bonin
Bouchard	Boudria
Brown (Oakville—Milton)	Brushett
Bélair	Bélisle
Caccia	Calder
Canuel	Caron
Catterall	Chamberlain
Chan	Chrétien (Frontenac)
Clancy	Cohen
Collenette	Collins
Comuzzi	Copps
Cowling	Crête
Culbert	Dalphond—Guiral
Daviault	Debien
de Jong	de Savoye
DeVillers	Dromisky
Dubé	Duceppe
Duhamel	Dumas

Dupuy	Eggleton
English	Finestone
Finlay	Fontana
Fry	Gaffney
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Galloway	Gauthier (Ottawa—Vanier)
Gauthier (Roberval)	Gerrard
Godfrey	Godin
Goodale	Graham
Gray (Windsor West)	Grose
Guay	Guimond
Harb	Harvard
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jackson
Jacob	Jordan
Karygiannis	Keyes
Kirkby	Knutson
Kraft Sloan	Lalonde
Landry	Langlois
Lastewka	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
LeBlanc (Cape/Cap Breton Highlands—Canso)	Leblanc (Longueuil)
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Lincoln	Loney
MacLaren (Etobicoke North)	MacLellan (Cape/Cap Breton—The Sydneys)
Malhi	Maloney
Marchand	Marleau
Martin (LaSalle—Émard)	McCormick
McKinnon	McLaughlin
McLellan (Edmonton Northwest)	McTeague
Mercier	Milliken
Mills (Broadview—Greenwood)	Minna
Murphy	Murray
Ménard	Nault
O'Brien	O'Reilly
Parrish	Paré
Patry	Peric
Peters	Phinney
Picard (Drummond)	Pickard (Essex—Kent)
Plamondon	Pomerleau
Reed	Regan
Richardson	Rideout
Ringuette—Maltais	Robichaud
Robinson	Rocheleau
Rock	Rompkey
Sauvageau	Scott (Fredericton—York—Sunbury)
Shepherd	Sheridan
Simmons	Skoke
Solomon	Speller
St-Laurent	Steckle
Stewart (Northumberland)	Szabo
Taylor	Telegdi
Terrana	Thalheimer
Torsney	Tremblay (Rimouski—Témiscouata)
Ur	Valeri
Vanclief	Venne
Verran	Volpe
Wappel	Wayne
Wood	Young
Zed—179	

PAIRED MEMBERS**Members**

Asselin	Bernier (Gaspé)
Brien	Deshais
Discepola	Fillion
Lefebvre	Loubier
MacAulay	MacDonald
Manley	Ouellet
Peterson	Pillitteri
Tremblay (Rosemont)	Walker

Private Members' Business

The Deputy Speaker: I declare the motion lost.

(Bill read the second time and referred to committee.)

[*English*]

Mr. Hanger: Mr. Speaker, I was not here for the vote. However, had I been here I would have cast my vote in favour of the motion.

The Deputy Speaker: It being 6.52 p.m. the House will now proceed to Private Members' Business as listed on today's Order Paper.

* * *

RECOGNITION OF THE PATRIOTES OF LOWER CANADA AND THE REFORMERS OF UPPER CANADA

The House resumed from June 20 consideration of the motion.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, it is with great pleasure that I rise tonight to speak to the motion put forward by my hon. colleague from Verchères.

In his motion my colleague recommends that the House should officially recognize the historical contribution of the Patriotes of Lower Canada and the Reformers of Upper Canada to the establishment of a system of responsible, democratic government in Canada and in Quebec.

Before I start I would like to quote briefly from an article written by S. W. Wallace, which was published in the first issue of the *Canadian Historical Review*:

The real significance of Canadian history lies in the fact that in the evolution of the new and unprecedented phenomenon, the British Commonwealth of Nations, Canada has played a leading part. It was in Canada that responsible government was first worked out in the colonial sphere.

(1855)

Responsible government is undoubtedly a Canadian concept. It is part of our rich sociopolitical history. Question period, for example, is one of the ways in which the government can be challenged to remain accountable for its actions.

In any event, I am not here tonight to debate who fought harder for the concept of responsible government in the British North American colonies, Joseph Howe or the duo of Louis Joseph Papineau and William Lyon Mackenzie. Each contributed in his own way to the establishment of responsible government in Canada.

What I am concerned with is the fact that we are seeking to recognize a holiday based on a history which focuses on ordinary citizens taking up arms against the government of the day. Even if the motion of our colleague from Verchères should pass the House when would he suggest that the Patriotes and the Reformers be commemorated? The closest Sunday to November 23, just like the Parti Québécois declared in 1982?

I am aware that my colleague is not demanding a national holiday. However, we already set aside two days when Canadians can pause and reflect on this great country of ours. These two days are Heritage Day and Canada Day.

On these days Canadians reflect and celebrate their country. What prevents us from commemorating on the third Monday of February or on July 1 the contributions of the patriots and the reformers to the establishment of responsible government?

For example, in Liverpool, Nova Scotia, and all around the south shore area, the Canada Day weekend is the beginning of a local heritage celebration called Privateer Day. Privateers were men who smuggled supplies instead of serving in the Royal Navy during the American revolution, the Napoleonic wars and the war of 1812.

During these commemorative festivities fireworks are lit on Friday night over the Liverpool harbour in memory of the privateers. On Saturday there are two parades which recreate the events of days gone by. To my knowledge, the privateers of Nova Scotia have never been officially recognized by the House of Commons for their contribution to the economic prosperity of the south shore of Nova Scotia, yet every year during the Canada Day weekend the entire community remembers the privateers.

What is preventing our hon. colleague from Verchères from encouraging community leaders to organize events commemorating Louis Joseph Papineau and his followers? He certainly does not need the federal government's approval to organize such festivities.

My real opposition to this motion stems from the unique place in history given to the Patriotes by the Quebec sovereignists. I think it would further fan the flames of nationalism and separatism if this motion was adopted by the House.

I would like to quote from an article that appeared in *L'action nationale* which is without a doubt a propaganda tool for the Quebecois nationalists. The article was penned by Gilles Rhéaume who at the time was director of the Ligue d'action nationale as well as president of the Société Saint-Jean-Baptiste de Montréal which is one of the most radical nationalist groups in Quebec. In his short article, Mr. Rhéaume stated:

[*Translation*]

"Admiring the Patriotes of 1837-38 is fine, but being inspired by their example is better. Let us draw our inspiration from their devotion to freedom and sovereignty. But, in order to do so, we need special occasions. That is why the Société Saint-Jean-Baptiste of Montreal welcomed the order issued by the Quebec government declaring the Sunday nearest to November 23, the anniversary date of the victory at Saint-Denis, as National Patriots Day".

Private Members' Business

[English]

The Quebec sovereignists use the patriots of 1837–38 rebellion as a weapon of legitimization in their fight for Quebec independence. The sovereignists of today try to demonstrate to their fellow Quebecois that Louis Joseph Papineau and his followers were rebelling against the intransigent tyranny of the British powers, much like the Bloc is doing in this Parliament against the federal powers.

Granted, conditions in Lower Canada during the 1830s were difficult and frustrating for the French Canadian majority, difficult because economic hardship seriously affected the francophone working class, frustrating because the francophone petite bourgeoisie constituted the majority of members in the lower House. Yet these same members had very little say in the financial management of the colony.

(1900)

What concerns me if this House adopts Motion No. 257 is that we will be playing right into the hands of the Bloc Quebecois as well as those of the Parti Quebecois. Certain parallels can be drawn between the causes fought for in 1837–38 and the present day battle over Canadian unity.

Once again, I will draw upon Mr. Rhéaume's comment to support my argument. Mr. Rhéaume states that economic conditions, especially the lack of control over the purse strings of the colonial treasury were one of the main causes for the 1837–38 rebellion. Today Quebec nationalists complain that they have only partial control over their economy. The essential levers of power rest within the hands of the federal government where the Quebec representatives are a minority.

The Patriotes believed that only full control of all economic levers could permit the French Canadians to survive as a people. The Quebecois nationalist elite uses the same argument today to preserve its language, culture and tradition.

I clearly see comparisons being drawn by Quebecois nationalists between the events of 1837–38 and those unfolding in 1994–95. If this House is seriously fighting for a strong Canada it would be hypocritical for its members to vote in favour of this motion.

Since our colleague for Verchères is very interested in history, as all Canadians should be, let us look back on some of the Patriote commemorative ceremonies which have taken place over the years. Since 1962, the 125th anniversary of the rebellion, commemorative ceremonies held in Montreal in honour of the Saint-Denis victory have taken on a nationalistic overtone. For example in 1970 at the height of the October crisis about 3,000 people rallied at the Patriotes monument. Representatives of the Chevaliers de l'indépendance, as well as those of the FLQ

were on hand. Camille Laurin, leader of the national assembly of the Parti Quebecois, stated:

[Translation]

The most insidious means are used to perpetuate colonialism in Quebec, but Quebec will achieve its independence through peaceful means.

[English]

At a similar celebration in 1973 Francois Albert Angers, one of Quebec's most important proponents of economic sovereignty, asked French Canadians to stand behind the Parti Quebecois so that they could defeat more easily the anglophone political party. Links do exist between Quebec sovereignists and Patriotes commemoration.

In 1977 the Société Saint-Jean-Baptiste de Montréal awarded its Patriote de l'année award to Camille Laurin, the minister who steered Bill 101 through the national assembly. This is no coincidence. The nationalists use the term Patriote de l'année when giving an award to a Parti Quebecois minister who severely restricted, we could almost say outlawed, the use of English in his province. The Parti Quebecois during its last tenure in power also renamed a highway in honour of the Patriotes in addition to declaring the Sunday nearest November 23 as the official day for commemorative ceremonies.

The Parti Quebecois is using the battles of their forefathers during the 1837–38 rebellion to legitimize their struggles against Canadian federalism. Today the term patriote has taken on an almost anti-English anti-federalist connotation in Quebec. Whereas the original Patriotes fought in part to establish responsible government, today's patriots seem to be working toward the demise of this great country of ours.

Louis Joseph Papineau, William Lyon Mackenzie and their followers certainly have enriched Canada's history as have thousands of other men and women. In opposing this motion I do not want to belittle their contribution in any way. However, I am concerned for the message we would be sending out to the Quebecois sovereignists if we legitimized the Patriotes' actions. I therefore urge all members of this House who want to preserve our country to vote against Motion No. 257.

[Translation]

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, I rise on a point of order. The hon. member who just spoke has insulted many Quebecers, unwittingly I am sure, by saying that the Société Saint-Jean-Baptiste is a radical or extremist movement. Several million of Quebecers have been members of that movement which has no ties whatsoever with political parties. I shall be brief, Mr. Speaker. Some Liberals are still members of the Société Saint-Jean-Baptiste, and other parties—

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(1905)

The Deputy Speaker: The hon. member knows that this is a question for debate and not a point of order. They will get a chance to speak, but it is now the turn of their colleague—

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

The Deputy Speaker: Does the hon. member for Blainville—Deux-Montagnes want to yield to his colleague?

Mr. Mercier: No, Mr. Speaker, I rise on a point of order.

The Deputy Speaker: The hon. member for Richelieu on the same point of order.

Mr. Plamondon: I ask that the words radical and extremist applied to the Société Saint-Jean-Baptiste be withdrawn because they are unparliamentary.

The Deputy Speaker: The hon. member for Blainville—Deux-Montagnes, on debate.

Mr. Mercier: Mr. Speaker, I am willing to speak now, but I think that it was not the order in which it was agreed to do so.

The Deputy Speaker: The hon. member for Trois-Rivières has the floor.

Mr. Yves Rocheleau (Trois-Rivières, BQ): Mr. Speaker, I am very pleased to speak today in this debate about the contribution of the Patriotes of Lower Canada and the Reformers of Upper Canada to the democratic evolution of our representation mechanisms.

I am all the more pleased to speak on this November 1, 1994, because exactly seven years ago today, on November 1, 1987, we lost a very great Quebec patriot, a great Quebec democrat, the former premier of Quebec, Mr. Lévesque, who invited Quebecers to believe in Quebec, who gave confidence and pride to Quebecers and invited them to describe themselves and to consider themselves as a people with the highest political status.

I would hope that in the upcoming referendum campaign, Quebecers will remember and emulate that great man, René Lévesque.

I am also very pleased to take part in this debate that was raised by my colleague from Verchères, whom I want to congratulate and who has moved the following motion, that I would like to read in order to put things in perspective:

That, in the opinion of this House, the government should officially recognize the historical contribution of the Patriotes of Lower Canada and the Reformers of Upper Canada to the establishment of a system of responsible democratic government in Canada and in Quebec, as did the Government of Quebec in 1982 by proclaiming by order a national Patriots' Day.

I am all the more proud, and even a bit moved, because I participated myself in the celebrations that, for thirty years now, have been held in commemoration of the 1837–1838 events that

occurred in Saint-Denis sur Richelieu, in Quebec. I would like to take this opportunity to thank and congratulate two residents of that village who, certainly for twelve years I think, have organized these celebrations with efficiency, skill, modesty and so much dignity. They are Mr. and Mrs. Onil Perrier from Saint-Denis and they deserve our most sincere gratitude.

To understand fully the evolution of these so-called democratic mechanisms, we have to go back to 1791, about forty years before the 1837–1838 events, when the Quebec Act created two provinces, Lower Canada and Upper Canada, Quebec and Ontario as we know them today.

From a political point of view, we must remember that this act established four precise levels of power which were the source of frictions that caused the events we all know about. The first level of power was the governor and his bureaucrats who formed an oligarchy named clique du château, or castle clan, in Quebec and Family Compact in Upper Canada or Ontario. Then there were the Executive Council and two other houses, the Legislative Council and the Legislative Assembly.

(1910)

Not only were the governor and the executive council not accountable to the people and the elected representatives, but they also had the power to revoke laws passed by Parliament. The legislative council was clearly a patronage heaven and became a kind of branch of the executive council where people would exchange friendly services, serve on one council and then on the other and even, at times, on both councils at once.

During all those years, there was deep discontent with the legislative council within the population. When the 92 resolutions were presented in 1834, 31 concerned the Legislative Council, and this discontent was prevalent among both francophones and anglophone progressive democrats.

At the time, the legislative assembly, consisting of elected representatives and members, was just a debating society, like the National Forum on Health which the Prime Minister of Canada supports, a debating society without any real power, except the power to run its own activities, but when it appointed a speaker, Louis Joseph Papineau, his appointment was turned down by Mr. Dalhousie, the governor at the time.

Throughout this period, the demands of both Patriotes and Reformers touched on a number of points, the most important one being responsible government, which would make the executive accountable to the people and their elected representatives.

Another demand concerned the right of the members of the Legislative Assembly to control appropriations and how tax money was spent, and to have a say in the appointment of senior officials. Finally, another demand, still very relevant, was that the legislative council, more or less the equivalent of the other

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place today, be elected by the people instead of appointed by the governor.

Throughout this period, these demands were the subject of intense and incessant debate and caused constant confrontation between the executive and the legislative bodies. Faced with the arbitrary behaviour and contempt of the governor and his clique, the people's representatives and all democratic individuals had the choice of either submitting or enlisting the means at their disposal and stand on their rights.

That is what they did, but unfortunately, in 1837–38, both groups were defeated. They were defeated in the media, but only ten years later, in 1848, they won when responsible government was recognized. We still enjoy the benefits of that victory today in this House, and it means that as elected representatives, we can take part in the debate and we can ask questions.

You will probably agree that the quality of the questions is more obvious than the quality of the answers, especially when the answers come from the official opposition, but it gives us the right today to put questions to the government. It gives us the right to demand, on occasion, the resignation of ministers. That is part of these new powers. At the time, these powers were acquired as a result of responsible government. This gives elected representatives the right to adopt budgets and appropriations, and it also allows them to question the government about the appointment of senior officials.

Such is the contribution of the Patriotes and the Reformers. That is why we are asking the House to vote on this proposal to recognize the most valuable contribution that both Patriotes and Reformers made at that time to the evolution of our democracy. I will not try to conceal that there are in fact similarities between the background of this historic episode and the present situation.

(1915)

We must not forget that at the time, as my friend mentioned a few moments ago, they were claiming their independence and there had been a declaration of independence. Today, the sovereignist movement is in office in Quebec and represents the official opposition here, in Ottawa. This shows how sovereignist thinking is deeply rooted in our people, how we genuinely aspire to sovereignty and how the vision of someday having a country that Quebecers will claim as their own is not the undertaking of a single man, but a truly collective endeavour very deeply rooted in the minds of our people.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I am happy to take part today to the debate on the motion which reads as follows:

That [...] the government should officially recognize the historical contribution of the Patriotes of Lower Canada and the Reformers of Upper Canada to the establishment of a system of responsible democratic government in Canada and in Quebec—

I will come back to that proposal later.

Let me say first of all that I am among those who will not be able to support that motion. However, I want to say that I share in no way, and I underline the words in no way, the arguments and reasons put forward by the member for Calgary Southeast against the motion. Her reasons are not mine and I thought it was important to stress this fact.

It is with great interest that I rise today to speak about that important issue. Most Canadians do not have to go back to their history books to remember the contribution of Reformers and Patriotes during the last century. As we all know, the Patriotes caused the events known today as the Rebellion of 1837.

Although I recognize it is important to stress the contribution of those individuals who, by their action, brought about the establishment of responsible government, I do not subscribe fully to the proposal of the hon. member. If the aim of the hon. member for Verchères is to commemorate important contributions to Canadian democracy, I believe his proposal is somewhat restrictive.

First of all, Canada is a huge territory bordered by three oceans. This alone is sufficient to make us understand that a multitude of individuals must have worked together to build this great country. The motion of the hon. member stresses only the historical contribution of the Patriotes of Lower Canada and of the Reformers of Upper Canada. Notwithstanding that fact, if the motion had been put differently, I could have given it my support. However, I oppose the motion because it does not take into account the fundamental contributions of Canadians in other regions.

Montesquieu said that to love democracy is to love equality. If we recognize the contribution of some, this should be done equally for all.

It would be important to highlight or, at least, not to forget the role played by Joseph Howe to whom we originally owe the principle of accountability in government. I am not saying this to gloss over or down-play what William Lyon Mackenzie did in Upper Canada and Louis Joseph Papineau in Lower Canada, but this does not change the fact that Joseph Howe was the originator of the concept of accountability in government. He was a journalist with the *Nova Scotian*, an influential paper at the time. He had campaigned in favour of accountability in government. When he entered politics, in 1836, he played an important role in the establishment, in Nova Scotia, of what was called a liberal reform government. He was the one who argued with the

British authorities of the day in favour of an executive power accountable to the elected members of the legislative assembly.

(1920)

It was the beginning of responsible government. As the member who spoke before me mentioned, Louis Joseph Papi-neau and his committee had presented 92 resolutions advocating the control of revenues by the legislative assembly, but executive responsibility, the election of a council and their action were part of a larger movement which was related to a fight being fought elsewhere by Joseph Howe, in Nova Scotia, for example, or by William Lyon Mackenzie in Upper Canada.

What we must point out when we talk about the history of Lower and Upper Canada, is that the provinces were created by the Constitutional Act of 1791 which drew a line west of the seigneurie of Vaudreuil to create the new province of Upper Canada, a sort of distinct society for the English speakers of the time, a way to give them the common law and the right to own land under a system known as "free hold land tenure".

A distinct colony was established to protect these two principles. However, I should say that this new colony of Upper Canada was merely a narrow band of land just north of the St. Lawrence River, just like Lower Canada extended only along both shores of the river.

Nevertheless, if we were to take the motion as it appears in today's order paper and to translate its content in 1994 parlance, we would talk about the responsible democratic government of Quebec, the former Lower Canada, and of Ontario, the former Upper Canada, and we would exclude all the other provinces of this big country of ours. As I said earlier, the initiatives of Joseph Howe preceded those of William Lyon Mackenzie who, with a group of friends, rebelled and took arms—a few guns, forks, shovels, whatever they had then—to show their discontent.

Needless to say, they did not get very far. They were for the most part banished, jailed, etc. and they only surfaced years later. As for Lower Canada, we certainly all remember Louis Joseph Papineau and his friends, who were then called the Patriotes, and who played a role similar to that of William Lyon Mackenzie, the grandfather of another Liberal Prime Minister elected several years later, William Lyon Mackenzie King.

We are all aware of these facts and I am not one to forget or diminish in any way the role played by the Patriotes. In closing, I will repeat what I said at the beginning, that I totally dissociate myself from some comments made today. I declare that, if this motion was intended to recognize in Ontario and in Quebec, which are both provinces, the contribution of these groups, I would gladly support the motion, and I must say that if the member opposite was willing to request unanimous consent of

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the House to change the word, I would immediately give my support.

I suspect, however, that there is another, different objective in that motion. At the end, it says "in Canada and in Quebec", as if they were really two distinct and equal entities.

(1925)

Of course, Ontario and Quebec are both provinces. Quebec is a province within this great country which is Canada, this great country which, I hope, will always remain strong and united.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I rise today in this House to speak to the proposal put forth by my colleague, the hon. member for Verchères. The motion reads as follows:

That, in the opinion of this House, the government should officially recognize the historical contribution of the Patriotes of Lower Canada and the Reformers of Upper Canada to the establishment of a system of responsible democratic government in Canada and in Quebec, as did the government of Quebec in 1982 by proclaiming by order a national Patriotes' day.

I want to point out right away that this proposal is in no way designed to add a statutory holiday to the calendar. The thought of adding such a holiday never crossed the mind of the sponsor of this motion.

The purpose of this motion is however to recognize the contribution of the Patriotes of Lower Canada and the Reformers of Upper Canada by an order of this House to that effect.

The point was made that the violence of the 1837 and 1838 rebellions should not be condoned. Of course not, but let us not forget however that Patriotes and Reformers voiced their grievances and complaints in pamphlets, in newspapers articles, at rallies, through petitions and presentations at the House of Assembly they had in those days, before some of them finally decided to rise up in arms.

The sole purpose of the motion before us now is to pay tribute, regardless of these unfortunately violent events, to these men and women who believed in the need to have a responsible and truly democratic government. Among those who took part in that movement, some became well-respected public figures because of their convictions and their major contribution to our society.

I can think of people like Louis Joseph Papineau, Louis Hippolyte Lafontaine, Robert Baldwin or George Étienne Cartier. Of course, the Patriotes and the Reformers were not the only ones who contributed to the establishment of responsible government in this country. Others also made a historical contribution to the building of Canada. I imagine that some measure will eventually be proposed to also honour these people.

Certain Patriotes are better known than others, as well as some places. I am honoured by the fact that a meeting of Patriotes took place on July 16, 1837, in Deschambault, in my riding of Portneuf.

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Deschambault is one of many small communities in my riding which are located right on the shore of the St. Lawrence River. It has a pier, a promontory called Cap Lauzon, as well as a church which was already there at the time. There is also a general store, the Magasin général Paré, which dates back to that period.

Let us go back 157 years, to July 16, 1837, in front of the general store which is located next to the old church, and let us listen to what the Patriotes of the time were saying:

Resolution No. 1. "That this assembly solemnly condemns the resolutions concerning the affairs of this province which were recently introduced by the minister in the British Parliament, which overwhelmingly approved them, hence sanctioning a principle which sooner or later will be used as a precedent to attack and destroy not only the rights and liberties of other British colonies, but even those of the English people".

(1930)

There are in these historical statements some valuable lessons that might enlighten us about our current situation.

Resolution No. 2 is as follows: "That the resolutions introduced by Lord John Russell in the House of Commons in England on March 6, on behalf of all ministers, to authorize the Imperial Parliament to seize in the provincial coffers the monies from the labour of the people to pay public servants, most of whom have shown themselves unworthy of this country, and since passed by the Commons and the Lords, are a violation of the Constitutional rights and privileges of the people of this province".

Resolution No. 3: "That the adoption of these resolutions is in complete defiance of the just demands of the inhabitants of this province; that it destroys our confidence in the British Parliament, and that it should convince French Canadians that, in the future, they should expect from the United Kingdom no reparation for their grievances and no respect for their political rights." Unfortunately, you will agree, there is nothing new under the sun.

Resolution No. 4: "That the people of this country would bear the mark of degradation and would be enslaved if they agreed to be taxed, to be violently deprived by the public authorities of their money, which would then be distributed to perverse servants, without the sanction of their representatives who are the only ones to have the right to make appropriation of it". In those days, there was no deficit, no public debt. Still, very serious statements were already being made. What would these Patriotes of 157 years ago say today if they saw our current taxation levels and our use of public funds? Then, 157 years ago, people had good horse sense and I think we still have it today.

Resolution No. 5: "That the British Parliament, by passing a resolution to seize this province's revenues, was guilty of an outrageous violation of our most accepted rights, that it is our people's most pressing duty to resist this violation with all the

legal means—that is what was said—at our disposal, and that we should henceforth have the steadfastness to appeal no more to a body which has declared itself so resolutely hostile to our freedoms".

Resolution No. 6: "That for the preservation of these freedoms, it would be prudent to prepare ourselves for the difficulties that we may encounter by limiting our personal expenses and by promoting education, agriculture, industry, manufacturing and trade in this province." This certainly sounds very contemporary.

Resolution No. 7: "That when the revenues of this province are squandered to satisfy the greed of those who are always opposed to the wishes and the needs of the people, it is our duty to improve our domestic manufactures and to recommend their increasing use to our fellow citizens, just as it is our duty to avoid in so far as possible the products of those who pay duties".

Quebec's Patriotes were already showing us the way 157 years ago. There are many more resolutions, but it was a privilege for me to read in this House tonight these words so full of common sense that our ancestors wrote in difficult times and that can still guide us today.

In closing, Mr. Speaker, I would like to mention that the words I read tonight were written by Mr. Louis Gariépy, president, and Mr. N.G. Gauthier, secretary, and were published in *La Minerve*, on July 24, 1837.

(1935)

[English]

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, I am pleased to speak on Motion No. 257, the purpose of which is to recognize the historic contributions made by the Patriotes of Lower Canada and the Reformers of Upper Canada to establish a system of responsible democratic government in Canada.

I should like to begin by informing my hon. colleague from Verchères that the Government of Canada is by no means remiss in celebrating our historic heritage and encouraging all Canadians to do so. The government has already established a national day of celebration on which we mark the contribution made to the country by all Canadian patriots, be they anglophone, francophone, aboriginal or allophone. I am speaking of course of Canada Day.

Canada Day is a unique and appropriate opportunity to celebrate the contributions of all Canadians, including those who work for the establishment and continued evolution of our democratic system of government.

Thousands of Canadians also have the opportunity to celebrate Heritage Day in February and organize activities marking the richness and diversity of our common heritage. It is the

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perfect opportunity to commemorate the contribution that all great Canadians have made to our history.

Permit me to mention that heritage is a vast concept that includes, as George Kapelos wrote, the understanding, appreciation and preservation of significant elements of our culture and historic heritage. It goes without saying that one of those significant elements is the important role played by the Patriotes and the Reformers of 1837.

It must also be said that the federal government's more traditional role in heritage matters has been to protect national, historic or architectural sites and to establish research programs to increase awareness of our past.

Yet there is ongoing co-operation among the federal, provincial and territorial governments in numerous areas of heritage preservation and appreciation. That is why as an Ontarian and as a Canadian I am pleased to see the Government of Quebec has officially marked the contribution that the Patriotes made to the establishment of more democratic structures by instituting the *journée des Patriotes* celebrated in November of each year.

It is certainly not my intention to discourage the groups of citizens in Quebec and Ontario that are working to ensure the Patriotes and the Reformers are given their rightful place in our collective history. Indeed a familiarity with Canada's history gives us a more balanced vision of the country that allows us to make well advised decisions in managing the present and preparing for the future.

The reason I oppose the adoption of such a bill is that the proposal by the member for Verchères puts the emphasis on the role of only certain individuals in the process that led to the establishment of responsible government. I do not agree with the thinking that the Government of Canada should give all the credit for the progress of democracy in Canada to the Patriotes of the rebellion of 1837. This would be unacceptable given that it would ignore the contributions of thousands of Canadians in every region of the country who played an integral role in establishing a more genuine democracy in Canada.

I must therefore point out, as did my colleague from Pontiac—Gatineau—Labelle a few months ago, that the proposal by the member for Verchères does not take into account the contribution that a great number of Canadians made to the institution of responsible government in Canada. I am speaking of Joseph Howe, Nellie McClung, Thérèse Casgrain and many others who over the course of our history were involved in the process of establishing responsible government and in the ongoing evolution of our democratic system of government.

Recalling Joseph Howe, I cannot but question the link that this proposal tries to make between the actions of the Patriotes and the Reformers in the last century and the institution of

responsible government. Was it not in fact Lord Durham who in a the rebellion of 1837 first recommended responsible government and the union of the two Canadas? I will be told that Lord Durham's intention was to assimilate the French Canadians and that is undeniable.

(1940)

I would point out, however, that it was the moderate Reformers who deserve the credit for putting forward the idea of responsible government. That is why Joseph Howe of Nova Scotia played such a pivotal role. He was the first to establish responsible government overseas in the British Empire, in one of the colonies that was to become Canada, at a time when the Patriot Louis Joseph Papineau was advocating American style elections.

Joseph Howe, Robert Baldwin and Louis Lafontaine then built solid, moderate parties which in 1848 led Great Britain to accept the institution of a fully functional, responsible government. I would also point out that although responsible government did represent progress in Canada's parliamentary system, it was not in the beginning fully democratic.

It would take contributions of such great women as Nellie McClung and Thérèse Casgrain to win the right for women to vote that they were denied until the 20th century. Thus it was Nellie McClung who deserves the credit for Manitoba becoming the first Canadian province to give women the right to vote in 1916. Quebec had to wait for Thérèse Casgrain before it recognized women's right to vote in provincial elections. Furthermore it was not until 1960 that status Indians were allowed to vote in federal elections.

If Canada were to mark the contribution its citizens have made to the institution of genuine responsible government, it would do so by including all Canadians rather than singling out the Patriotes. I find it difficult to see how Canadians as a whole would welcome the idea of granting national recognition to only one of the elements that contributed to an immense collection of movement leading to the creation of real democracy.

I find it difficult to see how women would once again endorse a version of history that denies them their rightful place. I found it difficult to see how Canadians in provinces other than Ontario and Quebec would accept the government's decision to celebrate the contribution of only certain patriots. I find it difficult to see how the First Nations would welcome such a denial of their role in the creation of Canadian democracy.

In as much as adoption of the bill might incur additional expenses, I feel it must not proceed. The Canadian government is a responsible government because of the historical events that created it. As a result it has priorities to which it must devote all its efforts and its human and financial resources.

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We promised Canadians jobs. In other words bread, not smoke and mirrors. Having said this, I would not want people to misinterpret the importance I attach to the action of our national patriots. I recognize that Papineau and Mackenzie played a significant role in our country's development by precipitating events with their radical position, but I also recognize that Baldwin and Lafontaine together contributed to the progress of democracy with their more moderate position.

That is the great lesson that Canada teaches us. There are sometimes contradictory individual interests and positions. Then transcending everything else there is a peaceful Canada which forms and transforms itself without armed conflict.

I for one am proud to live in a country that adopted responsible government, making the pitchforks and rifles of the past unnecessary. I therefore encourage all Canadians to celebrate in their own way the tradition of democracy they have inherited. As they have shown so often in the past, Canadians do not lack inventiveness.

They can if they wish organize historical re-enactments of the events on the road to responsible government. They can, with the help of local historical societies or heritage conservation groups, organize commemorative or celebratory events. In closing I hope that my comments on opposing this motion have not in any way diminished the events of our history that allow us to speak here.

[Translation]

Mr. Paul Mercier (Blainville—Deux—Montagnes, BQ): Mr. Speaker, the motion of my colleague from Verchères is of particular interest for me because many events of the 1837 Rebellion occurred in my riding, in the town of Saint-Eustache, which became historic, and in neighbouring villages.

(1945)

It is impossible to visit this region without seeing traces of these events mile after mile. Some of the villages and localities have evocative and significant names. One village was razed and others were burned to a greater or lesser extent. The English burned these villages in reprisal.

The facade of the main church in Saint-Eustache still bears the marks made by English cannonballs. Many streets in the town are named after participants in these events. The Jean-Olivier Chénier Local Community Service Centre recalls the leader of the Patriotes in this region. These are all visible remnants of the 1837 Rebellion which brought the Patriotes face to face with the British army. We who live in that region cannot forget those events even if we wanted to. The signs are there right before us.

Before anything else, I have to dispel a myth which has to do with the confrontation that did not occur because the Patriotes wanted sovereignty. The motion does not mention only the

Patriotes of Lower Canada but also the Reformers of Upper Canada. Let me quote my colleague, the hon. member for Verchères, who presented this motion. He said on June 20, 1994: "The aim of the motion I have just respectfully submitted for the consideration of this House today is to rectify this perception [that they were criminals] and to achieve, at long last, recognition of the historic contribution of the Patriotes of Lower Canada and the Reformers of Upper Canada to the establishment of a truly responsible and truly democratic government in Canada and in Quebec".

At the time, the Patriotes and the Reformers were fighting for a cause that is still dear to our hearts, quite simply democracy.

Therefore, whether they were from Upper or Lower Canada, the insurrectionists were fighting to have the colonial assembly, which represented in the people, take a more active part in the exercise of power and gradually take over the internal management of the colony. As we know, the management of the colony's affairs was, at the time, conducted by London, through the governor and councils.

In short, what the insurrectionists wanted, and the reason why I think the whole country has the duty to recognize them, was, and I repeat, the democratization of the institutions of their country.

Whether it was in the field or at the end of a rope, will we say that the sacrifice of those who lost their lives was in vain? No, because in spite of their defeat, their uprising had the result of drawing the attention of London to the people's aspirations that it had consistently ignored until then. It was as a result of the 1837-38 events that London asked Lord Durham to conduct an inquiry and to propose some solutions to the problems raised by these aspirations from colonies in the north of the United States of America.

(1950)

The Durham report, which was of course open to criticism in many respects, particularly for us, Quebecers, nevertheless proved the Reformers and the Patriotes right, in the sense that the report ridiculed and criticized the Constitution Act of 1791, which, while giving a representative government, did not accept the principle of responsible government. That was exactly what the insurrectionists had been demanding and, on that point, Lord Durham was in agreement with them.

It would be an overstatement to say that, in and of themselves, the actions of the Patriotes and the Reformers resulted in the Durham mission, the awareness that this mission raised in London and, consequently, the recognition in 1848 of responsible government. It would be unfair to others who helped make our institutions more democratic. The fact remains, however, that this action led to the decision to send Lord Durham on his mission and that the conclusions of this mission strongly influenced London's decision in 1848.

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I repeat, the Patriotes and the Reformers were not the sole instigators of the movement towards democracy that started in 1848, but it is important to recognize the part they played, and I will get back to this. We want to give everyone his due.

The causes that in the eighteenth and nineteenth centuries moved first the Americans, then the French and then the Canadians to rebel violently against authority must be seen in context, and the context was, of course, different for each group. However, the main theme was the same: the will of a mature people to manage its own affairs. This phenomenon was to spread to a number of western countries.

Without going so far as to defend violence, we cannot afford to ignore, for the sake of being politically correct, the important and in some cases unique role played by popular uprisings in the history of democracy.

In Canada as well, history has shown that acts of violence occur only as a last resort, when people try to make themselves heard and all peaceful methods have failed. Perhaps I may recall what was said by the hon. member for Portneuf and emphasize the respectful tone of the resolutions he read to us and the fact that they included the desire to achieve their purpose through legal means. It is only when they realized that legal means were ineffective that they resolved to take arms.

All attempts had failed. There were speeches in the House, demonstrations in the streets, editorials in the newspapers. The Patriotes and the Reformers finally decided to resort to armed rebellion because they had failed to obtain that London limit the discretionary powers of the Governor.

In Canada as everywhere else, violent action, even when defeated, usually brings some movement, even on the part of a previously inflexible government.

It is in this light that the motion seeks recognition of the historic contribution of the rebels of 1837–38, who fought for the democratization of the institutions of the time.

(1955)

We should not be surprised by the fact that it took so long to realize the significance of the events of 1837–38. By the way, we should remember that the Church took 130 or 140 years before allowing—

The Deputy Speaker: I am sorry. If there is unanimous consent, the member can go on, but his time has expired. One minute.

Mr. Mercier: Mr. Speaker, I would like to point out, just for the sake of comparison, that although the Bastille was taken on July 14, 1789, it was only 100 years later that the storming of the Bastille became France's national day. The Bastille was taken by Parisians, but, to go back to what my colleague opposite mentioned earlier, in spite of the fact that this was the doing of

Parisians alone, the whole country now commemorates this local event as its national day. This example illustrates why we are asking that these events be recognized.

No matter what the members of this House think of the future of Canada, it seems legitimate for us to look at our past with respect and emotion, to honour this handful of men who, more than a century and a half ago, helped shape our democratic institutions, and sometimes paid for it with their lives.

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

[English]

Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

ADJOURNMENT PROCEEDINGS

[English]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

HUMAN RIGHTS

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, recently I asked a question of the government, in particular the Secretary of State for Asia-Pacific, concerning the upcoming visit of the Prime Minister and Team Canada, together with nine provincial premiers on a trade delegation to Asia. In particular I focused on the issue of human rights and democracy in Asian countries being visited by the Prime Minister and by the premiers.

In urging the Prime Minister to speak out forcefully with respect to human rights and democracy in China, Tibet, Indonesia and East Timor in particular I want to remind the Prime Minister of his own words in a letter written in December 1991: "Progress toward respecting human rights in much of the world is the direct result of pressure from western democracies".

I think it is rather ironic that the Secretary of State for Asia-Pacific was one of the very eloquent spokespeople for the pro-democracy movement in Canada, calling for democracy and human rights in China. He had a number of confrontations with that government and was one of the key organizers of a human rights delegation in which I had the honour of participating together with two other members of Parliament, including his colleague, the Liberal member for Nepean.

The plea I would make today, reiterating a plea I made earlier, is for the Prime Minister, for the Secretary of State for Asia-Pacific, for the Minister of Foreign Affairs to recognize that the concerns which drove that plea for human rights in 1991 which

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motivated the Secretary of State for Asia–Pacific in subsequent years and before then are alive and well today.

With respect to the situation in China it was on June 4 of this year that Premier Li Peng, on the 5th anniversary of the killings in Tiananmen Square, chose to implement harsh new regulations clamping down even further with respect to human rights.

There has been a crackdown on labour dissidents. The situation in Tibet is very serious. We know for example that China has recently banned the display of pictures of the Dalai Lama, continued its nuclear testing, continued its arms sales to repressive regimes and, most seriously, continued its inhumane policy of population transfer. There continues to be brutal repression of Buddhist nuns and monks in Tibet.

(2000)

With respect to the issue in East Timor, the human rights abuses there are also very serious. I would urge the government to call for an end to government funding for promotion of trade with Indonesia, to support the international arms embargo, to call for the release of Xanana Gusmao and all East Timorese political prisoners, to support self-determination for East Timor as the Prime Minister did in his letter of December 1991.

In closing I hope as well that the government will reiterate our concern to the Chinese government about the importance of democracy, freedom of expression and the rule of law for Hong Kong as well, as the transition on July 1, 1997 is coming up in the very near future.

There will be a large banquet in Beijing in the near future. I hope that our government will recognize that in addition to promoting trade we must speak out forcefully for human rights and democracy. We must call for the immediate release of Wei Jingsheng. Certainly we must do everything we can to promote those values of human rights and democracy that are so important and so profound both in Canada and in Asia.

Hon. Raymond Chan (Secretary of State (Asia–Pacific), Lib.): Mr. Speaker, the respect for human rights in China remains an important objective of our bilateral and multilateral agenda. Bilaterally we capitalize on every opportunity to remind the Chinese government at high levels of our concerns. We are pursuing the development of a serious dialogue about these concerns through diplomatic channels.

We will continue to pursue human rights issues in multilateral organizations, including a dialogue on these concerns with Chinese representatives. At the Commission on Human Rights in Geneva, which took place from January to March of this year, Canada co-sponsored a draft resolution on human rights in China.

The resolution expressed concern over continuing reports of violations of human rights and fundamental freedoms, including torture, severe restrictions on the rights of freedom of expression, religion, assembly, association and to a fair trial. It called on China to take further measures to ensure the full observance of all human rights, including the rights of women.

Also, we have to recognize that there are fundamental elements that need to be strengthened in China for it to develop into an open, modern state that respects human rights. Therefore at a time when China is going through an extensive liberalization period, we support innovative means to bring about change to the Chinese system.

We will accomplish this goal by supporting activities in areas where we believe China is susceptible to influence. We will be undertaking a number of new co-operative projects to assist the People's Republic of China in its efforts to reform its legal and judicial structure, and in its efforts to build up its human resource development sector.

Trade, economic development and human rights are mutually reinforcing. A China open to the world can only be good for its people, both economically and politically, and will further the cause of respect for human rights.

[*Translation*]

CUSTOMS BROKERS

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I recently asked the revenue minister in this House two questions concerning the new regulations on the collection of import duties and taxes that will come into effect on January 16, 1995.

In a document signed by the Deputy Minister of Revenue Canada, Customs, Excise and Taxation, after a long preamble trying to justify the measure and make importers feel safer, the department unilaterally decides to increase the bond required of importers to 100 per cent of their monthly instalments, up to a maximum of \$10 million. The reason behind this change is the losses sustained by the government because customs brokers or importers were no longer able to pay their instalments.

(2005)

For now, but for a short time only, the requirement is 35 per cent of the first \$200,000 and 17.5 per cent of the next \$1.8 million, up to a maximum bond of \$2 million.

This bond can take the form of cash, Treasury bills, a letter of endorsement from a bank or a bond issued by the government.

Under the Customs Act, the importer is ultimately responsible for paying the duties and taxes. In Canada, these duties and taxes amount to about \$11.5 billion a year, most of which is collected by customs brokers at no cost to the government.

A manufacturer who wants to import a given quantity of materials or products can import them himself. Use of a customs broker is optional, not required.

Adjournment Debate

In the Canadian importers' magazine for October 5, they raise real objections to the increase in security demanded. This increase would force them to freeze assets, most of which are used to secure their working capital.

The conclusion of the industry committee's report on financing small business is that the lack of financing for small business is the fault of everyone except the government. It makes no sense.

Furthermore, I learned today that some very big importers like GM, Chrysler and Honda strongly refuse to provide such security and that they are negotiating with the Department of National Revenue to obtain a review of this policy. They are negotiating with the big ones, but crushing the little guys.

Is an importer or a very large customs broker with remittances of \$250 million a month, who secures only \$10 million of that, not favoured by this measure compared to a very small broker who must secure 100 per cent of his monthly remittances? Is favoritism not being shown, at the expense of the smaller operators? The government says that it is ready to encourage small business, but when the time comes to keep its word, it backs down.

I would like to have an explanation of this.

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the department has experienced a significant number of defaults by customs brokers in the past two years where security was inadequate to cover the defaults. Therefore, to protect the Crown and importers a security increase was deemed essential.

[English]

Importers remain fully liable for payment of duties and taxes under the Customs Act regardless of any arrangement with the customs broker to act on their behalf. In the case of defaults by customs brokers, importers who have already delivered payment of their duties and taxes to the customs brokers are required to pay the unsecured portion of the total amount a second time directly to the department.

On the basis of consultations, it was decided that the new security level would be equal to 100 per cent of the average monthly K84 invoice up to a maximum of \$10 million.

The \$10 million ceiling applies regardless of whether the security is posted by importers or by customs brokers on behalf of its clients.

The ceiling was established because the surety industry advised that there is not sufficient security available in Canada to guarantee the total liability that the brokerage community carries in any given month.

[Translation]

History has shown that most of the difficulties have arisen from the small to medium sized brokers whereas larger brokers have not shown any evidence of being a risk. Therefore, it is essential that the higher risk group be covered to 100 per cent.

I should also mention that the Canadian Society of Customs Brokers has negotiated a master bond with a surety company which will be available to its members. This should greatly facilitate companies being able to acquire the necessary security.

The surety company underwriting the Canadian Society of Customs Brokers' master bond has indicated that, under the new security regime, it will cover the 80 companies which they currently secure.

(2010)

[English]

ETHICS

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I recently asked the Prime Minister a question concerning ethics and the role of his private ethics counsellor. His answer was both evasive and unsatisfactory. His answer and his attitude to the whole integrity and accountability issue contravene what was said in the Liberal red book.

The government seems to have a very selective memory when it concerns the contents of its red book and its election promises. If the government's promises happen to coincide with what it is doing today, then government members quote from it. If they have changed their minds or if the promises are inconvenient, then the government forgets what it said one year ago.

Let me refresh their memories about what they said about integrity and ethics. On page 92 of the red document, it says: "Open government will be the watchword of the Liberal program". Why then are they so secretive about the actions, responsibilities and activities of the ethics counsellor? Page 95 of the red book continues: "A Liberal government will appoint an independent ethics counsellor. The ethics counsellor will be appointed after consultation with the leaders of all parties in the House of Commons and will report directly to Parliament".

The Prime Minister has tried to make a virtue of the fact that the ethics counsellor reports directly to him and not to Parliament. He has said repeatedly that the counsellor's role is to be the private advisor to the Prime Minister. This represents a clear break of a very specific election promise. This should not be the action of a government that is trying to restore integrity and reassure cynical Canadians.

If the ethics counsellor is not made accountable to the House of Commons, then he is nothing more than a lapdog and a government yes man. It is clear that the role of Mr. Wilson is not to ensure any sort of ethical standard for the government. It is

Adjournment Debate

obvious to all Canadians that the position of an ethics counsellor was created to give the impression of ethics to the public. This is old style politics and it is a shameful facade.

Canadians are asking: What about integrity and ethics? The government's answer is to point to the ethics counsellor who it keeps locked away in a box until needed in the hopes that this will fool the public. A more appropriate title for Mr. Wilson would be the government's ethics spin doctor.

Throughout this whole affair concerning the inappropriate actions of the Minister of Canadian Heritage, the Prime Minister has been evasive and inconstant. Parliament is still unaware of when the ethics counsellor was contacted, by whom, what his advice was and whether or not it was followed.

I challenge the government to do the honourable thing and publicize the correspondence with the ethics counsellor as it concerns the scandal with the Minister of Canadian Heritage. If there has been no formal correspondence between the Prime Minister and Mr. Wilson, then that too is unacceptable.

The Prime Minister seems unclear whether he considers the minister's actions unacceptable. This is understandable since he had problems with ministerial conduct in the past. In 1971 when the Prime Minister was Minister of Indian Affairs and Northern Development he created quite a bit of controversy by contacting a superior court judge about a case being ruled upon.

In closing, this government is no stranger to unethical behaviour and inappropriate actions. In their own red book the Liberals compared their actions to those of the previous Conservative government.

Does this government realize it is setting a very low standard for ethical conduct and is failing to even meet that?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am very surprised that the hon. member for Kindersley—Lloydminster would use expressions such as scandal and so on to describe the situation that has occurred.

He knows perfectly well that his comments are inappropriate and grossly exaggerated. But of course he is trying to appeal to an audience that the Reform Party traditionally appeals to, claiming the usual virtue that the NDP used to claim in this House but even they have abandoned this pretence.

The hon. member knows perfectly well that what the government has done in this case is entirely in conformity with the red

book. When he quoted from the red book he omitted to mention the fact that the references he made and the quotations he cited from the book were taken from a section dealing with the obligation of lobbyists to disclose certain facts to Parliament.

We talked about openness in government in connection with lobbyists because we were concerned that in the case of the previous government there were dealings going on between lobbyists and members of Parliament and members of cabinet that were not open to public scrutiny. We decided that should be opened up and to that end we have introduced Bill C-43 to amend the Lobbyists Registration Act, which bill is currently before a committee as the hon. member knows perfectly well.

Under Bill C-43 the ethics counsellor is available to advise not just the Prime Minister but also to make certain statements to Parliament. He is given independent powers with respect to the lobbying industry. If there are grounds to believe there has been a breach of the lobbyists' code of conduct the ethics counsellor could decide to investigate and the report on the investigation would then be reported to Parliament.

Also under Bill C-43 the ethics counsellor must report to Parliament annually on the administration of the legislation regarding lobbying.

The hon. member knows perfectly well that is all contained in the draft bill. If the member had been responsible in making his comments he would have pointed that out. He knows that is the situation.

In fact the Prime Minister has accepted full responsibility for the actions of the Minister of Canadian Heritage in this case and quite properly so. He described the minister's actions as an honest mistake that was corrected by the minister at the earliest opportunity.

I do not understand why the hon. member will not accept that explanation. To me it is a reasonable one. As the Prime Minister said in the House in question period yesterday, the buck stops here. He is taking responsibility and no ethics counsellor can take that responsibility away from the Prime Minister of Canada who is ultimately responsible to this House.

The Deputy Speaker: Under Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly the House now stands adjourned until tomorrow at 2 p.m.

(The House adjourned at 8.16 p.m.)

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