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OFFICIAL REPORT
(HANSARD)

Thursday, November 24, 1994

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Thursday, November 24, 1994

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

DEPARTMENT OF NATURAL RESOURCES ACT

The House resumed from November 23 consideration of the motion that Bill C–48, an act to establish the Department of Natural Resources and to amend related acts, be read the third time and passed.

The Speaker: Pursuant to Standing Order 45(5)(a) the House will now proceed to the taking of the deferred division on the motion at third reading stage of Bill C–48, an act to establish the Department of Natural Resources and to amend related acts.

Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 117*)

YEAS

Members

Abbott
Allmand
Arseneault
Baker
Barnes
Bertrand
Bhaduria
Bodnar
Bridgman
Brown (Oakville—Milton)
Caccia
Campbell
Catterall
Chan
Chrétien (Saint–Maurice)
Collins
Cowling
Culbert
de Jong
Dhaliwal
Duhamel
Easter
English
Finestone
Flis
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Godfrey
Graham
Grose
Adams
Anderson
Assadourian
Bakopanos
Berger
Bethel
Blondin–Andrew
Boudria
Brown (Calgary Southeast)
Brushett
Calder
Cannis
Chamberlain
Chatters
Clancy
Copps
Crawford
Cummins
DeVillers
Discepola
Dupuy
Eggleton
Epp
Finlay
Fontana
Gagliano
Gallaway
Gilmour
Goodale
Grey (Beaver River)
Grubel
Guarnieri
Hanrahan
Harper (Calgary West)
Harris
Harvard
Hickey
Hoeppner
Hubbard
Irwin
Keyes
Kirkby
Kraft Sloan
Lincoln
MacAulay
MacLaren (Etobicoke North)
Malhi
Marchi
Massé
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Morrison
Nault
O'Brien
Ouellet
Parrish
Peters
Ramsay
Regan
Rideout
Robichaud
Rompkey
Serré
Skoke
Solomon
Speller
Stewart (Northumberland)
Strahl
Taylor
Terrana
Thompson
Torsney
Valeri
Walker
Wells
White (North Vancouver)
Zed—159
Hanger
Harb
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Macleod)
Hopkins
Ianno
Jackson
Kilger (Stormont—Dundas)
Knutson
Lee
Loney
MacDonald
MacLellan (Cape/Cap Breton—The Sydneys)
Manley
Marleau
McClelland (Edmonton Southwest)
McKinnon
McTeague
Meredith
Milliken
Mitchell
Murray
Nunziata
O'Reilly
Pagtakhan
Penson
Phinney
Reed
Richardson
Ringuette–Maltais
Rock
Schmidt
Shepherd
Solberg
Speaker
St. Denis
Stinson
Szabo
Telegdi
Thalheimer
Tobin
Ur
Vanclief
Wappel
Whelan
Young

NAYS

Members

Bachand
Bergeron
Bouchard
Canuel
Chrétien (Frontenac)
Daviault
Deshaies
Dumas
Gagnon (Québec)
Godin
Guimond
Bellehumeur
Bernier (Gaspé)
Bélisle
Caron
Dalphond–Guiral
Debien
Duceppe
Fillion
Gauthier (Roberval)
Guay
Jacob

Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Marchand	Mercier
Ménard	Nunez
Paré	Pomerleau
Rocheleau	Sauvageau
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Venne—43	

PAIRED—MEMBERS

Members

Asselin	Axworthy (Winnipeg South Centre)
Cauchon	Crête
Dingwall	Dubé
Gray (Windsor West)	LeBlanc (Cape/Cap Breton Highlands—Canso)
Lebel	Minna
Patry	Picard (Drummond)
Plamondon	Scott (Fredericton—York—Sunbury)
St–Laurent	de Savoye

(1035)

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

(Bill read the third time and passed.)

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

COMMITTEES OF THE HOUSE

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

Mr. Paul DeVillers (Simcoe North, Lib.): Madam Speaker, I have the honour to present, in both official languages, the fourth report of the Standing Committee on Environment and Sustainable Development dealing with Bill C–56, an Act to amend the Canadian Environmental Assessment Act, reported with amendments.

* * *

[*English*]

INCOME TAX ACT

Hon. David Anderson (for the Minister of Finance) moved for leave to introduce Bill C–59, an act to amend the Income Tax Act and the income tax application rules.

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

* * *

GRANDPARENT YEAR ACT

Mr. Julian Reed (Halton—Peel, Lib.) moved for leave to introduce Bill C–291, an act respecting a national year of the grandparent.

He said: Madam Speaker, the bill is designed to declare the year 1995 as the year of the grandparent to celebrate the value of grandparents in the Canadian family. Many of us who have had the privilege of having grandparents realize the pillars they are to children and grandchildren growing up.

We also realize that grandparents experience some difficulties in modern day life. They concern access to grandchildren when a divorce occurs and so on. It seems to me that 1995 could be correctly utilized as the year to raise the consciousness of all of us on the value they provide to the Canadian family.

(1040)

I am honoured to present the bill to the House. I certainly hope it meets with some success in subsequent proceedings.

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

* * *

COMMITTEES OF THE HOUSE

FINANCE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, there have been discussions among the parties and I think you would find unanimous consent for the following motion. I move:

> That the Standing Committee on Finance be authorized to travel to Toronto on November 28 and 29, 1994, during its consideration of matters set forth in Standing Order 83(1);
>
> That, on Monday, November 28, 1994 and, if necessary, on Wednesday, November 30, 1994, the business to be taken up under Government Orders shall be the following motion:
>
> That this House take note of the opinions expressed by Canadians on the budget policy of the government and, notwithstanding the provisions of Standing Order 83(1), authorize the Standing Committee on Finance to make a report or reports thereon no later than December 7, 1994.
>
> And; that no later than the time of completion of consideration of Government Orders on November 30, 1994, every question necessary for the disposal of the said motion shall be put, forthwith and successively, without further debate or amendment.

(Motion agreed to.)

PRIVATE MEMBERS' BUSINESS

MOTION NO. 107

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I think you would find unanimous consent of the House for the withdrawal of Item No. 16 listed on today's Order Paper under Private Members' Business, being the motion of Mr. Gauthier, now Senator Gauthier, who has left the House.

I think you would find consent to strike it from the order of precedence.

(Motion agreed to.)

* * *

PETITIONS

GUN CONTROL

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, pursuant to Standing Order 36 I rise today to present a petition from constituents of Okanagan—Similkameen—Merritt. To date I have presented 898 signatures to a petition regarding further legislation on gun control.

There are legitimate reasons for people to own guns, including hunting, collecting and target shooting. Some people have actually distinguished themselves in Canada for their expertise in this particular area.

The petitioners are asking the Government of Canada to get tough on criminals and not to get tougher on law–abiding gun owners. Therefore they oppose any further legislation for firearms acquisition and possession. They call on the government to provide strict guidelines and mandatory sentencing for the use or possession of a firearm in the commission of a crime, and I agree with the petitioners.

(1045)

[*Translation*]

EMPLOYMENT CENTRES

Mr. Nic Leblanc (Longueuil, BQ): Madam Speaker, I have the honour to table a petition signed by hundreds of residents from my riding of Longueuil. The petitioners disagree with the new training standards used by Canada Employment Centres and ask the Parliament to revise them and make sure they remain the way they were.

We disagree strongly with the new standards which impose: an increase in compulsory attendance at training from 24 to 30 hours; a reduction of credits given per training course from 25 to 22 hours; a reduction in the number of days you can miss from one and a quarter days to one day per five weeks; and the loss of school or school–related activities which were useful to relieve boredom and facilitate the adjustment to student and family life.

[*English*]

VIOLENCE IN THE MEDIA

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Madam Speaker, this petition is about unnecessary violence and abuse on radio, television and in other forms of the media.

These petitioners have great concerns as to the impact on the Canadian population of abuse and violence in the media. They request that the CRTC regulate all forms of unnecessary abuse and violence. Parents point out that often what occurs there is counterproductive to what they are trying to do in raising their families. They point out that there have been some advances made and the CRTC is to be commended for some of the steps it has taken.

[*Translation*]

Not only do they want this to go on, they want more progress. They believe it is necessary for their children.

[*English*]

DRUG PATENT LEGISLATION

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, I am pleased to stand in the House today, pursuant to Standing Order 36, to present a petition on behalf of constituents from Regina—Lumsden. This petition is signed as well by people from Saskatoon, Balcarres, Watrous, Esterhazy, Langenburg, Churchbridge, Carnduff, Kisbey and Carievale in Saskatchewan.

The passage of the drug patent legislation Bill C–91 has caused undue hardship on the consumers of prescription drugs, the sick and the elderly. Since this bill was passed the cost of prescription drugs has increased over 100 per cent, at the rate of 12 per cent per year since 1987. The petitioners are calling upon the government which in opposition supported the repeal of Bill C–91 to repeal the drug patent legislation now that it is in government.

Bill C–91 is creating a great deal of hardship not only on individual users of prescription drugs, but on health care plans and governments across the country. Health care plans spend about 17 per cent of their money on prescription drugs and hospitals.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, Question No. 80 will be answered today.

[*Text*]

Question No. 80—**Mr. Williams:**

What is the number of charges that were laid under section 85 of the Criminal Code in 1991, 1992 and 1993 that were subsequently withdrawn without prosecution?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): The exact numbers of charges laid or withdrawn in any specific year are not available because the statistical information is not compiled on a Canada–wide basis. The Minister of Justice has asked for a survey and study of the application of section 85. These will examine the frequency with which the section 85 offence is charged, as well as the disposition of those charges. When completed, this information will be released by the minister.

[*English*]

The Acting Speaker (Mrs. Maheu): The question as enumerated by the hon. parliamentary secretary has been answered.

Mr. Milliken: I would ask that all remaining questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

The House proceeded to the consideration of Bill C–57, an act to implement the agreement establishing the World Trade Organization, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Acting Speaker (Mrs. Maheu): We have a ruling on Bill C–57, an act to implement the agreement establishing the World Trade Organization.

There are 10 motions in amendment standing on the notice paper for the report stage of Bill C–57, an act to implement the agreement establishing the World Trade Organization.

[*Translation*]

Motions Nos. 1, 2, 6 and 7 will be grouped for debate but voted on separately.

(1050)

[*English*]

Motion No. 3 will be debated and voted on separately. Motions Nos. 4 and 5 will be grouped for debate but voted on separately.

[*Translation*]

Motions Nos. 8, 9 and 10 will be debated and voted on separately.

[*English*]

I shall now propose Motions Nos. 1, 2, 6 and 7 to the House.

[*Translation*]

MOTIONS IN AMENDMENT

Mrs. Maud Debien (Laval East, BQ) moved:

Motion No. 1

That Bill C–57 be amended by adding after line 11, on page 3, the following new Clauses:

''3.1 The Minister of International Trade shall establish a process for consultation with the provinces regarding

(a) implementation of the Agreement wherever implementation relates to a matter within provincial legislative jurisdiction; and

(b) any matter relating to trade dispute resolution under the Agreement;

(c) any economic matter of major international significance.

3.2 Notwithstanding any provision in this Act or in the Agreement, the Governor in Council or the Minister shall not, without prior agreement of the provinces,

(a) authorize any change to the Agreement in respect of allocation mechanisms for tariff quotas;

(b) establish or implement policies for selecting trade partners to receive access to the Canadian market.

3.3 In respect of subsidized exports, the Minister shall, in implementing the commitments made by Canada under the Agreement in respect of prices and quantities, have regard at all times to actions taken in the relevant areas by foreign competitors.

3.4 In respect of agricultural products imported beyond established tariff quotas at a time of shortage of such product in domestic markets, the Minister shall take such measures as may be required from time to time, including imposition of tariffs, to ensure that such products are not imported at prices lower than those prevailing for the same products in the domestic markets.''

Mr. Nic Leblanc (Longueuil, BQ) moved:

Motion No. 2

That Bill C–57 be amended by adding after line 11, on page 3, the following new Clause:

''3.1 Notwithstanding any provision of this Act or the Agreement, the Minister of International Trade shall each year lay before the House of Commons a report taking into account the priorities identified by the committee of the House of Commons that normally considers matters relating to external affairs concerning

(a) implementation of the Agreement in Canada;

(b) the trade obligations and commitments undertaken by Canada at the international level by the trading partners of major importance to Canada, especially the United States; and

(c) the impact of the Agreement on Canadian workers and companies.''

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

Motion No. 6

That Bill C–57, in Clause 13, be amended by adding after line 29, on page 5, the following:

''(2.1) The Minister shall consult with the appropriate House committee before any vote is taken by the Ministerial Conference or the General Council authorizing or approving any one or more of the following actions by WTO:

(a) the adoption of an interpretation of the Agreement or any other multilateral trade agreement to which Canada is a party;

(b) the amendment of the Agreement or any other multilateral trade agreement to which Canada is a party;

(c) the granting of a waiver of any obligation under the Agreement or any other multilateral trade agreement to which Canada is a party;

(d) the adoption of any amendment to the rules or procedures of the Ministerial Conference or the General Council;

(e) the accession of a state or separate customs territory to the Agreement; or

(f) the adoption of any other decision if the WTO action described in paragraphs (a), (b), (c), (d), (e) or (f) would substantially affect the rights or obligations of Canada under the Agreement or any other multilateral trade agreement or would require a change of any law of Canada or of any province or territory in Canada.

(2.2) Not later than 30 days after the end of any calendar year in which the Ministerial Conference or the General Council authorizes or approves any WTO action described in subsection (2.1), the Minister shall submit a report to the appropriate House committee setting out

(a) the nature of the WTO action;

(b) the efforts made by the Minister to have the matter decided by consensus in accordance with paragraph (1) of Article IX of the Agreement and the results of those efforts;

(c) which WTO Members voted for and which voted against the WTO action;

(d) the rights or obligations of Canada that are affected by the WTO action and any law of Canada or of any province or territory in Canada that must be amended or repealed, for purposes of conforming with the WTO action; and

(e) the measures, if any, that the Minister intends to take in response to WTO action and if the Minister does not intend to take any measures, the reasons therefor.

(2.3) Where the World Trade Organization grants a waiver as described in paragraph (2.1)(c), the report under subsection (2.2) shall also describe the terms and conditions of the waiver and the rights and obligations of Canada that are affected by the waiver.

(2.4) Where the World Trade Organization approves an accession of a state or separate customs territory to the Agreement, the report under subsection (2.2) shall state whether Canada intends to invoke Article XIII of the Agreement.

(2.5) Promptly after submission of a report under subsection (2.2), the Minister shall consult with the appropriate House committee with respect to the report.''

Motion No. 7

That Bill C–57, be amended by adding after line 36, on page 5, the following new Clause:

''13.1 The Minister shall, twice in each calendar year after the proclamation of this Act, report to Parliament on any negotiations that take place under Article III(2) of the Agreement, including negotiations that pertain to the labour, social and environmental dimensions of the multilateral trade relations of member states.

(1055)

[*Translation*]

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

The Acting Speaker (Mrs. Maheu): The member for Verchères, on a point of order.

Mr. Bergeron: Madam Speaker, I would like to bring to your attention that I do not see a quorum in the House.

And the count having been taken:

The Acting Speaker (Mrs. Maheu): We now have a quorum.

The hon. member for Laval East.

Mrs. Maud Debien (Laval East, BQ): I rise today to speak on the bill to implement the Agreement Establishing the World Trade Organization. I wish to deal more precisely with the amendment presented by the Official Opposition, which is aimed at adding new clauses, namely clauses 3.1, 3.2, 3.3 and 3.4, on page 3 of Bill C–57.

First, clause 3.1 proposes to establish a process for consultation with the provinces regarding three specific issues. It is important for us that the Canadian government establish, before the agreement comes into force, such a federal–provincial mechanism to implement the agreement. This is the first issue about which provinces should be consulted wherever the implementation of the agreement relates to a matter within provincial legislative jurisdiction. For example, the federal government should be obliged to consult the provinces on matters relating to copyright, agriculture, environment and labour. Sovereignists are not the only ones demanding such measures.

(1100)

Since 1988, the provinces have demanded to be consulted in connection with the Uruguay Round trade negotiations. If we take a close look at what is happening next door in the United States, we see that such measures have already been introduced. In the Statement of Administrative Actions, the U.S. government statement on the implementation of the GATT agreement, it says, and I quote: ''these consultations'', and this refers to consultations with the American States, ''will begin immediately upon enactment of the implementing bill''.

In the bill now before Congress in the United States, there is one specific section on the consultation process between the U.S. federal government and the States. Section 102 of the bill, part B, under the heading: ''The relationship of the agreement to United States law and state law'', explains how consultations between the States and the central government are to proceed. If the Canadian government refuses to support the Official Opposition on amendment 3.1, this would mean that my federal colleagues have an even more centralist vision than the U.S. government and that they consider the provinces to have less power than the American States.

If that should be the case, members who vote against our amendment will have to tell the Prime Minister of Canada to keep quiet, when he says Canada is the most decentralized country in the world. A federal government that would refuse to undertake to consult the provinces on matters over which they have jurisdiction is centralist in the extreme.

The second point on which we believe consultation with the provinces is important is dispute resolution under the agreement. Without this amendment, Bill C–57 puts absolutely no obligation on the federal government to consult the provinces, even when the disputes affect them directly. In recent disputes about magnesium, softwood lumber and beer, to name only a few, the federal government was under no obligation to consult the provinces. This amendment is therefore essential if we are to respect the jurisdictions of the provinces.

In their bill, the Americans also provide that the federal government shall consult the States when trade disputes are reported to the World Trade Organization. Clause 102, Part C, paragraph iii), clearly states that every state of the union should be actively involved at every stage of consultation and at each subsequent stage of any trade dispute resolution process.

Third, we want the provinces to be consulted on major economic issues. Clause 145(4) of Bill C–57 states that the territory of Canada may be divided into two or more regional markets. This entails developing specifically regional or provincial policies, hence the need for a consultative mechanism between the two levels of government, to harmonize our policies in view of our international commitments.

Major international fields may have a substantial impact on Canada. Take the monetary policy, employment development or loans to developing countries for example. The provinces are greatly affected by what happens in these areas. For all these reasons, the government must consult them.

Let us now move on to paragraph 3.2. This Bloc Quebecois proposal is to ensure that the Governor in Council and the Minister of International Trade will obtain prior agreement of the provinces before taking one or the other of the following actions.

First, the federal government would not be allowed to change allocation mechanisms for tariff quotas without prior agreement of the provinces. We all know that, as a result of the Uruguay Round, import quotas on dairy products, poultry and eggs were eliminated.

Import quotas were replaced with tariff quotas, which will make the quantity that can be imported increase slightly. What the agreement entitles us to do is to allow a specific volume of imported goods tariff–free in accordance with tariff quotas and to jack up the tariff on the rest.

(1105)

Bill C–57, however, provides that the minister has discretionary power to decide who can import these products within tariff quotas. In order to avoid log rolling or an apparent conflict of interest on the part of the government, we propose that this decision be made jointly by the minister and the provinces.

The second type of action requiring provincial consent has to do with the agreements negotiated with some trade partners to give them guaranteed access to part of the Canadian market.

While the government is committed to opening up our economic borders under trade liberalization agreements, a new protectionist trend is emerging. Canada is currently negotiating quasi–formal agreements with some countries, which would receive special access to Canadian markets in return for guaranteed access to their markets for some Canadian products. For example, Canada could promise a country that it will buy a certain quantity of their butter during the next year in return for their commitment to buy a certain quantity of Canadian beef in the next 12 months.

Such agreements could have considerable regional impact in Canada. The production of certain goods is often concentrated in a single region. A good agreement for all of Canada could have a disastrous effect in one province in particular. It is therefore imperative that the provinces have their say on this.

Let us move on to Clause 3.3. The Bloc Quebecois proposes that, in respect of subsidized exports, the federal government be very vigilant and have regard at all times to actions taken in the relevant areas by foreign competitors. The GATT agreement provides that export subsidies should be reduced by 36 per cent over a six–year period. In addition, the volume of subsidized exports is also to be cut by 21 per cent.

Canada—that is why we are proposing this amendment—must ensure that its trade partners periodically reduce their subsidies to the products covered by these regulations.

This amendment is especially important since these regulations already favour both the EEC and the United States. Because American and European exports are already more heavily subsidized, reducing the current subsidy rate will

maintain their export subsidies at higher levels than ours. The poorest countries on earth will be hit even harder than us by these measures, since they often do not subsidize their exports.

This measure threatens the access of developing countries to our markets. We should at least make sure that the wealthiest trade partners honour their commitment to lower the level and volume of their subsidies, in order not to reduce even further our competitiveness on international markets.

Furthermore, under section 424 of the Uruguay Round Agreement Act in the United States, the U.S. government will require the President to submit a report to Congress in which Canada's actions will be reported in order to see whether Canada is complying with the Uruguay Round and NAFTA commitments concerning dairy and poultry products. Why would Canada refuse for its part to anticipate what might happen?

Fourth and last, we propose adding to clause 3.4 guarantees so that the minister can ensure that the discretionary tariffs he establishes in case of shortages for some agricultural products set the price no lower than the Canadian market price. This is an important addition because it seeks to prevent importers from claiming a false shortage if they know that the minister will impose tariffs that are low enough to let them sell their imported products at a lower price than Canadian producers.

In conclusion, I would like to return to the spirit of clauses 3.1 and 3.2 and repeat that the amendments proposed by the Bloc Quebecois are not simply an expression of Quebec sovereignist rhetoric. We want every Canadian province to be consulted by the federal government. We are just demanding the same kind of measure that the United States is about to vote on.

Canadian parliamentarians today have an opportunity to show that Canada is a flexible country. That is how the amendment now being debated should be seen.

(1110)

Mr. Nic Leblanc (Longueuil, BQ): Madam Speaker, I am pleased to rise today to discuss Motion No. 2, which I would like to read again for the benefit of our listeners:

> ''3.1 Notwithstanding any provision of this Act or the Agreement, the Minister of International Trade shall each year lay before the House of Commons a report taking into account the priorities identified by the committee of the House of Commons that normally considers matters relating to external affairs concerning''

We are referring here to the Standing Committee on Foreign Affairs and International Trade.

> ''(a) implementation of the Agreement in Canada;
>
> (b) the trade obligations and commitments undertaken at the international level by the trading partners of major importance to Canada, especially the United States; and
>
> (c) the impact of the Agreement on Canadian workers and companies''.

The motion aims at simplifying and facilitating the process for those who would like to address complaints, comments or recommendations to the government. It will allow them to go to a specific body and place where they will get proper attention.

It has often been noted in the past that, when people make representations to their member of Parliament, to ministers or to senior civil servants, these officials do not follow up on the recommendations made to them.

I believe it is very important to have a place where people can make claims and complaints if, for example, their rights have been violated as regards imports, or if changes could result in problems for some industries or for employment.

We think that the responsible committee of the House of Commons could be a permanent forum which would listen to all those who have complaints, so that appropriate recommendations can be made to the minister, followed by the required adjustments.

It is very important that Canadians can have access to a standing committee of the House and that this committee be made known to the public. Indeed, those who wish to complain have to know that the Standing Committee on Foreign Affairs and International Trade is responsible for receiving their recommendations and complaints so that we can adjust as fast as possible to major changes in the world.

In 1985, I had the privilege to sit on the committee chaired by Mr. Hnatyshyn, the current Governor General, that was reviewing the reform of Parliament and Parliamentary institutions. At that time, we asked Mr. McGrath to undertake an in–depth study on the role of Parliament. In 1985, he stated in his report: ''On the eve of international free trade in the economic arena, Canada must have the parliamentary structures needed to become increasingly competitive at the national and international level''.

(1115)

Parliamentarians have been examining this issue for some time now. In 1985, Gulf Canada carried out quite a detailed study on the relationship between Parliament and big corporations as well as the population as a whole. I have made copies of the Gulf Canada report, but among other things, business people stressed the need to know their MPs well. So, businesses and groups tell their representatives that it is rather important that they maintain a good relationship with the members of Parliament who represent them.

People approach their MPs, but often the poor guy does not even know how to reach the right person to ensure that things are progressing well. This is a very unstructured way of doing things, which prevents us, first, from understanding our

constituents' needs and working on them and, second, from solving problems quickly. This is an important concern.

This 1985 Gulf Canada report also says that, with time, more and more citizens are trying to make themselves heard by the government. This is nothing new. It has always been difficult for citizens, businesses and groups to know to whom they should address their complaints to get their problems solved. That is why this motion provides for the Committee on External Affairs and International Trade to act as a forum, pursuant to Bill C–57 concerning the new World Trade Organization, to receive those complaints and to make the necessary recommendations to the minister so that he can respond quickly.

Opening international trade will bring about very important changes. Surely, in some industries, it will directly affect employment and businesses. Some adjustments should be made swiftly.

No structure was put in place to hear the claims of businesses, individuals and groups. We think, as this motion says, that the Committee on External Affairs of the House of Commons could and should be the place to deal with these claims so that we can adjust as quickly as possible to the important changes and economic disruption expected in the years to come.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, the purpose of the amendments brought forward by New Democrats today is to commit the government to reporting to Parliament regularly on its activities in the World Trade Organization and especially on the progress toward the development of a social clause to the WTO. In this way we can keep the momentum going for a social clause by ensuring that the public spotlight is kept on the government's policy on this important issue.

A social clause is needed so that the WTO can address not only classic trade disputes between nations but also the problem of what has become known as social dumping, that is a nation's competitive advantage that results from unregulated labour markets and lack of environmental protection regulations.

During the Marrakech conference where the Uruguay round of the GATT negotiations drew to a close, expectations were high that the final text of the agreement would include a social clause.

(1120)

Although the Americans and the French were pushing hard for one, nothing came of those negotiations. The Minister for International Trade was quoted in the press at the time as saying that he was lukewarm to the idea.

The purpose of the amendment is to get a categorical commitment from the government to be actively involved in the development of a social clause in the WTO agreement.

The idea of a social clause is one which enjoys wide support around the world as a necessary counterweight to the liberalization of investment. As a constitution for the new world order of the global marketplace, the WTO agreement as it stands is remarkably one sided in its defence of the rights of investors and silent on the rights of workers. It pretends that labour, social security and the environment are not trade issues.

It is eloquent about the multinationals' right to intellectual property and to the free movement of capital but says nothing about the workers' rights to form trade unions or to have a safe workplace. It speaks loudly about level playing fields but is silent about the most important playing field of all, the one between the employer and the employee.

A social clause is needed to strike a balance between the market efficiencies of liberal trade and investment practices and the social solidarity of all communities that want basic human rights and decent employment practices enforced everywhere where capital is free to come and go.

The multinationals can and do now operate outside the regulatory reach of individual states. We must in partnership with our trading partners establish some way of restoring the abilities of communities to set the ground rules for the marketplace. An unregulated global market effectively allows the multinationals to hold an auction to see which countries will bid the cheapest and least regulated labour and the most lax environmental standards in order to get their investment.

If we do not establish some basic rules about the labour markets and environmental protection, globalization will certainly remain what many observers have called a race to the bottom.

This is the view of the International Labour Organization secretariat which earlier this month recommended to the governing body of the ILO that there should be a social clause to the WTO. This is also the view of the joint committee that recently reviewed Canada's foreign policy. Its report included a recommendation that there should be a co–ordination of international labour and social standards.

I look forward to hearing the views of the members of the committee who can support this amendment as a way of putting their recommendation into action.

During the recent visit of Team Canada to China and the Prime Minister's attendance at the APEC conference in Indonesia, the Prime Minister claimed that the best way to address the problem of human rights abuses in China, Indonesia and elsewhere was to engage in trade to open up these societies. There is nothing in the WTO that prevents countries from joining the WTO, trading with member states and continuing to abuse human rights,

denying workers the right to join independent unions, or allowing child labour.

Support for a social clause which would link trade benefits to basic human and social rights is the only way for us to begin a true commitment to using trade as a way of improving human rights situations in many countries. Without such a clause, the WTO legislates a turkey shoot where the multinationals and their allies in some developing countries can exploit the most vulnerable.

Support for a social clause is the obvious response to globalization by anyone who is not hypnotized by the neo–Liberal rhetoric that the development of world markets unfettered by democratic control is the inevitable and unstoppable result of new technology.

The new technologies in telecommunications and in information technology certainly make it possible for capital to move instantly around the globe or for technologies to be transferred between states very easily. It does not mean that it is necessary for us to let the elites in the multinationals use that technology without any obligations to the communities where they operate.

Globalization as it is now occurring with multinationals glorying in their freedom from democratic responsibility is not an impersonal force of technological innovation. It results from the deliberate choice of governments to liberalize trade and investment policies, to hand over to the multinationals a carte blanche to design a world order that suits their wants and interests. We should not let the free market rhetoric blind us to the fact that we can choose to win back some measure of our ability to impose some community standards on the trade and investment practices of the multinationals.

(1125)

The idea of a social clause to the World Trade Organization has been opposed by some governments of developing countries as a baldly protectionist measure to deprive developing countries of their competitive advantage in low labour costs and general lack of regulation.

If it is protectionist to protect children from exploitation as virtual slaves, to protect workers who do not enjoy the basic human rights of forming unions or having a safe place to work or to protect the environment from rapacious multinationals then we have no embarrassment in saying that we are protectionists. We have to resist the way that the rhetoric of free trade has perverted the word protection so that any public intervention to protect any public good whatsoever is deemed to be a threat to prosperity.

A social clause to the WTO however would not even fall under the conventional definition of protectionism as regulations that unfairly restrict the legitimate economic opportunities of another country. The proposals that have been made by supporters of a social clause, like the ILO, France and the United States, simply call for a set of minimum standards of the rights of workers to form unions. The effect of such a clause would not only be to respect the rights of workers around the world but also to bring economic benefit to the entire world economy.

It is astounding that advocates of market liberalization trumpet the growth that supposedly results from open world markets during a time when liberalization has led in the developed countries to chronic high unemployment and falling income for workers.

The introduction of a social clause would be an important step forward in raising global demand, thereby stimulating investment and consumption. The advocates of the liberalization of world markets assumes that as developing countries become more prosperous internal social pressures are generated from a maturing and self–confident workplace to insist on higher wages and better working conditions as happened in the industrialized countries.

This assumption fails to recognize that the vast pool of unemployed workers in rural sectors in the economies of east and south Asia for example creates a huge drag on the ability of wages to rise at a reasonable level. Moreover it ignores the fact that workers in many developing countries do not enjoy the basic democratic right to form unions that would allow them to improve their condition. An essential ingredient to raising global demand is therefore to intervene in the world labour markets and to let natural economic forces raise wages. We can thus begin a process of transforming globalization from a race to the bottom into an upward spiral in the living standards of all people around the world.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Madam Speaker, it is a pleasure to rise to discuss the amendment to Bill C–57 proposed by the hon. member for Laval Est. I respect the hon. member's dedication to federalism and the learning and thoughtfulness that she brings to this task.

Allow me to make a general comment in starting that it is necessary in approaching the matters of amendments to substantive bills to exercise a prudent economy in drafting and at all times to consider criteria of relevance so that the main purpose and thrust of the bill be not deflected.

The opening paragraph of amendment 3.1(a) is one that is of course very dear to the heart of the present government. The Prime Minister of Canada has led a very successful delegation to China with the full co–operation and presence of nine of the ten provincial premiers.

(1130)

The intention of the government is to proceed in full vigour with ideas of co–operative federalism as developed by Prime Minister Lester Pearson and carried on by his successors. We want to work with the provinces because we recognize that the

common problems of the world community entering the 21st century require a co–operative path in Canada of all the players.

We recognize a certain ambiguity in 3.1(a) but we have no particular problems with that. I simply mention that what is within provincial jurisdiction is by no means clear. There are no watertight compartments. The Canadian rule under the Labour Conventions decision of 1937, much criticized incidentally, is followed by no federal state other than Germany.

In general, the view in federalism is that once an international agreement is entered into the legislative power to implement the agreement follows. That is not the Canadian position. I would stress that all Canadian governments, particularly the present one, have been very respectful of provincial interests and very anxious to ensure co–operation.

Some of the suggestions here seem to go well beyond the scope of an amendment and what good federalism requires or even sensibly suggests. Is it suggested, for example—I looked to see if there was any ambiguity as between the French and English texts—that the issue of trade dispute resolution, the machinery and processes, to which both the French and the English texts of article 3.1(b) are directed is a matter that should be discussed—now that the agreement is there—between federal and provincial governments?

It is a well known Canadian position that we support compulsory third party settlement of disputes. We have constantly raised the necessity for implementing the jurisdiction of the international court as final arbiter. Our problem with many international agreements, including NAFTA, is that this is not something with which the United States is happy. The solution for the United States is to understand the World Court better and to learn to adjust its claims better to the processes of decision making there.

On these issues, Canada obviously will continue to study the matter and continue to raise new issues of dispute resolution. I wonder at this stage what is useful in retaining this as another matter for extended federal–provincial discussion. You could drive a Sherman tank through the proposition ''any economic matter of major international significance''. I wonder whether it sensibly belongs in an amendment.

It seems to me that what the hon. member for Laval East is proposing reaches other areas of continuing concern for the government of federal–provincial relations including federal–provincial economic relations. The Constitution is not a static institution even though the amending powers may not work. There are enormous possibilities for creative adaptation of machinery by custom and convention.

I would have thought these matters were probably better addressed through another arena and perhaps another minister. The Minister of Intergovernmental Affairs is concerned with studying the issue of continuing federal–provincial economic consultation and co–operation.

I wonder whether 3.1(c) is a useful amendment to Bill C–57. I look at 3.2 and 3.4 and wonder again. Article 3.4 opens a Pandora's box. In essence you are getting into asking the minister to take measures that may run in direct conflict with the international agreements. In any case it is not a matter to be reached by indirection in the interstices of what purports to be an amendment. I would suggest again some prudent economy there.

Mr. Solomon: What's wrong with giving in?

(1135)

Mr. McWhinney: I hope the hon. member is listening to the debate. Good. The truth will make you free. It is an important point to remember.

Let us come back to this again. I heard so much tired ideology, 19th century ideas, on trade and commerce that take no account of the fact that we are into the 21st century, that I deliberately eliminated the amendment of the hon. member opposite from my discussion. I am referring instead to the member for Laval East because there are matters of federalism that are of special concern to the government, and we are with them in trying to improve the mechanisms.

My suggestion is to cut down the scope of this amendment and direct it generally to the issue of federal–provincial jurisdictional matters. You will find a continuing governmental concern with attending to that. It may well be the time has come to re–examine the Labour Conventions decision. That is not a matter the government would approach unilaterally. It is a matter on which we can make subtle arrangements, much as the German federation did, and we will do so also.

On the other matters, you have gone beyond the scope of an amendment directed to federal matters. You are really directing attention to the need for some improved federal–provincial economic consultative mechanism. That is well within the mandate of the Minister of Intergovernmental Affairs. In fact we know it is part of the continuing constitutional revision he is undertaking.

That is the main substance of my remarks. I compliment the hon. member for Laval East for the thoughtful intervention. The thrust of it is one that the government takes very much to heart. I would think again that probably the main thrust is in article 3.1(a) and that the other matters could be raised at another time in another arena in a substantive discussion of federal–provincial relations.

Mr. Charlie Penson (Peace River, Ref.): Madam Speaker, I rise today to speak at report stage of Bill C–57, specifically to Motion No. 1.

It is important to me and my party that the World Trade Organization be allowed to get up and running very quickly. Canada has a number of disputes we would like to see moved to the international stage such as the wheat dispute and the constant steel disputes between Canada and the United States. It very important to move these on very quickly.

Motion No. 1 never really tries to accomplish this. It goes against the spirit of the trade agreement, especially the fourth part of that section which proposes the imposition of new tariffs at a time when we are seeking to reduce all tariffs worldwide.

In addition, constant provincial consultation will tie the hands of the federal government in trade disputes and international economic matters. Canada should speak with one voice in international forums.

The second part would tie the federal government's hands in allocating tariff quota for supply managed sectors. I am sure that is not what is intended in Motion No. 1, but that could be a result.

I would like to deal with Motion No. 2 which is in the group we are debating this morning. This motion asks for a yearly report to the House of Commons outlining trade implementation and the major trade obligations undertaken by Canada and the impact on Canadian workers and companies.

Those kind of assessments are being done on an ongoing basis. The government should not commit itself to studying the impact of trade agreements on workers and companies on a yearly basis. These studies are carried out all the time by the industries and workers groups and the parties involved should be the ones that assess the impact. They would also be a little bit more effective in studying the impact on their groups rather than having the government do it for them.

(1140)

I oppose Motion No. 6. It would create unnecessary delays. International relations are the responsibility of the federal government. A House committee can ask the government to justify its actions, including calling ministers and departmental officials before a standing committee at any time. This is an ambiguous motion, one that would be really designed to make more work. That option is already there, let us use it.

Regarding Motion No. 7, the House already has the power to ask the minister for reports when it deems necessary. Regarding the social clause that is being proposed by the NDP, this has already been rejected by the parties that negotiated the GATT agreement for the last seven years and to try and move it back in now would be a mistake.

In addition to that, labour and environmental standards that the members down the line here have suggested would actually have a detrimental effect on the very people they are suggesting to help. If people in underdeveloped countries have to conform to a minimum wage standard and strict environmental standards like Canada has, how can they compete in the world marketplace? It is not necessary. It was recognized that it is not necessary in the discussions that led up to the signing of the GATT. In addition it is a matter that is going to be discussed on an ongoing basis in the second round of the GATT negotiations to see if there is any necessity for it.

I oppose the motions being proposed and urge the House to move quickly to implement the GATT agreement through the World Trade Organization and try to resolve a lot of outstanding issues very quickly with the weight of all 120 member countries behind us.

Mr. Wayne Easter (Malpeque, Lib.): Madam Speaker, I want to speak to Motion No. 1, especially clause 3.4. Clause 3.4 of Motion No. 1 indicates that in the case where imports exceed the established tariff rate levels, the minister shall impose tariffs to ensure that such products are not permitted at prices lower than those in the domestic market.

The concern that is being raised in Bill C–57 is the proposal that would allow supplemental imports of supply managed commodities as ''within accessed commitment'', which means they would enter Canada at low or no tariff.

In talking to people in the industry about section 3.4, they have indicated that they think the section is far too restrictive in that it provides the minister with little or no discretionary power.

It is important to understand that in supply managed industries some commodities require from time to time to import and require supplementary quotas. The problem is how do you do that in such a way so as not to allow the industry to use the supplemental quotas as a lever with which to either manipulate prices or to break the supply management system?

Let me give the House an example. A cheese manufacturer who makes frozen pizzas, when asked for future milk demands, understates them. Later when the cheese manufacturer needed milk to manufacture cheese for pizza he would indicate that market demand has all of a sudden increased. Milk could not be sourced in Canada because no one would be prepared to produce that unexpected demand in that short a time. The manufacturer then could apply for and be granted a tariff free supplemental import permit. Other manufacturers would learn of this advantage and either try and beat the system themselves, as the original applicant had done, or pressure domestic producers for a lower price to match that of the non–tariff imports so that they could compete.

That kind of situation could happen if supplemental quotas are granted without restriction. This amendment has restricted the discretion of the minister to the point that it would be unworkable.

(1145)

The supplemental quota is an extremely important area, especially as a result of the new arrangements under the GATT in which we are moving from import controls to tariff level controls.

The government has assured us that supplemental quotas can be granted in such a way so as not to undermine the supply management system.

Mr. Penson: It needs to be undermined.

Mr. Easter: I hear the member opposite. The government made a commitment, might I say, to support the supply management system. In the legislation we are trying to ensure we support the supply management system to the extent the agreement that we signed implied. We trying to ensure through the supplemental quota provisions that the industry cannot use those supplemental quotas in such a way as to break the system.

In conclusion I indicate again that the system has certainly changed substantially as a result of the GATT negotiations. The World Trade Organization in Bill C–57 will try to implement those changes into domestic law. As a government we certainly recognize a legitimate concern under supplemental quotas, but we have indicated that those concerns will be addressed if not through this legislation then by some other means.

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, I am pleased to rise in the House to speak on Bill C–57.

I want to make a comment in response to the Liberal member for Vancouver Quadra. He made some comments with respect to the bill. He indicated that some of the amendments before the House would actually force the minister to stand up for Canadians. The member is opposed to that. He wants the bill and these types of laws implemented on an international basis so that ministers of our government and our people will not stand up for Canadians whether it be in supply management, the steel production area or any other manufacturing sector.

I want the House of Commons and the people of Canada to understand that the Liberal member from Quadra who represents the Liberal government in the debate does not want to restrict the minister to making any commitments or standing up and fighting for Canadians across the country when it has to happen. I find that very shameful.

I want to make some remarks with respect to the bill on behalf of steel producers of Canada. A steel producer in my constituency, IPSCO, is one of the larger producers or manufacturers of pipe and steel in North America. It actually has some operations in the United States as well, as do many Canadian steel producers. This industry is quite concerned about Bill C–57 as it is presented before the House today because there are no equal legislative footings in the act which would support it in cases respecting anti–dumping.

For example, in the United States there is detailed drafting of legislation and a law in effect which support American anti–dumping processes. Bill C–57 does not provide an equitable amount of protection for Canadian steel producers. The technical wording of Bill C–57 as it applies to anti–dumping should be revised in the view of the Canadian steel producers to mirror as strictly as possible U.S. implementing legislation.

The steel industry in Canada is quite important to the Canadian economy. In 1993 there were $8.6 billion in sales. It is a fully competitive operation, having dramatically raised productivity in Canada over the number of years it has been in existence. We have over $3 billion in exports from Canada mostly to the United States. The Canadian Steel Producers Association employs 33,000 employees, not counting all those who work in downstream operations such as distribution, fabrication and wire production.

(1150)

Trade is increasingly important to the Canadian Steel Producers Association and in particular to our country. Trade in all goods and services increases economic growth which on its own is good for the steel industry. Trade in steel is becoming increasingly important to Canadian steel producers. It is reflected in the sense that they are concerned about some of the NAFTA and some of the American legislation which is protectionist. They have undertaken to initiate businesses in the United States to get around some of this, thereby costing Canadians jobs in the end. The volume of steel shipped from Canada for export has risen from 30 per cent in 1983 to nearly 40 per cent in the last year.

With respect to Bill C–57 I would like to talk about the sort of proposals the government might consider implementing to ensure that steel producers are not at a disadvantage with respect to American producers. There have been anti–dumping actions between Canada and the United States over the past two years. They have been involved with 11 different anti–dumping cases, 9 of which involved trade between Canada and the United States.

We believe such actions have no place in the free trade area. It would be to our mutual advantage to stop anti–dumping actions between our two countries. A NAFTA working group has been established to look at alternatives to the present anti–dumping regime in North America and has a deadline of December 1995. We want this effort to succeed so that steel can be traded within NAFTA on a basis of price, quality and service, not lawsuits.

So far lawsuits still play an important role. There is a major imbalance between the way American and Canadian anti–dumping processes work. This puts Canadian firms at a disadvantage. It weakens the bargaining leverage of the Canadian government in negotiating change. Bill C–57 does not address this particular issue. That is what I am calling upon the government to do today.

For example, data requirements under the U.S. system are so onerous as to be a barrier in trade to themselves regardless of the outcome of a case. If dumping is found, the Canadian system allows the company either to adjust prices to eliminate any unfair trade practice or pay a known duty. The American system does not allow an exporter to simply adjust his price. He has to pay the duty deposit. Moreover, the exact amount of the duty is unknown until months or years after the sale has been made. The Canadian exporter thus faces uncertainty and financial risk by continuing to export. Anti–dumping actions between Canada and the U.S. should be stopped, but as long as they continue Canada should do nothing to diminish its leverage to negotiate change.

Unlike the American implementation of legislation the Canadian bill provides no guidelines on what would be acceptable evidence. Without guidelines it would be very difficult for a Canadian company to know how to demonstrate foreseen and imminent threat of injury. American companies will have an easier task under their legislation, even though the same principle of the WTO is being implemented.

The U.S. implementing legislation also provides that if dumping diminishes in reaction to the filing of a complaint, the International Trade Commission may discount evidence after the filing in its assessment of injury. This makes it easier for an injury charge to stick. There is no comparable provision in Bill C–57. Again the legislative support for Canadian producers will be weaker than that for American producers.

We have the member for Vancouver Quadra saying: ''We don't want the minister to be in charge of providing some support for Canadian producers; we want the American and the international fields to be speaking for our producers''. We all know they will not be supporting or speaking for our steel producers.

With the U.S. legislation spelling out in detail options for interpretation for its responsible agency, it will be easier for American companies to get injury findings and for those findings to be defended in any process of review and appeal. There is also a concern in the steel production area with respect to assessing the threat of injury at the time of sunset review, which is after five years.

(1155)

Bill C–57 does not say anything about how the threat of injury should be interpreted at the time of review of an anti–dumping action, but the American implementing legislation does. It states that the International Trade Commission, in determining whether the threat of injury meets the WTO criteria of clearly foreseen and imminent, may consider that the effects of revocation or termination may not be imminent but may manifest themselves over a longer period of time. And it may consider indirect effects including whether the imports would potentially inhibit a domestic producer from developing improved versions of the product.

In short, if we compare the wording of the U.S. and Canadian legislation to implement the sunset requirement of the WTO, it will clearly be much easier for American than for Canadian companies to prove the need for a continuation of anti–dumping action. It will also be easier for such a finding to be defended on appeal because of the latitude of interpretation spelled out in the American legislation.

There are other things that are quite important to the industry. I want to summarize by saying that the detailed drafting of the legislation should not be allowed to widen the gap between Canadian and American anti–dumping processes which already puts Canadian companies at a disadvantage with respect to their primary market and weakens the leverage of the Canadian government negotiating alternatives to anti–dumping under NAFTA.

The technical wording of Bill C–57 as it applies to anti–dumping should be revised to mirror as strictly as possible the implementing legislation of the United States. That is what we in the New Democratic Party caucus are calling for. That is what the steel producers of Canada and their association are calling upon the government to implement. We are asking that it happen by supporting the motions we have put before the House.

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): I am pleased to support the motion of my colleague from Laval East.

It is important to the Bloc Quebecois that the Minister of International Trade establish a mandatory process to consult with the provinces regarding the implementation of the Agreement wherever it relates to a matter within provincial jurisdiction, any matter relating to trade dispute resolution and any economic matter of major national or international significance.

I will go over each of these elements. Regarding the implementation of the Agreement, a federal–provincial consultation process is required because the federal government cannot interfere in areas within provincial jurisdiction as it pleases and also because it is necessary to harmonize provincial policies with international obligations. What the Bloc is requesting is not excessive or extravagant since our American neighbours have already made provision for such a mechanism. Indeed, the Trade and Tariff Act of 1984 provides for the establishment of a consultation process between the federal government and the

states regarding the implementation of any trade agreement affecting these states.

The provinces are not involved either in the dispute settlement mechanism described in this bill. Yet, it is essential that the provinces be involved in a formal consultation process for the development of the Canadian position, especially regarding matters within provincial jurisdiction. How can the federal government prepare itself adequately in disputes over things like beer, magnesium and lumber? Again, let us not forget that, in the same legislation that I mentioned moments ago regarding the implementation of trade agreements, the United States have made provision for the establishment of a consultation process for the settlement of disputes affecting American states. Canada could do the same thing.

Finally, it is also imperative that the federal government do not act alone with regard to economic matters of major significance. These matters have a direct impact on the lives of all Canadians and on the social and economic development of every province. Thus, provincial governments must be consulted on such matters as employment enhancement, monetary policies, etc.

The second major point is the need for agreement with the provinces on tariff rate quotas and selection mechanisms for access to Canadian market. The import quotas set to protect our supply management programs have been abolished by the GATT agreements. They have been replaced by tariff quotas. This affects four agricultural areas: dairy products, eggs, poultry and turkeys.

Under the Canadian legislation implementing the Uruguay Round agreements, tariff quota mechanisms and their allocation are in the minister's hands. The Bloc Quebecois believes it is imperative to limit that power and to make it incumbent on the minister to get the agreement of the provinces for any change in these tariff quota allocation mechanisms.

(1200)

But there is something more important. Because of the impact on regional economies, it is important that the provinces be involved in allocation. As with the tariff quota allocation, we do not see how the mechanisms for selecting our trade partners to be given access to the Canadian market can be concentrated in the hands of the minister only.

It is imperative that the provinces be involved in this selection process, because of the direct and indirect impact it can have on regional economies. As for the subsidized exports, our amendment seeks to give Canadian industries more flexibility for the phasing out of our export subsidies in compliance with our GATT commitments.

That flexibility is needed to maintain the competitiveness of our businesses on the international market, should their trade partners not comply with these same commitments. Again, we have to insist on the need for a parliamentary follow–up.

This bill gives the minister the authority to levy duties on farm products imported outside tariff rate quotas, so that prices will not be lower than prices on the Canadian market when we are experiencing shortages. We all know that shortages are not always real, but can be engineered.

I am pleased to speak to this amendment moved by my colleague for Longueuil providing for a parliamentary follow–up mechanism. For the sake of openness, it is imperative that we set up such a mechanism to monitor the implementation of the agreement in Canada, trade commitments undertaken by Canada's trading partners, and the impact of the agreement on Canadian workers and companies.

Canada already has a mechanism to monitor U.S. trade practices, especially trade barriers against Canadian goods. That process is open to the public, but no report is tabled in the House. This amendment involves a control of the bureaucratic system by the Parliament of Canada in order to inform the Canadian public as fully as possible, and promote public debate on major issues affecting the Canadian economy.

This same concern about openness can already be seen in the United States. The American version of our Bill C–57 provides for an annual review of trade policies by Congress. It is essential that Canadian elected representatives be informed of the status of commitments undertaken by our trading partners under the Uruguay Round. For example, Parliament should get information on reductions in internal and export subsidies in the United States, the opening–up of U.S. borders to Canadian exports, etc.

More importantly, Parliament should be apprised of developments in trade disputes between Canada and the United States concerning, for example, wheat, beer, yoghurt and ice cream. Our American neighbours are prepared, with the number of consultation processes I mentioned earlier, to settle those disputes. Canada is not in the same state of readiness, and that is why we should implement similar mechanisms immediately.

Since the Liberal Party promised labour adjustment measures in its red book, members opposite should not reject this amendment which provides that the minister should inform the House of new developments in this area.

Mr. Stéphane Bergeron (Verchères, BQ): Madam Speaker, like my colleagues who already spoke on the various amendments now before us, I am pleased to give my views on amendments 1, 2, 6 and 7. With your permission, I would like to start with amendments 6 and 7, proposed by the hon. member from the NDP.

With respect to amendment 6, I must first say that we subscribe to some of the principles underlying the amendment itself. However, we believe that certain provisions of this amendment will make the World Trade Organization's decision–making process much more cumbersome.

(1205)

Consequently, we have some difficulty supporting this amendment. We agree particularly on the principle that the changes to be made to provincial legislation must be considered, along with the provincial areas of jurisdiction affected by implementing the Uruguay Round agreement.

I would like to point out to my colleague that we presented an amendment which will require the government to take into account the provisions concerning provincial areas of jurisdiction. So I respectfully invite him to support our amendment instead of his, because his amendment will make the World Trade Organization's decision–making process considerably more cumbersome, as I said earlier.

As for amendment 7, requiring the minister to report twice a year on the state of negotiations on the labour, social and environmental aspects of trade relations, we agree on this principle, of course. However, I repeat that we proposed an amendment which addresses this concern. I regret to inform the hon. member that, during the work of the Standing Committee on Foreign Affairs and International trade, our colleagues on the government side were not very receptive to the idea of having only one annual report on the implementation of the Uruguay Round agreements by our main partners, particularly the United States.

I see that the amendment moved by the hon. member of the New Democratic Party, which suggests not only one report but two of them, has even less chance of being approved by members on the government side. Consequently, I would invite him, so that we can be sure that this point will be accepted, to support our amendment, which seeks only one report every year.

Before I go any further, may I draw your attention to the fact that, once again, we do have not a quorum. On the government side, we only have the parliamentary secretary to the Minister of International Trade. So, Madam Speaker, I would ask you to rule on the quorum.

And the count having be taken:

The Acting Speaker (Mrs. Maheu): Since we have a quorum, the hon. member may continue.

Mr. Bergeron: Madam Speaker, I am impressed with how diligently you have applied the Standing Orders.

I am surprised to hear our colleagues from the Reform Party constantly repeat that we should have Bill C–57 adopted as soon as possible in order for the Uruguay Round Agreement to be implemented at the earliest possible time. I think nothing should stand in our moving as quickly as we can, even though obvious and significant improvements must be made to the bill tabled.

My colleague, the hon. member for Regina—Lumsden, is concerned with the expectations of the steel industry. I can assure him that today's Order Paper also contains an amendment which will likely meet these expectations.

I mentioned earlier that we intended to oppose amendments Nos. 6 and 7, mainly because we wanted to submit concurrent or similar ones which, according to us, would be simpler and easier to implement. With your permission, I will go back to these amendments.

(1210)

I think our colleague, the hon. member for Laval East, did very well in introducing her amendment. I shall not elaborate further on that one.

However, I would like to add a few comments on the amendment also brilliantly introduced by my colleague from Longueuil. The hon. member for Louis–Hébert mentioned a few things with regard to these two amendments and I would like to shed new information on the subject.

I would like to remind the hon. members in this House that the purpose of the amendment was that Parliament be informed each year about the implementation of the Agreement in Canada, the fulfilment of our international obligations and the impact of the Agreement on Canadian and Quebec workers, according to priorities previously set by the Standing Committee on Foreign Affairs and International Trade.

It must be understood that the Uruguay Round Agreement is anything but a simple agreement between technocrats. It is the result of eight years of very complex negotiations which meant that the various participating governments and States had to make a number of political choices.

The effects of this Agreement are numerous and they affect a great many different areas. The Americans are ready, and we see this in the bill that is now before Congress—to challenge our tariff measures and compare them with the provisions of the international treaties we have signed, and I am referring to the Uruguay Round agreement and NAFTA. They have set up a consultation process to collect information that will be used to challenge our measures, for instance. We must be prepared. We must have the information we need to prepare on defence. In this respect, I note that section 424 of the U.S. bill to implement the Uruguay Round agreement reads as follows:

[*English*]

''The President, not later than six months after the date of entering into force of the WTO agreement with respect to the United States, shall submit a report to the Congress on the extent to which Canada is complying with its obligation under the Uruguay round agreement with respect to dairy and poultry

products and with its related obligations under the North American Free Trade Agreement''.

[*Translation*]

This translates more or less as follows: ''The President, not later than six months after the date of entering into force of the WTO agreement with respect to the United States, shall submit a report to the Congress on the extent to which Canada is complying with its obligation under the Uruguay Round agreement with respect to dairy and poultry products and with its related obligations under the North American Free Trade Agreement''.

If the United States makes provision in its legislation for verifying Canada's compliance with the Uruguay Round agreement, we can drop any reluctance we might have about including provisions in our own legislation provisions authorizing Parliament to report on how our principal trading partners, and mainly the United States, are complying with the Uruguay Round agreement.

The amendment in question also refers to the impact on workers and companies, and I would like to expand on this aspect. Paragraph *(c)* of the amendment proposed in motion No. 2 reads as follows: ''the impact of the Agreement on Canadian workers and companies''.

The report to be submitted by the government should indicate the impact the Agreement has on Canadian workers and companies. This is important and reflects concerns raised by our colleagues in their amendments.

I may recall that this provision in the amendment is entirely in line with a promise in the Liberal Party's red book that the government would assist individuals and firms in labour–intensive sectors of the Canadian economy, such as furniture manufacturing and textiles, to deal with restructuring. As you know, there is a significant concentration of these sectors in Quebec, and especially in Montreal.

With this amendment, the government has an opportunity to meet one of their commitments in the red book which was to consider the impact of the Uruguay Round agreement on individuals and firms, so that subsequently, it can assist individuals and firms to deal with restructuring.

(1215)

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, I will speak to Motions Nos. 1, 2, 6 and 7, starting with motion No. 1.

We believe the amendment suggested entails many problems and should be rejected. The first problem with subclause 3.1 is that we already have an efficient process for consultation between the federal and provincial governments regarding external trade when the provinces' interests are concerned. The provinces were very well served by these instruments in the implementation of international agreements or the resolution of disputes ensuing from this agreement.

As for subclause 3.2, by requiring the Governor in Council to ask the provinces' consent before doing any of the things mentioned, it would change the current rules under the Constitution. It will give the provinces a veto in international matters.

As for subclause 3.3, Canada cannot subject the implementation of its international commitments to the behaviour of its trading partners. If it considers that they are not respecting their obligations, Canada can then resort to the dispute resolution mechanism, which is usually successful. Canada cannot simply decide not to respect its obligations. It is still in Canada's interest to obey the rule of law, not to go against it.

[*English*]

Paragraph 3.4, the proposal would be contrary to what was negotiated in the agreement, specifically paragraph 4.2 of the agriculture agreement. A central part of the agriculture agreement is the elimination of measures such as variable levies. The effect of this amendment would be to introduce such measures. The government appreciates the interest on the issue of supplementary import of an agriculture product in cases of shortage in the domestic market. However, these matters are currently the subject of consultation with all domestic stakeholders.

We also recommend rejection of Motion No. 2. Committees of the House are always free to request reports from ministers, imposing the statutory obligation. At this point to produce a report would I presume tie Parliament's hands in the future. I suggest it would be a lot more prudent to request such a report as the need arises. Preparation of such a report, I have no doubt in my mind and in the minds of my colleagues, will cost a significant amount of resources both financially and otherwise.

Concerning paragraph (b), this refers to all trade obligations and commitments of Canada's principal trading partners and therefore goes beyond the scope of the bill before the House. Concerning paragraph (c), the impact of the agreement on Canadian workers and companies as a matter of economic analysis, there are methodological problems with isolating the effect of the agreement from other elements affecting Canadian companies and workers.

(1220)

Concerning Motion No. 6, we recommend the rejection of this motion for the following reasons.

The consultation requirement contained in paragraph 2.1 would be very onerous and unworkable. The World Trade General Council will meet frequently and take numerous decisions that directly or indirectly affect Canadian interests, rights and obligations. The requirement for the minister to consult

with the committee prior to each such decision would require frequent meetings with the committee on a plethora of details and highly technical issues. Moreover, the agenda of the council is often fixed very shortly before its meeting and a prior consultation requirement would hamstring Canada's ability to respond quickly and flexibly to new developments in a manner that takes account of the position of other World Trade Organization members and that effectively advances Canadian interests.

The reporting requirement in paragraphs 2.2 to 2.4 is also unworkable and would have significant resource implications. Some of the information requested is contained in the GATT reports. Other information is restricted under GATT practice and therefore its public release is not permitted. Canada is currently working in the World Trade Organization preparatory committee to have such documents derestricted on a more expedited timetable. These World Trade Organization reports and documents could be made available to a committee of the House.

Finally, we also recommend the rejection of Motion No. 7 because the reporting requirement is onerous and would entail significant resource implications. The minister could in any case report on ongoing negotiations from time to time as appropriate or as requested by a committee.

My colleagues from the New Democratic Party suggest that we introduce an amendment that would deal with the social clause. This suggestion is too late to even be considered. Our answer to that would be that the best social clause this or any other government could offer would be a job.

To that extent, I would suggest that Motions Nos. 1, 2, 6 and 7 all be rejected.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, I would like to say very briefly that we are stressing in this motion the necessity for the federal government to consult provinces and establish mechanisms before taking position in sectors which are, formally and constitutionally, within provincial jurisdiction.

In agriculture, for example, we have seen during the last negotiations the impact that it could have on the marketing of eggs, poultry and other products. We believe that the federal should not only consult the provinces but also create a formal mechanism so that, in sectors such as agriculture, culture, and natural resources, provinces are not only consulted but have a say on the position taken by Canada in this international forum.

This supposes that negotiations will go on with the provinces. We are told that provinces will be fully consulted; we fail to see how the government can oppose the amendment we are proposing.

Let us take the American government, for instance. Liberals are of the opinion, and so am I, that the American federation is much more centralized than Canada. Yet, in Part E of the Statement of Administrative Action, the American equivalent of Bill C–57, which deals with the Uruguay Round Agreement Act, sections 102B and 102C provide that the US federal government must not only inform but establish a process to consult the states regarding the general implementation of the Uruguay Round as well as the positions to be adopted during the settlement of commercial disputes.

(1225)

In the case of lumber, for example, Quebec had to bear the burden of tariffs which were in no way warranted. The problem existed only in British Columbia. Yet Quebec had to pay the price although, strangely enough, New Brunswick was exempt. Why two different treatments, one for Quebec and one for New Brunswick, when the problem was in British Columbia?

If there was a compulsory system like the one we propose, first, we would not come to a point where some provinces, like Quebec, are penalized. Second, the government would have to stop pretending that it is consulting provinces, because there would be mandatory consulting mechanisms which would have to produce results. That means that the position of Canada would be arrived at after due consideration of the powers granted to provinces by the Constitution of Canada.

We are only asking that the government abide by the Constitution and recognize provincial jurisdictions at the international level. We are asking for an extension of the rights of the provinces to the international level in the area of trade agreements and, as long as Quebec remains in confederation, we want Canada to respect provincial rights. If the United States can do it, what prevents Canada from doing the same?

These are the comments I wanted to make, Mr. Speaker.

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

Some hon. members: Question

The Acting Speaker (Mr. Kilger): The question is on Motion No. 1, standing in the name of Mrs. Debien.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

Pursuant to Standing Order 76, the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 2, standing in the name of Mr. Leblanc (Longueuil).

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

Pursuant to Standing Order 76, the recorded division on the proposed motion stands deferred.

[*English*]

The next question is on Motion No. 6 standing in the name of Mr. Taylor.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

Some hon. members: On division.

(Motion No. 6 negatived)

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 7 standing in the name of Mr. Taylor.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion, the nays have it.

Some hon. members: On division.

(Motion No. 7 negatived)

(1230)

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

Motion No. 3

That Bill C–57, in Clause 8, be amended by replacing line 1, on page 4, with the following:

''8.(1) Subject to this section, the Agreement is hereby approved.

(2) In subsections (2) to (6), ''law of Canada'' includes laws duly enacted by any province or territory in Canada.

(3) No provision of the Agreement shall apply where its application or enforcement would result in contravention of any law of Canada.

(4) Nothing in the Agreement or in this Act shall be construed

(a) to amend or modify any law of Canada, including any law relating to

(i) protection of human or animal life,

(ii) protection of the environment, or

(iii) worker safety;

or

(b) to limit any authority conferred under a law of Canada, unless specifically provided for in this Act.

(5) As may be required, the Minister shall consult with the governments of the provinces and territories for the purpose of achieving conformity with the provisions of the Agreement.

(6) No law of Canada may be declared invalid on the ground that the law or its application or enforcement in a particular circumstance is inconsistent with any provision of the Agreement.''

He said: Mr. Speaker, I am pleased to rise today to speak on this motion amending Bill C–57.

This amendment writes into Canadian law precisely the same measures that have been written by Congress into American law regarding the implementation of the World Trade Organization agreement in the United States. Congress has feared that the WTO will seriously compromise American sovereignty.

We have heard many of the newly elected American politicians talking about their desire to remain an independent and sovereign nation capable of making their own economic decisions for Americans. This sort of statement is something we should be hearing from the front benches of our own government and from the other members in this Chamber who wish to ensure that all Canadians, regardless of their profession, vocation or status in life have an opportunity to succeed with the support of their government in their endeavours.

As I indicated, Congress fears that the WTO will seriously compromise American sovereignty, It has therefore included several clear statements in its legislation to ensure that American law will prevail over any WTO decision. In looking at the American legislation which defines the relationship of the agreement to United States law and state law, in section 102(a)(1) I read this:

> United States law to prevail in conflict. No provision of any of the Uruguay round agreements, nor the application of any such provision to any person or circumstance that is inconsistent with any law of the United States shall have effect.

Incredible. Section 102(a)(2) states:

> Construction. Nothing in this act shall be construed
>
> (A) to amend or modify any law of the United States including any law relating to:
>
> (i) the protection of human animal plant life or health;
>
> (ii) the protection of the environment; or
>
> (iii) worker safety; or
>
> (B) to limit any authority conferred under any law of the United States, including section 301 of the Trade Act of 1974.

The United States is one of the largest if not the largest trading nation in the world. Again the Americans are ensuring that the agreements they are reaching on the international stage protect the interests of the people within their borders. Surely we in Canada deserve to be negotiating and agreeing to no less.

(1235)

We are familiar with the behaviour of the Americans under the North American free trade agreement especially with regard to durum wheat which I am very familiar with and softwood lumber which all members of my caucus are familiar with. We can assume that the Americans mean business when they say they will not let any international agreement stop them from harassing the trade of their trading partners if they feel it is in their interests.

It is not that I am trying to say we can learn a lesson from the Americans in this regard. The Americans will defend themselves right or wrong. We know from durum wheat, softwood lumber and other matters that even when they are wrong they will take every measure they can to ensure that their interests are protected and the people whose interests need protecting are supported.

Even in our own case where we know we are right on durum right we caved in. On the Crow benefit, transporting grain to port for sale in the international marketplace, we know we are right to maintain that benefit for our producers. Even before the agreement is signed here in Canada or the legislation implementing the agreement in Canada is concluded, the Liberal government across the way is giving away the Crow benefit.

The government is negotiating right now on the prairies how to change that benefit for Canadian producers. The people who are best served by that benefit are being let down by this government in the absence of even an agreement through this legislation to proceed, whereas our trading partner is going to every length it possibly can to protect its producers even though it is wrong. This is unbelievable.

Canadians have to take note of what is happening not only through this debate but through this whole WTO practice. As we know, in such circumstances we believe it is not only right but also proper for Canada to arm itself with the same legal weapons containing the effects of the WTO agreement until such time as the Americans will demonstrate goodwill in making a rules based trading system work.

The member for Winnipeg Transcona, our party's trade critic, has done a tremendous amount of work on this legislation and has carefully thought through many of the provisions. As a result he has written a letter a portion of which I would like to read into today's record of *Hansard* and for the benefit of all those who are watching. This letter appeared in the Washington *Post* on November 6. I quote the last two paragraphs of his letter:

> The apparent failure of a rules–based trading regime is rich in irony. Canadians and Americans, like others around the world, have been asked by the multinationals and their allies in governments to sacrifice considerable national sovereignty over investment policy and social, labour and environmental standards in exchange for this rules–based regime. If it becomes evident that the rules do not work as a result of either American ideological arrogance or American self–interest masquerading as ideology, informed voters around the world may feel that there has been a breach of the contracts their country has entered into through the various trade liberalization agreements. Such voters may demand that their governments try to take back some of that lost sovereignty, until such times as a real global community can be established as an alternative to the moral anarchy of the current ''globalization''.
>
> In this sense, any American sabotage of a rules–based regime may be the great hope for those opposed to globalization on the terms set out by the multinationals. America may yet be the undoing of free trade, either by harassing others into despair about its sincerity, or by exiting such agreements themselves if they prove to be too effective in cases where fair trade conflicts with American self–interest.

(1240)

It is very clear here that the Americans in attempting to protect their own economic interests are taking steps that could, if they scuttle the agreement in the United States, benefit Canadian interests in ensuring that those engaged in our economy receive a fair shake for what they are doing.

The amendment in front of us today does nothing less than ensure that our legislation is exactly the same or carries exactly the same interests forward as what the Americans are doing in theirs.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, it is my pleasure to stand in this House and support the New Democratic Party motion on Bill C–57 to provide the businesses and people of Canada with the same rights under the WTO as the Americans have.

I want to start my remarks by sharing with the House and the people of Canada the fact that I had an opportunity to meet with a number of U.S. senators and congressmen last spring. The purpose of the meetings were to discuss certain issues relating to Canada and the U.S. with respect to steel production, steel trade, exports and imports, as well as the question of the durum wheat export problems that the Americans perceive to be having with Canada.

This is what I concluded during the course of our discussions. We met with about 16 or 17 senators and congressmen from the United States. They are not free traders. They are not people who respect international agreements if the international agreements and free trade threaten their industries or jobs in their country or threaten markets which they have captured during the course of doing business.

We should not be discarding or brushing off Americans as incompetent business people. Americans usually undertake business to make money. They undertake business around the world to make money around the world. They do not give other countries concessions such as: ''We will do a little business with your country and you can do a little business with our country and make a lot of money off us at the expense of jobs in the United States, at the expense of United States industry''.

Americans are not stupid people and neither are their business people. They know full well when they see a business opportunity they will take full advantage of that business opportunity to maximize their profits and returns for their people.

From this visit with these American senators and congressmen I also concluded that they view trade with Canada as important, but they view protecting their own industries and their own jobs to be of greater importance. In view of that they have laws which the member for The Battlefords—Meadow Lake has already outlined. They have clauses in their legislation to protect their industry. Under Bill C–57 we do not have the same protection with respect to the WTO for our own industry, businesses and producers.

Earlier in the day I spoke about the importance of the steel producers in Canada and the problems they are having with the Americans. Now even under the North American free trade agreement the Americans are able to say to the steel producers in Canada: ''We appreciate your competition, but you are hurting jobs in the United States. Therefore we are going to undertake to countervail and create a little bit of a problem for your industry''.

There are mechanisms in the agreements, but whenever they do this it causes a great deal of expense to the steel producers in Canada because they have to comply with all the American laws that protect the American industry. It costs them money for lawyers. It costs them money for analyses. It costs them money to produce an argument in support of their position with respect to exporting steel form Canada to the United States.

By the way, Canadian producers do not dump steel in the United States; they produce steel for contracts they have received in the United States of America. They produce the steel ready made. It is already pre–sold once it is there, but the Americans still do not like this process.

(1245)

Bill C–57 is about 200 pages in length and is a fairly substantial bill. I know all five members of the House who are left here right now seem to be concerned about the bill and seeing it passed in its entirety. New Democrats on the other hand are quite concerned that the bill provide the same protection to its producers and manufacturers in Canada as the American legislation provides to their producers and manufacturers. That is all New Democrats are asking for.

We are asking for fairness. We are asking for equity. We are asking that the Government of Canada stand up on behalf of Canadian manufacturers, workers and others in the international market. The international market and other countries will be standing up for themselves. Unless Canadians feel it is a priority to protect and promote our own industry we have a real serious problem.

Therefore in this motion we are asking the government to do what other countries have done for their people. We are not asking for anything more. We are not asking even to be provocative. We are just saying that we should do what others have done. Let us do what the government is obliged to do, that is to protect Canadians in the event of trade agreements.

Mr. Taylor: Do the right thing.

Mr. Solomon: As my colleague from The Battlefords—Meadowlake has said, let us do the right thing for producers, business people, farmers and the working people of Canada.

In summary, the American legislation protects its industries and its jobs. All we are asking in the amendment to Bill C–57 that we have put before the House is for the government to do the same; no more or no less but just to do the same so we can stand proudly as parliamentarians and say that we are aware of the challenges facing our producers, our workers and our industries and we are prepared to stand four–square behind them in making sure they are not at a disadvantage in the international marketplace.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I do not understand why my colleagues are so anti–American in their approach to the legislation. We are talking about the World Trade Organization implementing legislation in terms of Canada and Canada's obligation to the international community. Since they mentioned section 102(a)(1) of the American implementing legislation I should like to suggest to my colleague that this action only reflects a congressional view that necessary changes in federal statutes should be specifically enacted rather than provided for in blanket pre–emption of the federal statute by the agreement.

Canada's legal regime is similar in that respect. Actually under our Canadian domestic law Canadian legislators have precedence over our international obligation in case of conflict unless specifically provided otherwise in the legislation. This is as a result of basic Canadian constitutional law.

The section which was quoted, section 102(a)(1), does not reflect U.S. intentions to apply domestic law in contravention to its World Trade Organization obligations or have recourse to its domestic legislation to unilaterally enforce World Trade Organization obligations against other countries.

Irrespective of this section the U.S. will be bound by its World Trade Organization obligations under international law. Those obligations could be enforced under the dispute settlement mechanism if need be. This provision of the U.S. implementing legislation does not represent any threat to Canada.

We are recommending rejection of the motion as proposed. Subparagraph 8.2, depending upon its interpretation, could have important constitutional implications. The bill does not intend in any way to introduce legislation which would impact on provincial legislation. The paragraph could be seen as an intrusion by Parliament into provincial jurisdiction. In subparagraphs 8.3 and 8.6 there is no need for these proposals.

(1250)

Under Canadian constitutional law our international obligations become part of Canadian law only to the extent of their implementation by Parliament. No international agreement can prevail over Canadian law unless Parliament specifically legislates to that effect. There is nothing in the bill that gives precedence to the agreement. Therefore our basic constitutional law will continue to apply.

Subparagraph 8.4 is contrary to our international obligations. The sole purpose of the bill is to approve the World Trade Organization agreement and to implement obligations under the agreement. It is necessary to amend and modify existing Canadian statutes to implement those obligations and to allow Canada to become a full member of the World Trade Organization.

Subparagraph 8.5 proposes to introduce a federal–provincial consultative mechanism for the purpose of implementing the agreement. This mechanism is already in place and is very efficient. Therefore we see no need to legislate on the matter.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I also would like to speak on motion No. 3 and point out that the Bloc Quebecois will vote against the motion presented by our colleague from the New Democratic Party, not because we are opposed to its subject matter, on the contrary. A number of principles contained in the motion are quite laudable and we are in total agreement with them.

Obviously, it goes without saying that we support the protection of human or animal life, the protection of the environment and worker safety.

We are also in total agreement with clause 8(2) which deals with the application of the agreement to the laws of the provinces and territories in Canada.

We are opposed to this proposed amendment, and regrettably so, because we in the Bloc Quebecois have also been faced with having a similar amendment rejected by the government. During the clause by clause study of the bill, we attempted to present two amendment proposals to the Standing Committee on Foreign Affairs and International Trade, but we eventually withdrew them. With our proposed amendments, we wanted to make the implementation of the agreement conditional on a number of points. There were a few problems, consequently we withdrew our proposals and worded the amendments differently so as not to make the approval of the agreement conditional.

The amendment presented by the New Democratic Party makes the approval of the agreement conditional on a number of things. Obviously, for our part, we would see no problem in making it conditional on the protection of human or animal life, the protection of the environment or worker safety.

Rather, the problem is that the approval of the agreement is made conditional. It means that we are willing to renege on the word given on the international scene, which will not necessarily endear us to our trading partners. On the other hand, clause 8(6) states: ''No law of Canada may be declared invalid on the ground that the law or its application or enforcement in a particular circumstance is inconsistent with any provision of the Agreement''.

The effect of this provision of the proposed amendment is to render Bill C–57 completely null and void. This is basically why we are opposed to this amendment.

I say it again, we are doing so with great regret since the underlying principles are laudable and we are in total agreement with them. We will have to vote against this amendment and we most sincerely regret it.

(1255)

[*English*]

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I rise to oppose Motion No. 3. I believe the trade agreement must be allowed to overrule protectionist domestic laws both here and in the United States. We must act within the spirit of the agreement that was signed by the 120 member countries after seven long years of negotiations in the GATT Uruguay round.

If we adopted the amendment proposed by the NDP we would not be achieving the move to free trade which benefits a lot of us, and particularly those in agriculture who did not have rules regarding trade in agriculture under the GATT. They are now being brought under it for the first time. I believe protectionist laws may be developed in some provinces that would handcuff the ability of the federal government to work within the World Trade Organization and the GATT.

I believe it should be defeated and therefore oppose the motion.

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

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on Motion No. 3. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

Some hon. members: On division.

(Motion No. 3 negatived.)

The Acting Speaker (Mr. Kilger): I shall now propose Motions Nos. 4 and 5 which will be grouped for debate but voted on separately.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

Motion No. 4

That Bill C–57 be amended by adding after line 20, on page 4, the following new Clause:

''12.1 The Minister shall conduct a study to determine the effects of the Uruguay Round Agreements on the Canadian milk marketing system and shall, not later than 6 months after the date of entry into force of the Agreement with respect to Canada, table a report in the House of Commons on the results of the study.''

Motion No. 5

That Bill C–57, be amended by adding after line 20, on page 4, the following new Clause:

''12.1 Not later than March 1 of each year beginning in 1996, the Minister shall table in the House of Commons a report describing, in respect of the preceding fiscal year of the World Trade Organization (''WTO''),

(a) the major activities and work programs of WTO, including the functions and activities of committees established under Article IV of the Agreement and the expenditures made by WTO in connection with those activities and programs;

(b) the percentage of budgetary assessments by WTO that were accounted for by each WTO Member including Canada;

(c) the total number of personnel employed or retained by the Secretariat at WTO and the number of professional, administrative and support staff at WTO;

(d) for each personnel category described in paragraph (c), the number of citizens of each WTO Member and the average salary of the personnel in each category;

(e) any report issued by a panel or the Appellate Body in a dispute settlement proceeding regarding any law of Canada or of any province or territory in Canada and the efforts of the Minister to provide for implementation of recommendations contained in the report that are adverse to Canada or any province or territory in Canada;

(f) details on proceedings before a panel or the Appellate Body that were initiated during the fiscal year regarding any law of Canada or of any province or territory in Canada, the status of the proceeding and the matters at issue in the proceeding;

(g) the status of consultations with any State whose law was the subject of a report adverse to Canada that was issued by a panel or the Appellate Body; and

(h) any progress achieved in increasing the transparency of proceedings of the Ministerial Conference and the General Council and of dispute settlement proceedings conducted pursuant to the Dispute Settlement Understanding.

12.2 The first annual report submitted to the House of Commons under section 12.1 after the end of the 5–year period beginning on the date on which the Agreement enters into force with respect to Canada and after the end of every 5–year period thereafter shall include an analysis of the effects of the Agreement on the interests of Canada, the costs and benefits to Canada of its participation in WTO and the value of continued participation in WTO.''

(1300)

He said: Mr. Speaker, I am pleased to rise and speak to these amendments before us in relation to Bill C–57, the bill under debate today.

I found it very interesting in the remarks just preceding the reading of the motion that we are debating now concerning the previous amendments that have been dealt with by the House that both speakers from the Reform Party and from the government indicated the inability to support a motion protecting the interests of Canadian producers by saying that the agreement has been signed and we cannot go back and renegotiate.

The amendments that have been brought forward were identical to what the United States Congress is implementing today. The Americans are not asking that we go back to the table and renegotiate the entire Uruguay round. They are just acting in the interests of the people they represent.

For this government and the Reform Party to side by each against the interests of Canadian producers, manufacturers, ordinary working people, people who care about the environment, people who care about whether or not children work or go to school is unbelievable. I find it completely unbelievable.

The government has an opportunity with the two amendments in front of us now grouped for debate to redeem itself somewhat. The motions in front of us once again point to the need to ensure that Canadian legislation represents the same type of interest that the American legislation is representing.

First, we have Motion No. 4 implementing in Canadian legislation section 425 of the American legislation dealing with the study of the milk marketing order system. Mr. Speaker, you have read into the record the motion that is in front of us calling on the minister to conduct a study to determine the effects of the Uruguay round on the milk marketing system.

We could probably choose to do a study on a number of matters within the Uruguay round agreement but certainly the milk study is one that is very important to our producers. We have not yet seen the interpretive papers that this government examined during the negotiations which tell us how the milk marketing changes will affect producers throughout Canada.

In order to be fair to this system, to the agreement and to the government that has accepted the changes at GATT, we are simply asking that in six months time this government in fairness to the milk producers of Canada go back over the previous six months, take a look at what has happened since the implementation of the agreement and find out if the interpretive papers it looked at previously are in line with what was supposed to be happening in the industry.

I said: ''Mr. Speaker, you read the motion out in front of us today''. Let me read to members section 425 of the American legislation and they can tell me if it is at all similar to the amendment in front of us:

425. The Secretary of Agriculture shall conduct a study to determine the effects of the Uruguay round agreements on the federal milk marketing order system. Not later than 6 months after the date of entry into force of the WTO agreement with respect to the United States, the Secretary of Agriculture shall report to the Congress on the results of the study.

The government should not tell us that we have to renegotiate the entire Uruguay round in order to protect the interests of our milk producers in this country.

Second, let us take a look at Motion No. 5 in front of us grouped for debate today. Mr. Speaker, you spent some time reading that motion into the record.

(1305)

Let us take a look at section 124 of the American legislation that instructs the United States trade representative to present an annual report on the WTO to Congress. Let me read for the record the American legislation that is in front of us, section 124.

Not later than March 1 of each year beginning in 1996, the Trade Representative shall submit to the Congress a report describing for the preceding financial year of the WTO

(1) the major activities and work programs of the WTO, including the functions and the activities of the committees established under article IV of the WTO Agreement, and the expenditures made by the WTO in connection with these activities and programs;

(2) the percentage of budgetary assessments by the WTO that were accounted for by each WTO member country, including the United States;

(3) the total number of personnel employed or retained by the Secretariat of the WTO and the number of professional administrative and support staff of the WTO;

(4) for each personnel category described in paragraph (3), the number of citizens of each country, and the average salary of the personnel, in that category;

(5) each report—

I cannot read the word there. I will have to look at what we are presenting to Canadians.

—issued by the panel or the Appellate Body in a dispute settlement proceeding regarding Federal or State law, and any efforts by the Trade Representative to provide for implementation of the recommendation contained in a report that is adverse to the United States;

(6) each proceeding before the panel or the Appellate Body that was initiated during the fiscal year regarding Federal or State law, the status of the proceeding, and the matter at issue;

(7) the status of consultations with any State whose law was the subject of a report adverse to the United States and was issued by a panel or the Appellant Body; and,

(8) any progress achieved in increasing the transparency of proceedings of the Ministerial Conference and the General Council, and of dispute settlement proceedings conducted pursuant to the Dispute Settlement Understanding.

Sound familiar? The Canadian bill, C–57, contains no such provision. We are asking today that Canada ensure that we have a report on the activities of the WTO in front of us just as the Americans will have by legislative authority. It is the only fair and equitable way to deal with this international crisis confronting us in trade.

I would, even if the Americans had not put this legislation in front of them asking for an annual report, be asking that the Canadian people and the Canadian Parliament receive no less. We are entering into an agreement on a world stage. We then just allow that agreement to carry on without any kind of responsive action to the people of Canada and to this Parliament. It would be most unfortunate if we allowed it to happen.

Let us ensure that we the Canadian people, producers, and parliamentarians have an understanding every year of what is happening on our behalf in the global marketplace and that we are with that information able to respond in appropriate manner.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I am pleased to rise in the House this afternoon in support of this motion put forward by my New Democratic Party colleague, the member for The Battlefords—Meadow Lake.

All we are asking in this motion is that the government be responsible, accountable, fair, and to introduce equity with respect to these international trade agreements. Accountability is very important to the people of this country. The government was elected on the basis of trust, on the basis that it would stand up for Canadians in Canada and stand up for Canada outside Canada.

What we see here is a government that is not being fully accountable in Bill C–57. That is why we are moving this motion to ensure there is an accountability process so the government can review this particular bill and this particular trade agreement, the WTO, and report back to us in a regular and a timely fashion.

(1310)

It is a natural course of doing business. As a business person, you never undertake a business plan, or in this case a government plan, without having some mechanism from which you can assess whether the program is working or not, or whether your business plan is functioning properly and working well. There has to be a regular review process. All we are asking is for the government to be accountable to the people of Canada and to the businesses of Canada by undertaking a regular review and reporting back to Parliament; nothing more, nothing less.

The government has the responsibility to the Canadian people to be accountable for the actions it takes and to be accountable for the treaties it enters into with other countries. It has to be responsible in its actions. All we are asking is for the government to take responsibility and to account for its actions on a regular basis.

We are asking for fairness, the third point in my remarks. We are asking the government to treat its own people in a fair way. Some people may debate whether the Americans in their legislation are being fair internationally, and we believe that they are not, but they are being very fair to the people that they govern. They are being fair because they are saying if an international agreement is unfair to their working people, their industries, or their manufacturing sector, they will implement and take action to protect their people.

Some people may view this as protectionism. Some people say why should we as Canadians play the same game? It is a mugs' game when you start putting a defence of one sector over another or defending one situation with respect to international agreements when other countries are not doing that. It starts bidding up or bidding down the intricacies and the processes that are involved that have made this agreement work in the first place.

The government has to be fair to its own country, its own persons and its own industries and producers and manufacturers, by saying that in the event there is unfairness to Canadians, the government will have legislation which will protect the interests of Canadians to make it fair.

With respect to equity, we need an amendment in Bill C–57 which is equitable for everybody. We cannot insist on other countries doing what we are doing, but with respect to these amendments, we can inject some equity into the system.

I end my remarks by responding to a comment that was made by a Reform member a few moments ago. He talked about how this Bill C–57, without amendment, would ensure that we have a free trade agreement. I have a book here written by John Ralston Saul called *The Doubter's Companion*. It is a dictionary of aggressive common sense. It defines the word free as the most over used term in modern politics, evoked by everyone to mean anything.

Samuel Johnson once spoke of patriotism as the last refuge of scoundrels. Evocations of what is free and of freedom have now overtaken patriotism. This has led to a limitless series of oxymorons which have somehow become respectable: Free air miles, free trade, the twinning of free men and free markets when history demonstrates clearly that free markets do best under sophisticated dictatorships and chafe under limitations imposed by democracy. Another oxymoron with respect to the

word free is not only free trade but free love, free glasses at gas stations, free offers, and in general a free ride.

Of course parliamentarians here may be more aware of the oxymoron that we see almost firsthand in some of the actions we are taking as a Parliament now to rebuild our country after nine years of Conservative rule. The most widely used oxymoron in the entire country is Progressive Conservative. It does not make any sense. They are two opposites.

The problem with this word free is that it has two contradictory meanings, as Mr. Saul goes on to say. One refers to political freedom, or liberty, and has an ethical value; the other refers to an imaginary state of being in which there is no effort and no cost. Freedom is thus confused with the gambler's idea that you can get something for nothing, and that is why Johnson's scoundrels are attracted to it. I maintain that Bill C–57 as proposed, without amendment, will injure Canadians and industry. That is why New Democrats are putting forward these amendments, to ensure that Canadians' interests are protected at the international level so we can continue to build a strong country from sea to sea.

(1315)

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, my colleagues in the NDP sound like a broken record attacking the Americans and requesting that we do the same things the Americans are doing. It reminds me of somebody who cannot go to bed at night for worrying that someone else might be having a good time.

The bill before us deals specifically with an agreement that was reached by 123 countries around the globe, nothing more, nothing less. The provinces have been consulted on the matter throughout the debate on the agreement, for the past six and a half years.

I do not understand the NDP members. The premier of the NDP government in Ontario just came back from a trip to China. He supports the notion of the World Trade Organization and the GATT implementing legislation. The NDP premier from B.C. was on the same trip. He came back very happy and very excited about the notion of opening new markets around the globe.

I do not know what the problem is with my colleagues in the NDP. Every time we use the word free, they jump.

For Canada, which has the largest and longest border of almost any country on the globe, trade is very important. Trade means jobs. For every $1 billion in trade at least 9,000 to 10,000 jobs are created. The NDP should be grateful that we have a government that cares, that we have a Prime Minister who cares. He led one of the largest business delegations in the history of Canada and came back with some good results.

I suggest that my colleagues from the NDP stand up and congratulate the Prime Minister and the government for a job well done. For the first time ever in the history of the country we had a united team that went on a mission in order to promote Canada's interest.

We would recommend the rejection of Motion No. 4 as proposed by my colleague from the New Democratic Party for the following reasons. The agreement does not require such a study as is proposed. The government already has such authority in any event. Therefore the amendment is unnecessary and redundant.

Furthermore a report entitled ''Impact of the GATT Agreement on Canadian Agriculture and Agri–Food'' was released on June 22, 1994. This report prepared jointly by provincial and federal agriculture officials examined the effect of the Uruguay round on all agriculture sectors, including the Canadian milk marketing system. The report concluded that the effect of the Uruguay round on the dairy industry will be minimal. There will be no domestic price impact over the transition period on industrial milk. Production may decline 0 to 2 per cent by the year 2000 as a result of new minimum access commitment for butter.

For the same reasons we are recommending rejection of Motion No. 5. This amendment mandates a very specific and onerous reporting requirement that would have important resource implications.

(1320)

The information on the activities of the World Trade Organization mandated in paragraph 12.1(a) to (d) is contained in the GATT annual report. The minister could undertake to table the World Trade Organization annual report in the House if it is necessary.

For the reasons I listed we are recommending that Motions Nos. 4 and 5 be rejected.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I too welcome this opportunity to speak on the two motions put forth by our hon. colleague from The Battlefords—Meadow Lake. On Motion No. 4, to subject the effects of the agreement on the milk marketing system to parliamentary review, I would just like to remind our colleagues from the New Democratic Party that we presented a motion this morning, Motion No. 2, in which reference was made to a report to be laid before the House of Commons each year, concerning, in a more general sense, the implementation of the Uruguay Round Agreement by our major partners, especially the United States.

I have the feeling that Motion No. 4 goes somewhat along the same lines, yet has a much narrower scope than Motion No. 2 that we presented this morning. Motion No. 4 stresses the importance of parliamentary review and, in that sense, I think that we can support, endorse this position, although, as I said earlier, the motion we tabled this morning, on which recorded division will be taken later on, has a much broader scope, while at the same time addressing our colleagues' concerns, concerns that are evident from Motion No. 4.

Let me remind you that—and I think it is important to mention this, for the benefit of our colleagues from the government party of course, who gave us the impression this morning of being opposed our motion to amend No. 2—it is important to bear in mind that Motion No. 2 which we presented this morning had been suggested to us by the Union des producteurs agricoles and the Canadian Federation of Agriculture at one of the public hearings held by the Standing Committee on Foreign Affairs and International Trade.

Both organizations testified before the Standing Committee on Foreign Affairs and International Trade to ask that Bill C–57 include a provision requiring that a report be tabled each year on the implementation of the agreement in Canada, of course, but also by our major trading partners. Such a provision was part of the proposal we put forth this morning.

Despite the expectations expressed by the Quebec farmers' union and the Canadian Federation of Agriculture, the government party apparently decided to oppose this proposed amendment. I therefore urge our colleagues from the New Democratic Party to strongly support this proposed amendment, which is consistent with what they are proposing in Motion No. 4 but whose scope is much broader.

As for Motion No. 5, which is aimed at ensuring in a way that the World Trade Organization operates in an open manner and that the Canadian government publishes studies on the implementation of the agreement, we always come back to this aspect of the problem: we think that Canada does not have to conform to provisions 12.1 (*a*) through (*d*). In our opinion, Canada must insist that the World Trade Organization should produce a comprehensive and relevant annual report.

However—this is always a problem we have with the broad motions proposed by our colleagues from the New Democratic Party since this morning—we clearly are in complete agreement with some of the paragraphs, namely (*e*), (*f*) and (*g*).

(1325)

These paragraphs provide for consultations with the provinces provisions, under the Agreement, that affect areas of exclusive provincial jurisdiction. It is very important to point out that the federal government, which claims to believe in co–operative federalism, must not hesitate to include in the agreement specific provisions calling for consultations with the provinces on issues of particular interest to them.

The parliamentary secretary said earlier: Yes, but we did consult with the provinces. If so, why are they so reluctant to put in the bill a provision specifically requiring such consultation with the provinces? In no way would it make the process more cumbersome. Despite what he said, it would not give the provinces a veto. It would simply give the provinces an opportunity to convey their concerns to the federal government on issues that concern them. I think that is quite legitimate.

That being said, of course paragraphs (e), (f) and (g) of Motion No. 5 now before us refer to this taking into consideration of provincial jurisdiction and of particular concerns of the provinces.

If these paragraphs were separate from the rest of the amendment, we could vote for such an amendment, but given paragraphs 12.1(a) to (d), which we believe are wrong for Canada, we must oppose this amendment, again, with regret.

As for 12.1(h), we find it totally unacceptable because we do not really see how it could be applied right now.

I think that it is also important to say something about clause 12.2. Of course, we agree with the principle behind this clause, namely periodic review, but that being said, we would not want people to think that we on this side of the House have cold feet or are afraid of international trade agreements. For this reason, we could not legitimately give our full and complete support to that clause.

In view of what I just said, and although we could very well have agreed to paragraphs 12.1(e), (f) and (g) without any problem, we must oppose this amendment.

[*English*]

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I rise to speak in opposition to Motion No. 4.

Why single out milk marketing? Dozens if not hundreds of industry groups would like to have government fund their studies. In fact we are dealing with Motion No. 5 here as well as the two tie together.

Motion No. 5 asks for an annual report from the World Trade Organization. Those reports already exist under GATT. In a moment I want to read an article in today's *Globe and Mail* that deals specifically with the biannual reports from the GATT.

These reports exist. The minister can be asked to table them in the House. Why cause extra work? It is more bureaucracy. It is something that the NDP sort of like, I understand.

I want to read a quote from today's *Globe and Mail* regarding Canada's involvement in the GATT. It states: ''Canada's trade policy and practices receive generally high marks from the members at the GATT council during a two day discussion of a biannual report but the council criticized Canada's tariff system and interprovincial trade barriers''.

The party that wants to have a review of the milk marketing board might be quite surprised with the outcome.

(1330)

Members opposite would be well advised to listen. The people at the GATT meeting today are the people who are making the report reviewing Canada's interprovincial trade barriers and our present milk marketing system. They are saying that the council criticized the complexity of Canada's tariff system and questioned the exceedingly high tariff rate quotas in the agriculture sector—and they are referring specifically to supply management—with an average of 205 per cent which will only go down to 174 per cent in the year 2000.

They are critical of this. I am quite surprised they are asking for a review because a review would not be very kind to the supply management sector. It is an area that Canada is very weak in. Our position is that we have taken a minimum reduction in tariff in the supply management sector of 15 per cent. I think it is recognized worldwide that we have a problem that has to be cleaned up. If we talk about free trade, let us practise it here at home.

In addition, members talk about the need to clean up interprovincial trade barriers. The three provincial governments in the country with NDP governments are the ones that are co–operating the very least in trying to get Canada's house in order in terms of cleaning up our problems at home, the trade barriers.

We have more barriers to trade internally in Canada than in all the European Union. That is a disgrace. How can we compete internationally when we cannot even compete at home? Let them put their money where their mouths are and co–operate to try to get trade barriers reduced internally to give our businesses a chance to compete without one hand being tied behind their backs. Let us put Canada on the same level nationally as we do internationally in these trade agreements.

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

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on Motion No. 4. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

Some hon. members: On division.

(Motion No. 4 negatived.)

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 5. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

Some hon. members: On division.

(Motion No. 5 negatived.)

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ) moved:

Motion No. 8

That Bill C–57, in Clause 58, be amended by replacing lines 4 to 8, on page 25, with the following:

''(a) to fix the performer's performance in any existing or future medium by means of which sounds may be reproduced,''

He said: Mr. Speaker, as you know, Bill C–57 amends some 30 Canadian acts, including the Copyright Act.

We must first point out the archaic character of the Copyright Act. Bill C–57, An Act to implement the Agreement Establishing the World Trade Organization, includes a few amendments to the Canadian Copyright Act.

Among those changes, the one in clause 58 illustrates the archaic character of this act which is meant to protect creative artists and performers.

(1335)

Indeed, Clause 58(a) gives a performer the sole right ''to fix the performer's performance, or any substantial part thereof, by means of a record, perforated roll or other contrivance by means of which sounds may be mechanically reproduced''.

The wording of this change takes us back to the days of mechanical pianos. How, in 1994, can the government amend the Copyright Act and completely ignore the technological progress of the last few decades? This certainly does not make the government look like it is aware of the future challenges that await us. Yet, the government received numerous reminders.

I want to quote a few paragraphs from the brief submitted by the Union des artistes to the Standing Committee of Foreign Affairs and International Trade:

> For almost eight years now, the Union des artistes and the Coalition of Creators and Copyright Owners have been asking for the rights regarding the fixation, the reproduction and the communication to the public of their performances in musical, literary, dramatic and choreographic works, known as neighbouring rights. Meanwhile, Bill C–57 recognizes the exclusive right of our people to fix the performance, or any substantial part thereof, by means of a record, perforated roll or other contrivance by means of which sounds may be mechanically reproduced. If Canada recognizes, in 1994, our exclusive right to the fixation of a sound performance by means of a perforated roll, how long will we have to wait for the recognition of our rights on performances fixed or reproduced by using optical discs, compact discs like CD–ROMs and other modern supports?

Clause 58 of Bill C–57 is not only totally disconnected from today's reality: It also creates a great danger for the future.

This government does not seem to realize that when Canada signs a commercial treaty such as the one resulting from the Uruguay Round of negotiations, it waives part of its sovereignty. This is true not only in the case of trade agreements, but also in the defence sector. Just think of the North Atlantic Treaty or NORAD.

So, it is essential for the government to recognize that section 58 limits its own future jurisdiction and that every measure must be taken, now and in the future, to minimize any negative impact.

We fear that, as soon as it is passed, this bill could in fact limit the performers' rights to the only rights recognized in this bill. This leads one to fear that restrictions set here and there in commercial agreements could be seen as absolute restrictions when the time comes to review our own national legislation in this area. This is why our amendment is crucial.

Members will recall that the Uruguay Round Agreement only dates back to December 15, 1994. When the government introduced Bill C–57, the Parliamentary Secretary to the minister of International Trade admitted that only 13 of the hundred or so countries which signed the agreement had already introduced their implementation legislation.

Since this bill was introduced, the race has begun. The Standing Committee on Foreign Affairs and International Trade is in a hurry. The number of witnesses has been limited and committee members are rushed off their feet. We have to cut corners, because an international agreement was signed.

Let us draw a parallel between the position of the Liberal and Conservative governments concerning the protection of the creative and performing artists' rights.

I would like to quote from the brief submitted by the Union des artistes:

> The Berne Convention for the Protection of Literary and Artistic Works was concluded in 1886. Canada's Copyright Act, which was passed in 1926, forty years later, was not reviewed by Parliament until 1988.
>
> As for the Rome Copyright Convention on the protection of performing artists, producers of recordings and broadcasting agencies, it was concluded in 1961 and is already obsolete because it applies only to sound productions.
>
> Thirty–three years later, Canada has yet to sign the convention and adjust its own legislation to meet the minimum provisions of the convention. As a result, Canada, which takes pride in being one of the most progressive countries in the world, lags far behind in defending and promoting the interests of its creative artists.
>
> Germany, France and Japan all signed the Rome Convention. In addition, these fellow members of the G–7 group, realized it was important to adjust their respective legislations to the current realities of artistic creation. Germany and France have passed legislation dealing with neighbouring rights. They also recognized the need for royalties on private copies, which is the case in Japan.
>
> Meanwhile, Canada is proceeding in a haphazard way, through its legislation to implement trade treaties, to change its own copyright legislation.

(1340)

That is not the only paradox. I have another example. On November 14, Liberal majority members tabled in this House the report of the Special Joint Committee Reviewing Canadian Foreign Policy. Against the wishes of the Official Opposition, majority members made culture, a jurisdiction shared by the federal government and the provinces, the flagship of foreign policy. How can the government claim that culture, the result of the work of performing artists and creators, is central to its foreign policy, when it refuses to do what is necessary to promote and protect the work of those who create culture?

The cultural sector is an important one. The present government's failure to proceed with its review of the Copyright Act can only be explained by its failure to recognize a basic fact of our economic life. The government seems to be ignorant of the fact that in 1991, the cultural sector was responsible for jobs employing more than 300,000 Canadians and Quebecers, putting it ahead of the forestry, mining and insurance sectors in this respect.

It is almost miraculous that the cultural sector should play such an important role in our economy, no thanks to the federal government's reluctance to invest in this sector, which may have serious consequences. According to the Union des artistes, and I quote: ''This minimalist and timid approach may jeopardize creative activity in this country. At a time when digital conversion has removed former distinctions between sound and audio–visual productions, at a time when direct broadcast satellites and the information highway are about to redefine the relationship between the consumer, the user and artistic productions, Canada still protects its creators and defends its culture by

means of incidental measures consequential on its ratification of international trade treaties''.

This questionable approach on the part of the government can only be explained by the tremendous impact of lobbying by big producers and broadcasters. I would urge hon. members to vote in favour of this motion presented by the Official Opposition, whose purpose is simply to provide a minimum amount of protection for our performing artists and creators. Remember that this class of cultural workers has an average income of less than $10,000!

Remember also that our creators and performing artists need financial independence. They need freedom and pride to continue to work at their art. The dignity of work, a favourite phrase of the Prime Minister, should also apply to this class of Canadians and Quebecers. We must also protect the integrity of the work done by our creative artists. The Copyright Act must be improved, but meanwhile, we could make do with the amendment I am proposing to Bill C–57, and I would ask hon. members to support that amendment.

Mr. Bergeron: Mr. Speaker, on a point of order. We are not surprised that our colleagues in the governing party have difficulty understanding our arguments and our amendments, since once again, I submit to you that we do not have a quorum.

And the count having been taken:

[*English*]

The Acting Speaker (Mr. Kilger): We now have quorum and are resuming debate on Motion No. 8.

(1345)

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, it is my pleasure to speak once again on the amendments to Bill C–57. Before getting into my specific remarks on this motion I want to say a couple of things.

The Parliamentary Secretary to the Minister for International Trade in his remarks earlier on this bill made some inference that the New Democratic Party provincial governments across this country were not in favour of trading with other nations. I want to correct the record.

I want to inform the parliamentary secretary that coming from Saskatchewan as I do, I know firsthand how important trade is to the farmers of Saskatchewan, the potash producers of Saskatchewan, the steel producers of Saskatchewan, the uranium miners of Saskatchewan and all the other people in our province who rely quite heavily on trade, including those who produce natural gas, oil, coal and other resources. The New Democratic Party government of Roy Romanow is not only on record supporting trade, but has instituted very aggressive trading policies with other nations with respect to the resources of Canada and the resources of Saskatchewan.

I am sure the parliamentary secretary made an oversight or had a sudden collapse of memory when he made reference to NDP governments and their support of trade. I am sure he would want to stand and correct that at some point after my remarks.

Mr. Harb: Mr. Speaker, on a point of order, precisely what I said is that the NDP government in Ontario—

The Acting Speaker (Mr. Kilger): Order. Clearly, that is not a point of order. I concede it may be a matter of great debate for the House but we are seized with Motion No. 8.

Mr. Solomon: Mr. Speaker, I am somewhat puzzled to see that not only does the parliamentary secretary not have a great deal of knowledge about Saskatchewan and its many resources, but he does not seem to have a great deal of knowledge of the rules of the House either.

I will continue my preface by saying that the New Democratic Party government in Saskatchewan has been leading in many areas. For example, Allan Blakeney's NDP government from 1971 to 1982 had 11 consecutive balanced budgets, the only provincial government or jurisdiction in this country to do so. As a matter of fact that government was the last one to have a provincial balanced budget. The only reason it did not continue on was that in 1982 a Conservative government under Grant Devine was elected, supported by the Liberals. It proceeded to almost bankrupt the province in the nine years that followed.

At the same time as those balanced budgets we also had a prescription drug plan for all of our citizens. We had a dental plan for all of our children 18 years of age and under. We also had the lowest provincial tax regime in the entire nation.

I know the parliamentary secretary is salivating at this information. He is becoming quite educated with respect to Saskatchewan now that he has had the correct information put before him. I am sure he will look forward to visiting our province some day and meeting with Premier Romanow, who by the way was elected in 1991 after nine years of Conservative government. With respect to Bill C–57, I can assure the House that he has concerns as we do in this caucus with respect to these amendments.

Since 1991 we have undertaken to go from a $1 billion annual deficit to the point where now after three years we are on the verge of being the first jurisdiction provincially or federally in Canada to introduce a balanced budget. I want members of this House to know that. That is under an NDP government.

The second point I want to make is in relation to the Reform member from Peace River. He made some comment about Bill C–57 and the amendments thereto and how he supports Bill C–57, which does not protect the interests of Canadians. He believes it should proceed because he believes in competition.

John Ralston Saul is the author of *The Doubter's Companion*, a book which members should pay some attention to. It is a dictionary of aggressive common sense in which Reformers are very interested. He defines competition as an event in which there are more losers than winners. Otherwise, it is not a competition.

(1350)

A society based on competition is therefore primarily a society of losers. Competition is of course a very good thing, he says. We cannot live in a complex society without it. On the other hand, if the principal relationship between citizens is based on competition what has society and for that matter, civilization been reduced to?

The purpose of competition is to establish which is the best. The best may be defined as any number of things: the fastest, the cheapest, the largest quantities. It may even be the highest quality. Unfortunately the more competition is unleashed the more it tends to eliminate quality as something too complex to be competitive.

Finally he says that the point of competition, if it is left to set its own standards is that only the winners benefit. This is as true in economics as it is in sport. A society which treats competition as a religious value will gradually reduce most of the population to the role of spectators.

Democracy is impossible in such a situation and so is middle class stability. That is why the return to increasingly unregulated competition over the last two decades has led to growing instability and an increasing gap between an ever richer elite and an ever larger poor population.

In final summary, competition in a middle class society must include the cost of middle class infrastructure. Hundreds of other factors create hundreds of other levels of competition. That is why in serious competition such as hockey or football there are strict regulations controlling time, movement, numbers, dress and language. Unregulated competition is a naive metaphor for anarchy.

What I want to say, thanks to Mr. Saul, is that the Reform Party wants competition in its purest form. If we have competition in its purest form, which I am not opposed to in a purest form society, we will have in essence anarchy. That is why we have Bill C–57 which establishes in continuity with the WTO some regulations on the playing field we are operating on on this globe.

I am saying that the government has to ensure that the playing field rules have fairness, equity and justice for Canadians as other countries are undertaking to provide for their own citizens.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, I just want to support my colleague from Louis–Hébert, who made an excellent speech. He explained very well his reasons for presenting this motion, which requires considering not only products made in the past but also those to come in the future. I find it rather strange that the government did not consider what may be coming down the road.

We know that technology is changing very rapidly and I do not see how the government overlooked this item. Fortunately, the parliamentary secretary is not looking at me any more, but he should be here to listen to me because it is quite important for him to hear—

The Acting Speaker (Mr. Kilger): Order. I appreciate the long experience which the member for Longueuil has, but I want to remind him that we must not comment on the absence of anyone in this House. I will therefore ask the member to stick to his speech.

Mr. Leblanc (Longueuil): Mr. Speaker, you are quite right. It was so important for me that I could not help saying it.

As you know, technology is changing very fast. The compact disks which we see today, that have just come on the market, may be obsolete in a year or two or three. If we do not consider future products, we are likely to have big problems.

For example, some experts say that technology will develop more quickly in the next ten years than it did in the past fifty. Just imagine how many products and machines will be invented. All kinds of inventions will be made just in the next ten years. So I think it would be a serious mistake not to recognize the motion from the member for Louis–Hébert, which says that future products must also be considered.

(1355)

That is why I wanted to reinforce the very good explanation given by the member for Louis–Hébert, but I still hope that the members here in this Chamber will inform those outside that this motion is really important.

I repeat, it is Motion No. 8, which says that future products and not just present products must be considered. I know that the hon. member near me has understood very well what I just said and that he will hasten to repeat it to his Liberal friends so that this motion passes, because I think it is very important for the future.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, Bill C–57 to implement the agreement establishing the World Trade Organization includes approximately 20 clauses dealing with copyright. Most of these clauses are designed to ensure that the

Canadian Copyright Act is in conformity with the Trade Related Aspects of International Property Right, the document that sets the WTO copyright rules.

On the whole, as necessary as they may be, these are nonetheless minor changes. They do however put into perspective the resistance to change and indifference of the Canadian government in terms of intellectual property, as evidenced by Clause 58, lines 5 to 8, on page 25 of Bill C–57. This clause establishes a new right, namely that of authorizing without consent the fixation and reproduction of the performer's performance. The wording of this provision is prima facie proof of how deeply anachronistic and antiquated the Canadian Copyright Act.

In poetic terms, one could say that in the beginning, there were the natural sounds of the elements: the crash of the sea, the whistling wind, the murmuring breeze, the rumble of falling rocks and the crackling of the fire. Then came the natural sounds of human and animal communication: bird songs, monkey grunts, a child's cry, the murmur of love, the African tam–tam. Less than a century ago, all sounds had to be heard live.

Through an evolutionary and creative process, the air is now filled with sounds recorded on records, tapes, CDs, videos, CD–ROMs. Unfortunately, it would seem that the Canadian Copyright Act remains frozen in time, around 1878 to be more precise, the year that Thomas Edison invented perforated roll recording.

Clause 58 of Bill C–57 is a clear, not to say glaring, example. It reads: ''to fix the performer's performance, or any substantial part thereof, by means of a record, perforated roll or other contrivance by means of which sounds may be mechanically reproduced—''

When he invented the phonograph, Thomas Edison thought that sounds could be fixed permanently to be reproduced.

The Speaker: Dear colleague, you can continue after Question Period.

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

STATEMENTS BY MEMBERS

[*English*]

LAST MOUNTAIN LAKE

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, in September an agreement was signed by the Government of Canada, Saskatchewan Wetlands Conservation Corporation, Ducks Unlimited Canada and Wetlands for the Americas

to work with one another and other organizations and individuals. They will maintain and enhance the Last Mountain Lake Western Hemisphere Shorebird Reserve Network Regional Site as a critical habitat for shorebirds.

Last Mountain Lake is the 25th site to be dedicated as a shorebird reserve in the western hemisphere and the third site in Canada. The two other sites are the Bay of Fundy in Atlantic Canada and Quill Lakes, Saskatchewan.

This action will contribute to the maintenance of the hemisphere's biological diversity and further educate people of the internationally significant natural resources Canada possesses to protect for future generations.

* * *

[*Translation*]

SITUATION IN BOSNIA

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, 55 Canadian peacekeepers are now surrounded by Serb rebel forces in Bosnia. It is not the first time Canadian troops find themselves in a difficult situation because of hostile acts by fighters in the former Yugoslavia.

Nevertheless, the illegal actions of Serb forces against international peacekeeping forces in Bosnia worry all Quebecers and Canadians. The Bosnian population is literally torn apart by the fighting that goes on, but it could suffer even more this winter without the presence of the peacekeepers.

Our soldiers are carrying out their humanitarian duties in the former Yugoslavia with courage and dignity, and the members of the Bloc Quebecois are very proud of them. The federal government and the international community must continue to provide them with all the support they deserve.

* * *

[*English*]

"KEEP MINING IN CANADA" CONTEST

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I would like to congratulate Sara McMillan of Fort McMurray for winning first prize in the eight year old and under category in the Keep Mining in Canada poster contest which was sponsored by the Canadian Institute of Mining and Metallurgy.

Sara's poster was entered by Syncrude Canada in my riding and was competing against posters from across Canada. Sara is in the gallery today along with her sister, mom, dad and grandmother.

I would like to ask my colleagues to join with me in congratulating Sara for winning such a prestigious award.

Some hon. members: Hear, hear.

S. O. 31

CHILD POVERTY

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, Campaign 2000 released disturbing statistics today. The number of poor children in Canada has increased to almost 1.3 million, an increase of 35 per cent since 1989. Campaign 2000 is a partnership of 51 organizations across Canada dedicated to promoting support for the all–party House of Commons resolution to eradicate child poverty by the year 2000.

Campaign 2000 reports that Canadian children today are more likely to be poor, to be dependent on social assistance, to use a food bank and to live in families where parents are unemployed.

As a society we must no longer tolerate this horrible plight faced by many Canadian children. As members of Parliament we must tackle the problem of child poverty.

I urge the Minister of Finance and the Minister of Human Resources Development to allocate more resources toward improving the dismal situation of child poverty. We must not sacrifice future generations in our attempts to reduce the debts of current generations.

* * *

GOVERNOR GENERAL

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I rise in the House to join with my colleagues in extending sincere congratulations to Romeo LeBlanc on his appointment as Governor General of Canada.

As a New Brunswicker and an Atlantic Canadian I must admit I am very proud of this appointment. I congratulate the Prime Minister on this wise and popular choice. Romeo LeBlanc is well respected in his home province of New Brunswick, in Atlantic Canada and indeed in all of Canada.

Romeo LeBlanc's appointment as the first Governor General from Atlantic Canada demonstrates the high esteem the government has for Atlantic Canadians and goes a long way in dispelling the many slurs recently heard against Atlantic Canadians.

I congratulate Romeo LeBlanc and the entire LeBlanc family on this very happy occasion.

* * *

IMMIGRATION

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, I rise out of concern with the continued attempts by members of the Reform Party to portray immigrants and refugees as criminals.

(1405)

As reported in a recent article in the *Montreal Gazette*, ''A Reform MP asserted that almost 25 per cent of refugee claimants have criminal records, when in fact all reliable figures place the rate at less than 2 per cent''.

By making statements like these, Reform members not only imply an inability to grasp the concept of decimal points but also imply an overzealous desire to paint refugees in a negative manner regardless of the facts.

It is disappointing that neither the member concerned nor his party has come clean and apologized for their mistake. In the name of integrity and honesty, I ask the leader of the Reform Party to apologize to the House for misleading Canadians.

* * *

[*Translation*]

POST–SECONDARY EDUCATION

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, the Liberal government is stepping up its attack on our higher education system, under the pretext of reducing government spending.

After trying to dismantle the Royal Military College in Saint–Jean, the government is now going after universities in Quebec and Canada. In this regard, the Quebec federation of university professors is concerned about social reform trends affecting the financing of post–secondary education.

The Minister of Human Resources Development is trying to make the people believe that his reform will benefit learning. On the contrary, the minister is sabotaging higher education at a time when, in an increasingly competitive international market, economic competitiveness clearly depends on the quality of human resources.

* * *

[*English*]

ELECTRONIC DEMOCRACY '94

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, next Monday and Tuesday a conference entitled Electronic Democracy '94 will be taking place in Toronto. You must have noticed that every time Reform Party members mention electronic democracy or initiative or referendum or recall, Liberal members enthusiastically demonstrate their opposition to such radical ideas.

It seems they have a redneck in their midst. The guest speaker with top billing at the conference next Monday and Tuesday is none other than the junior minister of science and technology. A sudden convert to real democracy, perhaps the member for

Portage—Interlake now realizes that the way the government ignores the will of the people is going to have to change to keep pace with the information age.

We clearly have a long way to go before all government members catch up with the times because so many of them are set in their ways. However, I am extremely pleased that the more forward thinking members among them have finally realized there is a need to reform our democracy.

* * *

VIOLENCE AGAINST WOMEN

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, fair and just treatment of all members of society is a cornerstone of a compassionate nation. In particular the House will agree with me that wife abuse should not and cannot be condoned in any form.

A victim of wife abuse should not be penalized further, as is the case of my constituent June Ann Sullivan Robinson. She has been ordered to leave Canada because her husband has withdrawn his sponsorship as a result of her complaints of wife abuse over a period of three years. He has since been convicted.

Ms. Robinson is a self–supporting woman with strong family ties in Canada. Her request to immigration officials to continue processing her application under humanitarian and compassionate grounds has been denied.

I am very concerned about the precedent set by this ruling. It sends a message that wife abuse is fair game for a sponsoring husband. I urge the minister to reconsider this policy in view of its far–reaching consequences.

* * *

JIM ASHTON

Mr. Joe Fontana (London East, Lib.): Mr. Speaker, I would like to pay tribute to a great Londoner, Jim Ashton, who passed away suddenly on October 25, 1994. His contribution to the city of London was immense for such a short life.

Jim became a member of the United Auto Workers in 1974 and in September of 1985 became president of CAW Local 27. Jim Ashton was elected president of the London Labour Council in October of 1988 and was re–elected to that position just prior to his death.

He was more than a union leader. He was a community and social activist who spoke his mind and stood his ground. He is survived by his wife Lucy and daughters Amanda, Jessica and Tanya, and his sister Susan Ashton of London.

He will truly be missed by all of us but his memory and contribution to the city of London will live forever.

(1410)

FRANK MCKECHNIE

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, it is a pleasure and a privilege to rise in the House today to acknowledge the contribution to municipal politics of one of my constituents, Mr. Frank McKechnie, who has the distinction of being one of the longest serving municipal councillors in Canada.

Mr. McKechnie has been elected by the voters of ward 5 a total of 16 times and has been a councillor for over 36 years. His service to Mississauga has been outstanding and his continued success at the polls illustrates the affection of his constituents and the trust placed in him.

I salute the continued electoral success of Mr. McKechnie and commend him on his service to Mississauga.

* * *

[*Translation*]

THE HONOURABLE ROMEO LEBLANC

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, I want to congratulate, on my behalf and on behalf of the residents of Madawaska—Victoria, the Honourable Roméo LeBlanc, who will become our new governor general in February. There is no doubt that Mr. LeBlanc is very qualified for the position.

He has always worked with dedication for a united and prosperous Canada. Mr. LeBlanc's appointment is an honour for the Atlantic provinces, for New Brunswick and for all Acadians and French–speaking Canadians. It is the first time that the governor general is a native of Atlantic Canada.

After 127 years of Canadian history, after the deportations of 1755, we are truly pleased, in this year of the World Congress of Acadians, by this historic appointment. This is the crowning achievement of the long and perilous road already covered and still to cover.

I wish the best of success to the Honourable Roméo LeBlanc in his role as governor general. I also want to thank the Prime Minister, the Right Honourable Jean Chrétien, for making an excellent choice.

* * *

NATIONAL DEFENCE

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, a second army doctor, Major Lee Jewer, has also stated that Canadian military authorities ordered the photos of Somalis beaten and tortured by Canadian peacekeepers to be destroyed. This confirms the statement made by Major Murray Armstrong

to the effect that military authorities had indeed ordered the destruction of incriminating evidence.

These new revelations demonstrate once again that the government must appoint, as soon as possible, a real commission of inquiry. If the Minister of National Defence really wants to shed light on the behaviour of Canadian military personnel in Somalia, he must take such action as quickly as possible, rather than wait for the conclusion of the current judicial proceedings. If this is not done, some important evidence will be missing, including incriminating photos, the existence of which is known.

The minister must reconsider his decision.

* * *

[*English*]

GOVERNMENT EXPENDITURES

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, during the election campaign, the Prime Minister waved around the red ink book and told Canadians that he had the plan. It is in fact the Reform Party that has the plan to deal with the country's deficit and debt.

In the presentation to the finance committee today, the Reform Party outlined $10 billion in specific expenditure reductions. This is the first phase of an updated zero in three plan to eliminate the deficit in three years. The presentation pointed out the absolute necessity of going beyond the government's 3 per cent target if we are to preserve Canada's fiscal integrity.

Unlike the government, whose fiscal plan will add $100 billion to the debt bringing the total to an astronomical figure of over $611 billion, the Reform Party's plan tackles the economic problems of the country in a responsible manner.

We have set out a clear time frame for eliminating the deficit and we challenge the government to do the same.

* * *

JUNIOR FOOTBALL CHAMPIONS

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I rise to acknowledge the accomplishments of the Regina Rams junior football team from Saskatchewan.

On November 11 the Regina Rams had a day to remember when they won their 12th national football championship against the St. Leonard Cougars in Montreal. It was their second consecutive Canadian junior football championship.

It came as no surprise to Regina fans to see their team win by a score of 52 to 6. The Rams lost only one of the 25 games they played this season.

Despite their excellent record, the Regina Rams Football Club is about more than winning. It teaches teamwork and gives to these young men an opportunity to develop confidence and maturity. I am proud of all these fine players.

I would also like to offer special congratulations to Coach Frank McCrystal for his leadership and to congratulate Darryl Leason, the offensive star player, and Randy Sorchensky, the defensive star player.

I ask all parliamentarians to join with me today to congratulate the Regina Rams on winning the Canadian Junior Football Championships.

* * *

(1415)

[*Translation*]

SENATOR JEAN–ROBERT GAUTHIER

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, the Prime Minister is to be commended on his judicious appointment of Jean–Robert Gauthier to the Senate of Canada.

Mr. Gauthier faithfully served Canada and his constituents in Ottawa—Vanier for 22 years. For many years he championed the cause of Canada's francophone minority as well as that of other minorities, all of which are part of Canada's cultural mosaic.

I am sure that Senator Jean–Robert Gauthier will continue to serve Canada faithfully and with passion. I would ask all members on all sides of the House, and especially the hon. member for Rosemont, to join me in congratulating our senator and wishing him the very best in the Upper House.

* * *

[*English*]

BLOC QUEBECOIS

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, I rise to challenge recent comments of the hon. leader of the Bloc Quebecois.

[*Translation*]

During the 1993 election, Bloc candidates said they would stay on as members of Parliament only up to the referendum. Yesterday, the Leader of the Bloc Quebecois said that the members of his party will stay even if the majority of Quebecers reject their party's mandate.

A member of the Parliament of Canada must realize that even if it is his duty to represent his riding, he must work for Canada first. Bloc members keep saying that Canada's institutions do not work.

If that is true—and it is not—why are they so determined to stay after a defeat in the referendum?

ORAL QUESTION PERIOD

[*Translation*]

SITUATION IN BOSNIA

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in retaliation for NATO air raids on their positions, the Serb forces have taken peacekeepers hostage, including 55 Canadians, in Visoko, all the while pursuing their offensive on the Muslim enclave of Bihac. In addition, some 1,200 peacekeepers under Canadian command are presently in a very vulnerable position as they find themselves besieged by Serb troops.

Can the Prime Minister bring us up to date on the situation of these Canadian peacekeepers being held hostage and the progress the UN is making in its negotiations with Serb authorities to have them released?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the Leader of the Opposition gave a very accurate account of the situation. Fifty–five members of the Canadian Armed Forces are presently detained near Visoko, in an area under Bosnian Serb control.

I have been informed that they are well, thank goodness, and that negotiations are under way between the Serbs and the Canadian commanding officer. I hope that the situation will soon be resolved.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, will the minister confirm the statement made by Brigadier–General Ashton, to the effect that Canadian peacekeepers may not be released for another four or five days?

Are we to conclude that this is the way the Serb forces have found to finish off their offensive on Bihac without further disruption from NATO raids?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I think that the Leader of the Opposition is quite correct in his analysis. I cannot say whether our troops will be released earlier than in four or five days. It is too early to tell.

[*English*]

It is somewhat premature to speculate on how long our soldiers will be detained. There is no question that it is tied in with the NATO air strikes. There is no question that there is an escalation of rhetoric and threat against UNPROFOR members in general but our personnel in particular. As I said a moment ago they are in good shape. There are negotiations going on between the Bosnian Serb authorities and the Canadian officers on the ground.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, will the minister indicate the position that Canada defended today at the NATO meeting, held in Brussels, regarding the advisability of new air strikes in order to discourage the Serbian forces from carrying out further attacks in Bihac? What are the risks that new raids would pose for the security of United Nations soldiers either held hostage or under siege?

(1420)

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in a difficult situation like this one I do not think we should speculate about the effects of further air strikes.

NAC was in session today in Brussels. We were engaged in those discussions. We are now being debriefed on the outcome, as to whether or not there is any change in the position of NATO in consultation with the United Nations. As soon as we have further information we will inform the leaders of the other parties.

* * *

[*Translation*]

POST–SECONDARY EDUCATION

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday, the Quebec federation of university professors sounded an alarm about social program reform, which it called an unprecedented threat to Quebec's education system. The federation estimates that the reform will result in a $721–million shortfall of cash transfers and also tax points, through the abolition of Quebec's special abatement.

In order to alleviate the legitimate concerns of Quebec's entire academic community, does the Prime Minister promise not to unilaterally review the agreement with Quebec that was negotiated under the Lesage government, which provides for a transfer of tax points to finance post–secondary education in Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we want every interested group to express its views on reform. All the elements raised by the hon. member will be considered by the committee reviewing the matter. Committee members will, I hope, have a chance to study the comments made by academics so that the recommendations to the government, in their report, will take everybody's interests into account.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, we note that the Prime Minister did not take the opportunity to reassure the academic community.

How can he justify his government's attack on post–secondary education when Canada's major challenge is to compete internationally with other industrialized countries by relying on increasingly well–educated people? How can he justify his position?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the hon. member should analyze the paper tabled by the Minister of Human Resources Development. He will realize that the government's intention is to find a way to make more money

available to universities. However, if people would rather maintain the status quo, we will consider that option.

But all members should be given the chance to analyze all relevant factors. The minister clearly intends to see how, in this era of budget constraints, we can find the extra money needed to allow more Canadians to take advantage of our excellent universities across the country.

* * *

[*English*]

FINANCE

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, today Reform members of the finance committee tabled a proposal for government spending and government spending cuts that totalled $9.4 billion, with the principles attached, all in areas of non–social program spending.

My question is for the Minister of State for Finance. When will the government be releasing for public discussion its own principles and proposals for dealing with federal public spending?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I thank the hon. member for finally seeing the Reform Party making some positive suggestions. I am delighted to see he has taken the advice of the Minister of Finance to make some positive suggestions.

We are very happy to consider those suggestions along with those of all other Canadians. I am delighted to see that the Reform Party has joined in the consultation process which it has criticized in the past. We will consider those suggestions along with those of everybody else.

If the Reform Party member does not realize it, the answer to his question is when we bring down the budget next February.

(1425)

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, it is interesting. We have the finance committee travelling round the country. Virtually every group and organization has presented proposals for the federal budget. And after a year we still have no fiscal policy from the Government of Canada.

Since the Minister of Finance appeared before the committee a month ago and admitted that his budget projections were all wrong, the Canadian dollar has lost over a cent in international markets and interest rates have risen steadily as a consequence.

I have a supplementary question. Does the government have any proposal for dealing with the deteriorating financial situation other than raising interest rates?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, the suggestion that we have no fiscal policy runs counter to the statement of the hon. member for Capilano—Howe Sound who gave the finance minister a 90 per cent mark.

Of course the government has a fiscal policy. We had a fiscal policy of bringing the deficit down to 3 per cent of GDP. We had that before we were elected and we have that now. The Prime Minister has maintained it and the Minister of Finance has maintained it.

That is our policy and we will do that in the third year of our mandate.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, the member for Capilano—Howe Sound gave the government good marks for realizing that all its fiscal assumptions during the campaign were wrong.

[*Translation*]

My supplementary question is for the same minister. The reason for the lack of confidence in the financial market is clearly the government's fiscal policy.

Does the minister admit that the goal of reducing the deficit to 3 per cent of GNP is completely inadequate in a period of economic growth?

[*English*]

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, we have never said that our target of 3 per cent of GDP in the third year of our mandate was a final result. We have said that is an interim target on the way to a balanced budget.

It is an interim target. It is achievable and we intend to get to that target of 3 per cent.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Prime Minister.

The Minister of Human Resources Development said yesterday that the technical papers on social program reform which he has tabled in recent weeks answer the concerns expressed by the Auditor General in his report. Nevertheless, at a press conference two days ago, the Auditor General said that several issues are outstanding, even though these additional documents have been presented:

[*English*]

Some information has already been published on that. I think there is a lack of credible evaluation of the effect or the results produced by those programs so far.

[*Translation*]

Can the Prime Minister tell us what he intends to do to answer the Auditor General's concerns about the incompleteness of the information which has been made public?

[*English*]

Hon. Ethel Blondin–Andrew (Secretary of State (Training and Youth), Lib.): Mr. Speaker, the committee has been travelling across the country as that is happening and undertaking the social security reform exercise.

There have been a number of technical papers put forward. Those papers have provided information that is very important to the way in which the social security reform is undertaken.

In relation to that also we have been listening to Canadians across the country through the committee. They have let us know what the effects have been on their lives and their communities. We are very sensitive to that and that will be integrated into the direction the government takes on the overall reform.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, only four of the nine technical papers on social program reform have been tabled to date, a few weeks before the consultation ends.

The Speaker: I would ask the hon. member to please not use accessories.

Mrs. Lalonde: Does the Prime Minister not agree that the consultation is thus being rushed because the only purpose of the reform is in fact to lower the federal deficit, despite what the finance minister said about social programs not being the cause of the deficit or the debt?

(1430)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am glad to see the opposition accuse us of going too fast with the reforms, and to see that it would rather maintain the status quo for all programs in Canada.

Mrs. Tremblay: That is false!

Mr. Bergeron: You have misunderstood! You are not listening!

Mr. Chrétien (Saint–Maurice): Mr. Speaker, I understood that we are going too fast, that we are too efficient, that we want to make changes, that we do not want the status quo, that we want to give the dignity of work to all citizens while the opposition prefers to maintain the status quo. The people of Quebec know very well that we want to see changes in Canada, while the members opposite are satisfied with the status quo. Very well!

[*English*]

BOSNIA

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Serbs have said: ''If you hit us, this means all out war''. Meanwhile 200 peacekeepers are being detained, including 55 Canadian troops. Clearly our peacekeepers are in imminent danger despite claims to the contrary. This is no longer a peacekeeping situation. Will the Minister of National Defence pull our troops out?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I think we have answered some of these questions before. This is a very dangerous situation in Bosnia and Croatia. We knew the risks. We are doing our job there. We have no intention of pulling our forces out. We have said that we want to see the peace process through. We do believe the safety of our forces is paramount in the final analysis.

At this moment in time thankfully they are in good shape. Negotiations are under way and I have every hope this situation will be resolved shortly.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, just two months ago the minister will recall that he renewed the six month commitment. I would like to quote from page 6087 of the September 23, 1994 *Hansard*. The minister said: ''if the situation on the ground changes or if the political or military situation calls into question the safety of Canadian troops or the usefulness of the UNPROFOR mandate''. This is clearly happening. Will the minister show leadership today and pull our troops out of this situation?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we stand by the statement made in terms of re–engaging our forces. We are not in that kind of a situation. I would only caution the hon. member that it is better in difficult circumstances like this to work together. We should not make this a partisan issue, but should work together to assess and evaluate the situation.

This government will do nothing that will endanger the lives of Canadians serving a very noble cause for the United Nations.

* * *

[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, my question is for the Minister of Natural Resources.

The minister admitted in this House that she was not interested in how the Hibernia project was managed. However, the Auditor General is interested in the issue and says that the

government does not have any evaluation mechanism to determine Hibernia's profitability.

Will the minister confirm the information contained in the Auditor General's report to the effect that her department does not have any means to evaluate the Hibernia project, in which the government is investing billions of dollars?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me reassure the hon. member across the way that this government is indeed very interested in the overall management of the Hibernia project. What I stated was that we are not involved in the day to day management decisions, the operating decisions affecting the project.

I have read that which the Auditor General has said in his report. The hon. member knows that to be fair he should point out that the Auditor General indicates we have gone a very long way to put in place systems to ensure this project is managed appropriately and that the taxpayers' money is spent effectively.

Let me suggest to the hon. member that we will continue to improve the mechanisms we have in place to ensure the taxpayers' money is spent effectively.

(1435)

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, the minister is omitting the fact that this evaluation mechanism will only be in place once construction of Hibernia is completed. Talk about control!

In this period of budget constraints, how can the minister explain to Canadian and Quebec taxpayers that she is sinking three billion dollars into a project without having any way of evaluating its profitability?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me make it absolutely plain that the Government of Canada does have an evaluation mechanism. The Auditor General suggested that we improve it and we are doing that.

* * *

THE DEFICIT

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, my question is for the Prime Minister.

This government has been asking for spending cut recommendations. Mr. Parizeau recently said that Canada's system of equalization payments is too generous and saps the initiative of Quebecers. Why does the government not hit two birds with one stone: Reduce the deficit by $3 billion and simultaneously stop sapping the initiatives of Quebecers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the statements of the Premier of Quebec are very interesting.

Yes, we probably could study his suggestion that we cut on transfer payments of that nature. However I think he has not thought it through completely. I could hit two birds and two home runs at the same time but I think that for the good of Quebecers it is better to keep equalization payments in place.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the Auditor General in his report noted that welfare and UI create dependency and add to unemployment in Canada. Does the Prime Minister recognize the opportunities for budgetary savings which arise from these facts?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Long before the report of the Auditor General, Mr. Speaker, we decided to have a reform to do that, to make sure that these moneys are used to create opportunities and training.

The main goal is not to make money to reduce the deficit. If we can do it at the same time it would be perfect. The main goal is to use our money better and help people get training and get a job so that they will become productive. That is exactly what the Minister of Human Resources Development is doing at this time. I am delighted he will have the support of the hon. member.

* * *

[*Translation*]

CANADIAN NATIONAL

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is for the Minister of Transport.

Pressed by the media, the president of CN, Mr. Paul Tellier, admitted yesterday during a press conference that three or four CN administrators enjoy the same benefits as he does, namely interest–free loans.

Since these interest–free loans are not mentioned in the annual information circular of the company, will the minister confirm the information given by Mr. Tellier, and will he tell us how many directors of CN enjoy this type of benefit, as well as the amount of taxpayers' money which is loaned in that fashion to these CN officers?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the hon. member is fully aware that yesterday we explained that the benefits granted to the CEO of CN and to its board of directors are an internal decision of the corporation. The salary is set by order in council.

As I suggested yesterday, the CEO of CN held a press conference and answered questions from the media, as I knew he would. If the hon. member has other questions, he should address them to the appropriate body, namely CN's board of directors.

(1440)

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, does the minister not agree that any amount of money loaned to senior officials of CN or any Crown corporation accountable to his department should be declared, so that the shareholders of these corporations, namely Canadian taxpayers, are aware of such practices?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, there is no doubt that there are rules to be followed in this type of transaction. As I have indicated on a number of occasions, the arrangements between the president of CN and the board is one that is subject to the controls that are internal to a crown corporation.

The rules as I understand them are that if any loans are made in excess of salary they have to be declared. That was the basis of the legal advice the president referred to yesterday. I have indicated in this House before that it is very, very complicated when you get into loans and acquiring homes in defining what the rules are, as the leader of the government in Quebec well knows.

* * *

FISHERIES

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, last July, Canada arrested two U.S. fishing vessels fishing Icelandic scallops beyond our 200 mile limit. At that time Canada's actions were described by the United States spokesperson as illegal.

Can the Minister of Fisheries and Oceans tell the House what action has been taken to resolve this disagreement with our friends in the United States?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I thank the member for St. John's East who has a powerful and passionate commitment to the livelihood of the fishermen of Newfoundland for raising this important question.

Yesterday the Government of Canada received a communication from the Government of the United States. It was by way of a diplomatic note in which the United States recognized fully and without reservation Canada's jurisdiction over Icelandic scallops both inside and outside the 200 mile limit.

NATIONAL DEFENCE

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, my question is for the Minister of National Defence.

Last week Major Barry Armstrong, a military doctor, released information indicating orders had been given to destroy certain photographic evidence. Last night Major Lee Jewer, another military doctor, confirmed that orders had indeed been given to destroy photographs showing a pattern of mistreatment of Somali civilians.

Has the minister asked Major Lee Jewer who issued the order to destroy potential evidence?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in view of the fact that we have announced an inquiry which will be open and which will be civilian, I do not think it is in the best interests of justice for me to join in these kinds of discussions.

I am concerned about the fact that another member of the Canadian Armed Forces has made a public statement without authorization. The hon. member should know that as a condition of service if individuals have something to communicate they communicate it through their superior.

I overlooked the rules last week because what Major Armstrong said was of such purport and seriousness that I believe he had the right as every Canadian citizen does to make this particular statement. Therefore, we called for an inquiry. We cannot have this matter tried on a daily basis in the newspapers, on television programs or here in the House of Commons. It has to go to the inquiry.

As a result I have directed the Chief of Defence Staff to inform members of the armed forces of the sensitivity of this matter and remind them of their obligations as members of the armed forces in the interests of justice. Hon. members opposite may not care about justice, but we on this side of the House do.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, the minister will know and the House is aware that the events in Somalia happened almost two years ago. Every time we get closer to having an investigation, pop, poof, somebody else gets charged and the investigation gets put back another six months. Two years have passed already. The circumstances of this case demand an immediate investigation.

(1445)

Further, Mr. Minister, members of the Canadian Armed Forces have a—

The Speaker: I wonder if the hon. member would put his remarks through the Chair and would the hon. member put his question, please.

Mr. McClelland: Yes, Mr. Speaker. The minister is aware that presently the lowest ranking soldier charged in the Somalia affair is convicted and in jail. This is the very individual who gave the first evidence to uncover—

The Speaker: I would ask that you put your question forthwith.

Mr. McClelland: Mr. Speaker, what specific action is the minister taking to ensure that others in the military feel free to come forward and provide evidence without fear of retribution?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, how clear do we have to be? There will be an open civilian inquiry and any member of the armed forces who has such information or concerns will have not only the opportunity to make those representations but the obligation to make those representations to that inquiry.

* * *

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, my question is directed to the Minister of Citizenship and Immigration.

Last Thursday, the minister granted a two–week stay of proceedings to have time to review the case of Mrs. Sabadin and her two children. If he does not revise his decision, Mrs. Sabadin and her two children will be deported to the Seychelles, where her husband has threatened to kill her as soon as she returns.

Three days before deciding to stay deportation proceedings, the minister wrote me the following, and I quote: ''I have personally reviewed Mrs. Sabadin's case. This review has revealed no overriding reasons that would justify taking exceptional measures''. Why did the minister change his mind three days later?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I think it would be inappropriate to delve into the specifics of one case. However, I think the hon. member should know, because one of his colleagues asked the question some time ago, that the decision was to stay the deportation so that a proper and full review may be conducted.

The member and his colleague have been asking if I would basically prejudice that review and make a guarantee on the basis of how that review would go. I think that would be an inappropriate action for a minister of the crown.

Second, let us allow the review to properly function. We have as good a system as anywhere in the international community. If new evidence is brought forward that will be dealt with accordingly.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, does the minister agree he made a serious mistake in the case of Mrs. Sabadin and why will he not admit there are overriding humanitarian grounds for immediately cancelling the deportation order?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I do not know why members of that party continue to put down a generous progressive system in this country.

The individual in question applied for humanitarian and compassionate consideration. That consideration was extended. That extension is now undergoing a full review of this individual's case. Now this member is trying to somehow say that the system or the government is doing the wrong thing.

The system is proceeding well. The system is compassionate and it is time we say so instead of always running a Canadian system into the ground which it clearly does not deserve.

* * *

GOVERNMENT OF CANADA

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, this government promised Canadians that it would do things differently but after only one year I cannot really tell the difference between it and the Mulroney government.

The president of CN has received a $300,000 interest free loan to live in style in Westmount courtesy of the Canadian taxpayer. The National Capital Commission, which has already rifled the public purse for its chairman's social club dues, is spending $2 million on office renovations, and Liberals across the country are lining up for patronage appointments.

My question is for the President of the Treasury Board. When will these lavish expenditures stop and when will this government realize that it is not its money that it is spending?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, if she cannot tell the difference between this government and the Mulroney government she clearly needs glasses. Maybe the glasses would help her to see that this government is taking every measure in its first year in office to ensure the cost effectiveness, the efficiency of the programs and the spending of taxpayers' dollars.

(1450)

We will not tolerate the inefficiencies. We will not tolerate the wasteful spending of the previous federal government. That is what this government is committed to doing.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, when I was here at the beginning of the last Parliament, the Tories were high in the polls too. This first year is over.

When the president of CN was asked about possibly ending a few of his lavish perks, he responded: ''Are you saying that as a result of downsizing all of us in the executive ranks should reduce our compensation by 10, 15 or 20 per cent?'' You bet, that is exactly what we are saying and we proposed that this morning to the finance committee.

When will this government start to lead by example and not lead by the nose?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, maybe the example could be set by her leader. He might want to cut out the clothing allowance and save some money over there.

This government is reviewing the programs and the services that are offered to Canadians because we know that we have to make our programs efficient and effective to be able to reach the 3 per cent of GDP target which is our target to bring down the deficit and to make sure that we have affordable and responsive programs and services to the people of this country.

* * *

REFUGEES

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

The Hong Kong government has admitted that 142 Vietnamese refugees were injured in a forced repatriation operation at the end of September. There is also a proven risk to the safety of these refugees returning to Vietnam.

Could the minister inform us of what actions the Canadian government is taking to ensure the fair treatment and safety of Vietnamese refugees in southeast Asia?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I thank the member for his question.

The House should know that in 1989 with respect to the Indo–Chinese refugee crisis, the international community came together and signed a comprehensive plan of action to which Canada was a signatory and continues to be a member of the steering committee.

There were two obligations under the United Nations for that comprehensive action plan. One was to repatriate those found not to be convention refugees back to Vietnam and, second, for those who were found to be convention refugees to resettle them abroad.

On the latter, since 1989 Canada has accepted some 20,000 individuals. All screening and all repatriation is done under the auspices of the United Nations. Generally it could be said to have been a very worth while and very successful international comprehensive plan that has repatriated safely from 60,000 Indo–Chinese refugees back to Vietnam.

* * *

[*Translation*]

INDIAN AFFAIRS

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is directed to the Minister of Indian Affairs. The price of food in remote areas of Northern Quebec and the Northwest Territories is so high that it is practically impossible for residents, most of whom are Inuit, to eat properly. Today, an Inuit in the far north pays twice as much for the same basket of groceries as we do here in the south, while his average income is much lower.

Could the Minister of Indian Affairs explain why, despite the fact that $14 million is spent annually on subsidizing the distribution of food in the far north, a person who lives in that area always has to pay twice as much for his food as people in the south?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, once again I totally agree with my friend. He has a perception of my portfolio that I sometimes find lacking in other members of this House.

He has pointed out the cost of food mail. A gallon of milk in Nunavut is $12. There is nutrition that does not exist. We have $14 million in food mail. I do not think it is enough and I for one will fight within my ministry and other ministries to improve that.

Mr. Solberg: Increase spending.

Mr. Thompson: That's right, spend more.

Mr. Irwin: Go and see for yourselves instead of sitting here making smart remarks. The issue is not so much self–government in Nunavut. It is bringing education, it is handling 14–year old children who have children, it is bringing nutrition, it is bringing the future and that is what we are committed to.

(1455)

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, one wonders whether the minister saw my question beforehand, because he used exactly the same example I will give you now.

How can the minister accept the fact that an Inuit has to pay up to $12 for 3 litres of milk in the far north, while his department is still looking into the matter instead of coming up with some answers?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I started off this term hoping that I would turn my hon. friend into a lovable and committed federalist. Since he is using my answers for questions, I think I am 60 per cent there.

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AIR ATLANTIC

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, my question is for the Minister of Industry.

Air Atlantic creditors vote on Monday to determine whether they will accept the company's restructuring proposal or be forced into bankruptcy. Apparently most of the creditors are in agreement with the restructuring proposal and have declared so. The sole exception is the Government of Canada that has not given its public indication of its position. Rejection of the restructuring proposal means the bankruptcy of the company.

Will the Minister of Industry today please advise the House and through this House the employees and creditors of the position of the Government of Canada to the restructuring proposal.

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I appreciate the question because it gives me an opportunity to make clear that first of all Industry Canada is really an insurer of certain of the debt which is involved in this transaction. The creditors themselves have a vote. Industry Canada will not be voting with respect to it.

I have directed my officials to retain a neutral position on the proposal because I believe that it should be examined by the creditors with a view to its commercial viability. That is the test they should apply in their own best interests. If that test passes then we will be happy to see the airline continue on the basis of the proposal.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I commend the Minister of Industry for his frank and forthright answer. I am very pleased indeed that the minister will take a neutral position.

Does this mean that the creditors will have sole discretion as to their vote on the restructuring proposal without interference by a government official or a representative of the department?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, that is exactly the intention which I intended to convey by my first answer. There will be no interference from us. I expect the creditors to evaluate their own positions and vote accordingly.

* * *

GOVERNMENT APPOINTMENTS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, my question is directed to the Deputy Prime Minister. In its attempts to reduce costs the federal government has on occasion dealt with the public service job vacancies by not replacing them on the basis of attrition.

My question has to do with the recent appointments to the Senate, apparent worthy appointments. I am just wondering if the Deputy Prime Minister would suggest to the Prime Minister that in the interest of saving costs around this place, perhaps the Senate should be treated the same way as the public service and that vacancies be treated as not filled by attrition.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, there is a slight problem with that logic. I think the member would certainly recognize that he does not want to leave the Senate with a majority of Mulroney appointees.

* * *

CANADA DEVELOPMENT INSURANCE CORPORATION

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, my question is for the Secretary of State for Financial Institutions.

In a report released on Tuesday the Senate banking committee recommended that the $60,000 guaranteed deposit by the CDIC be reduced from 100 per cent coverage guaranteed to a lower level where depositors, that is Canadians, would assume more risk and the banks less.

Can the Secretary of State tell us if the government is prepared to implement these changes and why?

(1500)

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I know the hon. member's interest in the subject. The Senate committee has reported recently. We have looked at the proposals it has made, some 42 of them. One was the recommendation for a partial co–insurance clause. That is something we will have to consider very carefully.

A number of other recommendations it has made are very positive ones. That one is going to be carefully considered. We would certainly not consider implementing co–insurance without careful consultations with all stakeholders and reference to the House.

PRESENCE IN GALLERY

The Speaker: I would like to draw to the attention of hon. members the presence in the gallery of Mr. Vilém Holan, Minister of Defence of the Czech Republic.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

ELECTION OF SPEAKER

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I rise today on a point of order following the Prime Minister's comments during question period yesterday on the results of the election of the Speaker.

Standing Order 3(6) states:

> The Clerk of the House shall, once all members wishing to do so have deposited their ballot papers, empty the box and count the ballots and being satisfied as to the accuracy of the count, shall destroy the ballots together with all records of the number of ballots cast for each candidate and the Clerk of the House shall in no way divulge the number of ballots cast for any candidate.

In reference to the hon. member for Ottawa—Vanier, the Prime Minister stated yesterday, and I quote from page 8170 of *Hansard*:

> —Mr. Speaker, that it was by two votes he did not become the Speaker. A lot of people thought we had two great candidates and he lost by only two votes.

In so doing the Prime Minister left the impression that he was in possession of information that is supposed to be secret. By making these comments the Prime Minister has called the whole process into question. I merely want to ensure that the rules of the House were adhered to and that the Standing Orders were not compromised.

I would therefore ask the Prime Minister if his comments were purely—

Some hon. members: Oh, oh.

The Speaker: I take the point of order seriously.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, in his absence the Prime Minister asked me to transmit to the House that he was basically reflecting on the fact there were two votes. I think everybody who watched the votes in the House that day realized there were actually two votes.

Some hon. members: Oh, oh.

The Speaker: I do not want to get into a debate on the particular matter. Is the hon. member rising on the same point of order?

Mr. Hermanson: Mr. Speaker, even in your own response which is also recorded in *Hansard* you said—and I am not quoting exactly—that this was the first time you realized how many votes you won by.

Obviously the Prime Minister needs to do some explaining in the House.

The Speaker: Order. Of course I should not have intervened like that. What really surprised me is that I have not met a member yet who has not voted for me.

I will take both statements under advisement and if it is necessary I will come back to the House.

(1505)

STATEMENTS BY MEMBERS

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, in Statements by Members under Standing Order 31 the hon. member for Vancouver South said that the leader of the Reform Party should apologize for misleading Canadians.

Under citation 489 of Beauchesne's it is unparliamentary language to use the words misleading the public. I would ask, Mr. Speaker, that you also rule in this case and perhaps ask the member to withdraw his statement.

The Speaker: I will have a look at the blues. Generally speaking the word misleading could be inadvertent. If we use the words deliberately misleading they would surely be out of order. I will review the blues.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I would like to ask my hon. colleague, the Secretary of State, the usual question put to him on Thursdays as to what the legislative agenda will be for the next few days?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, this afternoon, and tomorrow if necessary, we will pursue consideration at report stage of Bill C–57, the World Trade Organization Implementation Act.

[*English*]

We will follow this with report and third reading stages of Bill C–55, the Yukon surface rights legislation.

Since early autumn the Standing Committee on Finance has been conducting for the first time in history formal public prebudget consultations. On Monday and Wednesday next week members of the House will have the opportunity of making their own contributions to the work of the committee. They will be

able to give their own views on public discussions about the next budget and debate in the House a motion to take note of this process and to give the committee an additional week to complete its report.

On Tuesday we hope to debate third reading stage of Bill C–57 and to commence second reading debate of the income tax amendments introduced this morning.

* * *

[*Translation*]

POINT OF ORDER

REVIEWING CANADA'S FOREIGN POLICY—SPEAKER'S RULING

The Speaker: Order! I am now ready to rule on the point of order raised by the hon. member for Roberval on November 16, 1994, concerning the format of the Report of the Special Joint Committee Reviewing Canada's Foreign Policy.

I would like to thank the hon. member for his intervention, and to thank the former member for Ottawa–Vanier and co–chair of the special joint committee, the chief government whip, the member for Kindersley—Lloydminster and the Parliamentary Secretary to the Government House Leader for their contributions to this discussion.

In his submission, the hon. member for Roberval requested that the report of special joint committee be ruled out of order for a number of reasons. First he noted that Standing Order 108 provides that dissenting opinions be appended after the signature of the Chair and argued that printing dissenting opinions in a second document breached the provisions of the Standing Order.

Further, he argued that, although the committee had agreed to append dissenting opinions to its report, no decision was taken by the committee to print the report in the format in which it was tabled. He therefore went on to request that the report be reprinted in a single volume.

[*English*]

The House has a relatively recent practice of allowing committees to include dissenting opinions in the reports. In 1991 Standing Order 108 was amended to permit standing committees to ''report from time to time and to print a brief appendix to any report after the signature of the chairman containing such opinions or recommendations dissenting from the report or supplementary to it as may be proposed by committee members''.

(1510)

Also in 1991, Standing Order 35(2) was added to permit a representative of the official opposition to give a succinct explanation of such dissenting opinions when the committee report is tabled. These changes made explicit the House practice with regard to dissenting opinions in the committee reports.

As the hon. Parliamentary Secretary to the Government House Leader noted, a close reading of these standing orders reveals that the provisions of the rules refer only to standing committees of the House.

A review of the 20 reports tabled with dissenting opinions since these rules were adopted in 1991 reveals that four have been from special committees. Three of these four reports were presented in the House and on these three occasions a representative of the official opposition rose to comment, pursuant to Standing Order 35(2).

It appears that it has become our practice to apply Standing Order 108 to special committees and there has been heretofore no challenge to such a practice. So, unless the House directs otherwise, the Chair does not intend to intervene on that point.

The wording of Standing Order 108(1)(a) is very clear. First, it allows a committee to print opinions or recommendations that dissent from a report or are supplementary to it. It specifies that such an appendix is to be printed after the signature of the chairman. It specifies that such an appendix must be brief and brief means short and concise.

The standing order does not allow for minority reports. Regardless of how the media or members themselves may label such dissent, the House has never recognized or permitted the tabling of minority reports. Speaker Lamoureux twice condemned the idea of minority reports, explaining to the House that what is presented to the House from a committee is a report from the committee, not a report from the majority.

I would draw the attention of members to the rulings of July 24, 1969 at pages 1397 to 1399 and March 16, 1972 at pages 194 and 195 of the *Journals*.

[*Translation*]

If members of this House or parties in this House wish to disseminate their views on a matter, they are free to find their own way of doing so. This Standing Order does not exist to provide a convenient vehicle for publicizing a different or alternate report on a subject matter.

With the exception of the provisions of Standing Order 32(4) requiring that documents be table in both official languages, the rules of the House are silent on questions relating to the format of a committee report. These questions are largely left in the hands of the committee.

In the past, committees have allowed their chairs considerable latitude as to the format and presentation of special cover reports to the House. Perhaps in this case we have discovered the limits to such latitude and the lesson for all is that committees

themselves will have to decide these matters in advance of the printing of the report.

Committees must be careful to assume their responsibilities in this regard: they cannot heedlessly go forward without deciding such specific matters as the relevance and brevity of dissenting opinions and the form in which these will be appended to the printed report.

[*English*]

For example, the Special Joint Committee on Canada's Defence Policy presented a two–volume report some weeks ago with the dissenting opinions contained in volume one after the signatures of the co–chairs. This was in conformity with a very explicit motion adopted by the committee to include the dissenting opinions in volume one. But the publication of committee reports in more than one volume is a new phenomenon and this may have contributed to our present difficulty.

(1515)

[*Translation*]

The Standing Joint Committee Reviewing Canada's Foreign Policy also adopted a motion to append dissenting opinions to the report, but the committee minutes reveal that the only motion specifically speaking to the question of format is one requiring that the report be printed in a bilingual tumble format. Futhermore, the motion authorizing the printing of dissenting opinions is phrased in general terms and this too may have contributed to the current imbroglio.

The Chair concludes that the report as presented meets the spirit of the Standing Order and that it should be accepted as tabled. While supplies last, the report will continue to be distributed in its present two–volume format. However, I am of the opinion that the report does not meet the letter of the Standing Order. Therefore, should a reprint be required, I am instructing my officials to ensure that the dissenting opinions of the Official Opposition and Reform Party be printed after the signatures of the co–chairs in the same volume.

[*English*]

The terms of the standing orders which allow for the printing of dissenting opinions must be carefully observed and it is the duty of committees to ensure their observance. To avoid any future confusion, the Chair expects that all committees will ensure by means of explicit and carefully worded motions in keeping with the terms of Standing Order 108(1)(a) that their members are perfectly clear as to the format in which their reports will be presented to the House.

I thank all members for their interventions and I hope that this clarification of Standing Order 108(1) will be useful to the committees of the House.

GOVERNMENT ORDERS

[*Translation*]

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

The House resumed consideration of the motion and of the amendment.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, I continue my statement on the amendment moved by my colleague for Louis–Hébert to amend clause 58 of Bill C–57.

Clause 58 of Bill C–57 is eloquent, not to say blatant, on this subject. I quote paragraph (*a*):

> (*a*) to fix the performer's performance, or any substantial part thereof, by means of a record, perforated roll or other contrivance by means of which sounds may be mechanically reproduced,

In inventing the phonograph, Thomas Edison thought that sounds could be permanently recorded for reproduction. Personally, I think that the Canadian government thinks that the Copyright Act is and must remain permanently recorded on obsolete media.

Here is a very small example illustrating how outdated Canada's Copyright Act is. The cultural community in Canada and Quebec is still waiting for a real review of this law passed in 1926, which has been only slightly amended since 1988.

Unfortunately, it is only because of economic imperatives arising from multilateral trade agreements to which Canada is a party that Canada is concerned about the cultural development of Canadians and Quebecers.

The Union des artistes, which appeared before the Committee on Foreign Affairs and International Trade studying Bill C–57, is very explicit on this subject. I quote: ''At a time when digital technology is breaking down the old distinctions between various audio and audio–visual media; at a time when direct satellite transmissions and the information highway will redefine how our works are consumed and used, Canada is still protecting its creative artists and defending its culture with measures imposed on it because it signed international trade treaties».

(1520)

Continuing on this route is unthinkable.

The amendment presented by my colleague from Louis–Hébert would simply modernize and update an obsolete, antiquated law and at the same time give our artists a minimum of protection, and I do mean just a minimum.

Let us hope that Quebecers will soon have an opportunity as well to rejuvenate their political system and adapt it to new realities and to get rid of the outdated structures of Canadian federalism.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, we recommend that this amendment be rejected because we have problems with it.

First, the new expression would be inconsistent with clauses 2, which includes the definitions of ''plate'' and ''producer'', as well as 5.4 and 5.5, which refer to ''a record, perforated roll or other contrivance by means of which sounds may be mechanically reproduced''. Second, it would therefore be difficult to apply in a consistent manner these provisions, if we were to use the new expression contained in the motion.

I should also point out that Canadian jurisprudence gives a rather wide interpretation to the current wording. Therefore, although the expression is somewhat archaic, it does include new technologies.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I am pleased to have this opportunity to address the motion tabled by the hon. member for Louis–Hébert.

It is strange and almost sad to amend the archaic and obsolete Copyright Act because we are forced to do so when dealing with a bill which indirectly affects it, as the hon. member for Laval East pointed out.

If I were sitting here at the end of the Second World War and reviewing this bill to implement the Agreement establishing the World Trade Organization, I might feel comfortable with clause 58(a), which reads:

> (a) to fix the performer's performance, or any substantial part thereof, by means of a record, perforated roll or other contrivance by means of which sounds may be mechanically reproduced,

Indeed, if I were debating this bill at the end of the Second World War, I might feel comfortable with this clause, although the perforated roll was already somewhat obsolete at the time.

Now, more than half a century later, the government tables a bill to implement the agreement establishing the successor of the International Trade Organization, namely the World Trade Organization, and we still have an archaic and obsolete provision.

In this era of high technology such as optical fibres and laser techniques, the government is talking about the perforated roll. The parliamentary secretary said that, according to existing precedents, new technologies are included in this clause of the bill.

(1525)

Mr. Speaker, I do not see why the government refuses to modernize the wording in the very simple way proposed by the hon. member for Louis–Hébert, a way that allows for any new technology. We know that technology changes very quickly. As I said earlier, today it is fibre optics and lasers, but what will it be tomorrow? Will we have to change the legislation again to include new technology?

I consider that we have to allow for any technological change that might apply in the future to sound reproduction, and even image reproduction, although the bill is rather vague on that. I suppose that the parliamentary secretary will tell us that it includes sound reproduced with picture.

At the time of the Second World War, the reproduction of sound and picture was not all that common. There has been a tremendous technological evolution and the technological changes are not even considered by the legislation as presently drafted.

The proposal of my colleague for Louis–Hébert is very simple. It is the result of submissions made to us by artists and creators, more specifically by the Union des artistes, which appeared—which took the time to appear—before the Standing Committee on Foreign Affairs and International Trade, to voice its concerns, concerns which are the bare minimum and quite far from what they would really like to see in a piece of legislation. I am glad that the Minister of Canadian Heritage is present. We are talking about amendments to the Copyright Act in an indirect fashion, through changes to Canadian legislation brought about by the signing of the Uruguay Round Agreement, or the creation of a Department of Canadian Heritage.

When are we going to amend the Copyright Act to bring it up to date? The government does not have the political will to do so. Absolutely not. The old Copyright Act is being amended in a roundabout way through other legislation. It is absolutely unacceptable.

Could it be that the present Minister of Canadian Heritage does not have the necessary clout with his colleagues to have the Copyright Act amended as it should be and as the artists are demanding? I am very sorry to see, following the speech by our colleague, the Parliamentary Secretary to the Minister of International Trade, that our government colleagues intend to oppose this proposed amendment which, after all, is rather innocuous, but affects writers, authors and performers in a fundamental way. It is at their request that we are proposing this amendment which is, I could not stress it enough, very important for them.

However, as I mentioned before, what they would like to see is a comprehensive review of the Copyright Act. But in the absence of real political will, in the absence of a minister who would truly stand up for them, in the absence of any reform of the Copyright Act, this piece of legislation should at least be adapted to today's reality.

I hope that the government members will not prove to be close–minded, that they will not choose to oppose this amendment, otherwise we will have to conclude that they lack openness and concern for the needs of the industry, and that they do not take into account the new technology. It will be a pity if the

government chose to oppose this proposed amendment just because it did not originate on its own side.

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

Some hon. members: Question.

(1530)

The Acting Speaker (Mr. Kilger): The question is on Motion No. 8, standing in the name of Mr. Paré. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

Pursuant to Standing Order 76, the recorded division on the proposed motion stands deferred.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

Motion No. 9

That Bill C–57, in Clause 103, be amended:

(a) by replacing lines 31 to 33, on page 54, with the following:

''paragraph (d) and by adding the following after paragraph (e):''; and

(b) by replacing lines 41, on page 54, with the following:

''plies; or

(g) to restrict the importation of goods made, or containing components made in contravention of International Organization Conventions numbers 79, 90 and 138 regarding child labour.''

[*Translation*]

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, if I am not mistaken, I have the unanimous consent of this House to move, seconded by the hon. member for The Battlefords—Meadow Lake:

That Motion No. 9 be amended by deleting the words:

''by children under the age of 16'' and replacing these words by the following: ''in contravention to International Law Association conventions Nos. 79, 90 and 138 concerning children's law''.

The Acting Speaker (Mr. Kilger): If the hon. member for Terrebonne would be so kind as to assist the Chair by way of an explanation. Is consent requested to change the text immediately or rather to add an amendment to the motion?

Mr. Sauvageau: Indeed, Mr. Speaker, it is with pleasure and emotion that I present this amendment to an amendment, because the way it was originally worded, proscribing—

An hon. member: That is not an amendment to an amendment.

Mr. Sauvageau: A change to an amendment—

The Acting Speaker (Mr. Kilger): Then this is a motion to change the text, is it not?

Mr. Sauvageau: That is correct, Mr. Speaker.

[*English*]

The Acting Speaker (Mr. Kilger): Does the member for The Battlefords—Meadow Lake care to comment on this? It is clear to the House then that in fact we are changing, modifying the text to the motion?

(1535)

Mr. Taylor: Yes, Mr. Speaker, that is as I understand it. We are changing the text of the motion in front of us today. It is with my full concurrence.

The Acting Speaker (Mr. Kilger): Finally now, if I could ask then, does the House give its unanimous consent to change the text of the motion?

Some hon. members: Agreed.

[*Translation*]

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, as my hon. colleague pointed out, it is indeed in the best tradition of goodwill displayed on Thursdays, and I thank my colleague from the NDP for his support and good work ensuring this change could be made.

First, we are opposed to the original motion to amend that refers to restricting work done by children under the age of 16. The reason being that it could be somewhat prejudicial to certain persons. There are Liberal members who have told me: ''This is great, but if little boy or little girl work with me on the farm, that does not necessarily constitute exploitation of child labour''. If a paperboy or girl or anyone else has a craft, business or family activity, it is not necessarily exploitation.

One of the reasons for changing the text before us is that we understand that some children may want to gain work experience in extremely favourable conditions or students may wish to work in the field, so to speak, to increase their chances of

finding a better job later in their lives. But to restrict any work done or the importation of any components made by children under the age of 16 might, for one thing, make it obviously difficult to enforce the legislation, as well as be prejudicial to children who want to learn, who are simply interested in experiment with a new job.

I also move this amendment in a somewhat special context. As you know, National Child Day was celebrated last week. I was invited by a high school in my riding to attend a demonstration to remind international leaders of the commitments they made in writing only four years ago in New York at the UN international convention on children's rights.

They told me about some of the promises that were made. They quoted seven of the 24 promises. I will tell you about some of them in a moment. None of the promises—which dealt with child malnutrition, exploitation and conscription—even came close to being kept. None of the almost 150 countries, including Canada, that signed these promises showed the will and rigour to implement them.

The students at Paul–Arseneau high school who invited me asked me to mention it in this House. Since I was waiting for the opportunity—I also have a petition on this subject I should table in this House before long—with today's proposed amendment to this bill, I, as a member of Parliament, become the representative of these 1,200 students who have asked me and other parliamentarians who sign papers and make commitments to honour them. These promises were made four years ago.

I will repeat to you some of what a 12– or 13–year–old student told me: ''Everyone knows that people sometimes forget things. It happens to us when we are taking exams. It can also happen to our government leaders. All of us here today—I remind you that there were 1,200 of them—want to help them remember. That is why we all signed a giant petition to remind the Prime Minister of Canada of the government's promises at the World Summit for Children that was held at the United Nations Headquarters in New York four years ago. All promises made should be kept. People should keep their word.'' And I think we are here to lead by example.

* * *

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Kilger): Sorry to interrupt the hon. member.

I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill C–50, an act to amend the Canadian Wheat Board Act.

THE ROYAL ASSENT

(1540)

[*English*]

The Acting Speaker (Mr. Kilger): Order. I have the honour to inform the House that a communication has been received as follows:

Government House
Ottawa

November 24, 1994

Mr. Speaker:

I have the honour to inform you that the Honourable Charles Gonthier, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General will proceed to the Senate chamber today, the 24th day of November, 1994 at 3.30 p.m., for the purpose of giving royal assent to certain bills.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, the Speaker with the House went up to the Senate chamber.

(1550)

[*Translation*]

And being returned:

I have the honour to inform the House that when the House went up to the Senate chamber, the Deputy Governor General was pleased to give, in Her Majesty's name, the Royal Assent to the following bills:

Bill C–25, An Act to amend the Canadian Petroleum Resources Act—Chapter 36.

Bill C–11, An Act to amend the Excise Act, the Customs Act and the Tobacco Sales to Young Persons Act—Chapter 37.

Bill C–49, An Act to amend the Department of Agriculture Act and to amend or repeal certain other Acts—Chapter 38.

Bill C–50, An Act to amend the Canadian Wheat Board Act—Chapter 39.

GOVERNMENT ORDERS

[*Translation*]

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

The House resumed consideration of the motion and of the amendment.

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, this is the first time that I have seen such a thing and I am somewhat surprised, I admit. I shall try to continue my speech without laughing too much about what just happened.

An hon. member: Many things here are out of date.

Mr. Sauvageau: So I was saying—Someone whispered that not just the previous amendment was out of date, but I have respect for our traditions.

Some hon. members: Oh, oh!

Mr. Sauvageau: I told you earlier that I would quote some of the 24 promises made in New York about respecting children's rights in the world. I have only three to quote so that you can understand why international conventions should have priority over wording that says ''under 16 years''. I shall read you commitment 18 made by Canada and about a hundred other countries that signed this international agreement. Article 18 says that children's welfare requires political action at the highest level. I think that means us here. We are determined to take such action. However, it does not say when. But there was no political will to act on it.

Commitment 19 says that this declaration is a solemn commitment to give high priority to children's rights, survival, protection and development. This would also ensure the welfare of all societies. I repeat, it mentions a solemn commitment to give high priority, but it does not say when. It still has not happened today.

Commitment 20 is divided into several points. I will tell you about part of the seventh one, which refers to helping child refugees establish new roots in life. States would also strive to ensure the social protection of children who work and promise to abolish illegal child labour. Efforts would be made to prevent children from falling prey to the scourge of illicit drugs. This part also attaches the greatest importance to children's rights.

Where my text would amend article 38 of the Child Labour Convention is in item 1. You do not have to look very far in the Convention to find where it states that State Parties shall adopt a national policy to effectively abolish child labour and to progressively raise the minimum age for admissions to employment or work at a level that would allow teenagers to reach their full physical and mental potential. Yes, children can work, but only in conditions where they will have hope and be able to physically and mentally develop. They should never be exploited.

Earlier this week, we had some good news. We learned of the creation of the International Children Tribunal, and one of the two co–founders of this Tribunal said that she saw last summer a movie where children in chains were producing goods. We saw an excerpt of this movie on the news when the creation of the Tribunal was announced. We saw children in chains working to produce luxurious goods currently in use in Canada and the United States. So, we have to ask ourselves: Can our supposedly developed society allow countries to exploit children and make them work in awful conditions to produce goods we will use?

(1555)

So, I support this bill, with a minor change to the motion, because we should keep our words and fulfil our commitments.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I am pleased to be able to speak on the motions amending Bill C–57 and in this case, Motion No. 9. We are happy to consent to the change made by the hon. member from the Bloc who spoke thoughtfully in support of not only his amendment but of the motion. I am very pleased to know of the growing support for the idea that has been put forward here.

The purpose of the motion is to ensure that as Canada joins the World Trade Organization, it creatively addresses the problem of child labour, one of the most troubling aspects of the new international trading order.

It amends the Export and Import Permits Act to allow the government to introduce regulations to restrict the importation of goods made in whole or in part by children, contrary to international guidelines.

Many observers of the trend of globalization have noted that the more we leave the multinationals to seek out the lowest labour costs in the unregulated labour markets of developing countries, the more globalization tends to become a race to the bottom. Armies of young children around the developing world already find themselves at the very bottom. They work long hours at punishing work in atrocious conditions for a pittance. They are thereby deprived of an education which is their right under the UN charter.

In many instances, such children are indentured into virtual slavery. The numbers of children involved and the conditions they face are staggering. It is estimated that 300,000 children work at hand knitting carpets in India while two–thirds of the workforce in Nepal's 600 factories producing rugs for export are children under the age of 15.

According to the International Labour Organization half the children in Pakistan's carpet industry die of malnutrition and disease before they reach the age of 12. Girls 10 years of age work in China's special export zones in toy factories for $10 a month.

In Indonesia, after relaxing its regulations on child labour in 1987, some 2.8 million children are working in factories. The most revealing fact is that child labour has been growing in tandem with the liberalization of world trade.

These children produce rugs, textiles, garments, shoes, toys and other light manufacturing products for export markets. The

multinationals that manufacture, trade and retail the products of child labour often claim that they do not hire the children directly but they never acknowledge that they knowingly subcontract out parts of the manufacturing process to employers that do.

Child labour has become an integral part of the new world order of trade liberalization and gives the lie to any glorification of unregulated world trade as a force of progress. For the pathetic armies of children in the developing world, market liberalization means a regression to the brutal exploitation that we in the developed countries have not permitted for more than a century.

Because it has become part of the fabric of the new international economy, child labour implicates all of us as consumers. On any visit to the local mall, unknowingly we are likely to buy for our own children clothes and toys made under conditions that would horrify us if we imagined our own children in their situation. Here is a case where we must let our basic human sympathy, our sense of solidarity with children around the world move us to act. Some have argued that when developed countries today restrict trade in goods made by child labour they are forgetting the role that child labour played in their own development and acting to deliberately restrict the development of new economies.

(1600)

We in the developed world have indeed had our own experience with child labour, which was as much a part of European and North American industrialization as it is now in many developed societies today. We must remember that government regulations prohibiting the use of child labour were among the earliest public interventions to tame a predatory industrial capitalism. The fact that the same predatory capitalism has returned with a vengeance, its leaders boasting of their ability to operate outside the regulatory reach of individual states, does not relieve us of our duty to protect the most vulnerable members of the global village.

The multinationals like to talk about the need to establish a level playing field. Let us establish one between them and the children whom they now exploit. The elimination of child labour will be a long and arduous process that takes place on many fronts. The International Labour Organization has a program that has been in place for years to study and propose measures to address the problem. Canada should actively support this program.

The ILO secretariat has also recommended that the WTO should adopt a social clause to enforce basic labour rights on member states, a strategy that would go a long way to eliminating child labour. This is why we proposed a separate amendment earlier today that the government chose not to support, that the government commit itself to such a policy of developing a social clause for the WTO.

Some individual governments of developing countries are making efforts to introduce regulations to help children and some of these programs, such as the one in Hong Kong, have met with success. Many developing countries do not have the resources to police regulations on child labour, however well intended those regulations may be. That is why the developed countries like Canada have an obligation to help the governments of developing countries prevent multinationals from trading in goods made by children.

That is why we are proposing this amendment today to Bill C–57. It would put the burden of proof on the large importers and retailers to establish that they have not imported goods made with child labour and apply the resources of the Canadian regulatory regime to police the problem.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, this is an interesting motion, one that in spirit I would agree with but in practicality is going to be very difficult to deal with. That has been recognized by the countries that have been negotiating this GATT agreement for the past seven years. That is why it is not in the current GATT agreement.

The intent of this amendment is certainly good. It is to end child exploitation, especially in third world countries. The difficulty is that a multilateral trade agreement is not the forum for this. Children's rights are protected under the International Convention on the Rights of the Child through the United Nations.

Some of the difficulties were outlined by the member for the Battlefords—Meadow Lake when he said that individual countries do not have the resources to police this kind of intervention.

I would like to pose a question for the member: Do we have the resources? In other words, on every article of clothing or textiles that come from some third world country, how would we prove that this is not made using child labour? It is very, very difficult. I think we have to work through the International Convention on the Rights of the Child and encourage these individual countries to stop the exploitation in those areas.

Just another interesting little sidelight. It also raises some questions about practices that we have at home, practices that I think are actually quite good.

I have a grain farm. We have four children who all worked on that grain farm prior to reaching the age of 16. They learned responsibility at a very early age. They learned how that business worked. There are literally hundreds of thousands of businesses in Canada that have children of the owners working and learning the system, learning how to conduct business in those businesses. Would that not also raise the question of our own practices at home? I do not think those are bad practices.

I have to oppose this. The spirit of it is I think right, but we have to pursue it through the proper avenues.

(1605)

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, we acknowledge the need for programs and initiatives to deal with child poverty. That is precisely what this government is doing with the initiative of the human resources ministry. There is something now before the public and we welcome their ideas. To agree to this proposed amendment would be almost like changing the game half way through or after it has already been played.

First, we are raising the issue of relationship between the international trade regime and social and labour standards. The purpose of the bill is to implement the World Trade Organization agreement. There is nothing in the agreement that deals with this subject. It was not the object of any negotiation and no obligation needs to be implemented in this respect.

The proposed amendment would represent a major departure from the position taken by Canada on several occasions. This issue should be addressed in multilateral negotiations rather than by taking unilateral actions. It is one of the areas that was identified truly in Marrakech as potential subject matter for future negotiations. Canada is now participating in discussions on this subject in the OECD as well with the ILO.

Nevertheless, we agree with the spirit of the motion, but unfortunately, technically speaking we will not be able to accept it. We are recommending rejection of the motion.

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

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on Motion No. 9. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed to the motion will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ) moved:

Motion No. 10

That Bill C–57, in Clause 185, be amended by adding after line 22, on page 124, the following:

''(6) Section 97 of the Act is amended by adding the following after subsection (2):

''(3) The Governor in Council shall, on the recommendation of the Minister of Finance and the Minister of Industry, make regulations prescribing the factors that shall be considered in determining whether the dumping or subsidizing of any goods has caused any injury or retardation or is threatening to cause injury, which factors shall include, among others,

(a) unused production capacity;

(b) any increase in imports;

(c) any adverse price effects;

(d) inventories;

(e) any other demonstrable adverse trends''.''

He said: Mr. Speaker, as we say: Last but not least. I do hope that the government will be more open–minded than it has been so far.

I find it somewhat despicable that the government would oppose the previous amendment, which merely sought to ensure that Bill C–57 take into consideration Canada's international commitments in other sectors, particularly as regards the issue of children's law.

(1610)

That being said, I want to discuss Motion No. 10, which we proposed and which is the result of representations made by Canadian steel producers who appeared before the Standing Committee on Foreign Affairs and International Trade late last Wednesday, to tell us about their concerns.

Those concerns are essentially that, when comparing the Canadian and American bills to implement the Uruguay Round Agreement, the steel industry notes that the American bill is much more precise regarding the identification of the causes of dumping. Consequently, the association has come to the conclusion that, for its members to be able to compete with their American counterparts, the Canadian legislation also has to be more precise regarding the issue of dumping.

The steel producers informed us of their findings. Mrs. Van Loon, the President of the Canadian Steel Producers Association, told us that, given the rather special relations between Canada and the United States regarding the steel trade, if the Americans were giving themselves a baseball bat in their legislation, as she put it, the least we could do was to give ourselves a baseball bat too, even if it is a smaller one.

Consequently, we are asking that the Canadian legislation be amended so as to allow our industries to compete with their American competition.

The next day, we were conducting a clause–by–clause review of the bill, which means that the Canadian steel industry only had a few hours to propose amendments or changes. I must say that they worked diligently and in a professional manner, since the next day, at dinner time, we had a series of very specific, comprehensive and to–the–point amendments concerning the steel industry's expectations.

I gather that the amendments proposed by the steel industry were far too specific and well designed for the government party to accept them. We were told that the vision the Americans have of the Uruguay Round Agreement as reflected in their legislation is not right, that our vision of the Uruguay Round Agreement as reflected in our legislation is better and that, consequently, we cannot do the same thing as the Americans nor support their point of view.

Allow me, Mr. Speaker, to say that I find this position rather too meek and legalistic, since we have to deal with a powerful and, if I may say so, intrusive trade partner, that is, the United States. We must be able to work along the same lines, with the same means, on a level playing field.

Since our colleagues did not see fit to acknowledge the accuracy of the arguments presented by the steel industry at the committee stage, the steel industry agreed, in response to concerns expressed by our colleagues and in particular by the hon. member for Rosedale, to give more thought to another amendment which is far more precise, in fact, shorter, if I can say, far more general in the sense that it applies not only to the steel industry but also to several other industries, several other sectors of our economy.

Our friends from the steel industry have begun consultations with parliamentarians from both sides of this House in order to make their expectations known. Not knowing if our colleagues from the government, the Reform Party or the New Democratic Party would bring forward the amendment proposed by the steel industry, we placed the amendment before us on the Order Paper. Motion No. 10 does not come from the Bloc Quebecois, but from Canada's steel industry. We are merely bringing this amendment forward on behalf of the industry because nobody else would.

(1615)

Clause 185 of Bill C–57 deals with the way the Canadian International Trade Tribunal must evaluate complaints related to dumping. For this tribunal, it is imperative not only to prove that dumping has indeed taken place, but also that such dumping has caused injury to the Canadian industry.

Moreover, the bill in its present form stipulates that the tribunal can determine injury only if the circumstances causing such injury are clearly imminent. We have to recognize that, on one hand, this is much too restrictive and, on the other hand, it is much too vague. The bill also stipulates that the Governor in Council may, if he so wishes, make regulations to give the Canadian International Trade Tribunal detailed information on acceptable evidence and on the general interpretation of the new conditions with regard to dumping.

As I was saying earlier, the Americans have gone a lot further in giving their tribunals much more detailed information on the interpretation of these new conditions and on the evidence that can be presented. This means that Canadian producers are clearly at a disadvantage compared to their American competitors because they have no indication as to how they must prove that they have been victims of dumping.

It must also be understood that injury has to be determined before any anti–dumping measure can be taken. That is the whole point. Getting back to the Canadian steel industry, I think it is important to put it in context to show how important it is.

The Canadian steel industry generates $8.6 billion worth of sales each year, including $3 billion worth of exports, and provides 33,000 jobs, including 10,000 to meet export market requirements. To show how important it is to have legislation similar to the United States, or to give us a level playing field, I will point out that 90 per cent of our steel exports go to the United States while more than 60 per cent of our steel imports come from there.

Canada is the largest steel export market for the Americans. In the steel industry, the need for a level playing field in both countries is essential. What is more, our industry must be able to ward off blows, to get ready for any threat of dumping, as the Americans are doing. If the rules are too vague on this side of the border only, our industries will not be able to take advantage of the benefits resulting from agreements such as the GATT agreements.

So, this amendment seeks essentially to ensure not that the Governor in Council be allowed to make regulations on what should be considered as dumping but more particularly that the Governor in Council be required, rather than leaving it up to him, to make the necessary regulations setting up guidelines to be followed by the courts when making determinations about dumping.

This amendment also seeks to specify the kinds of evidence to be considered among the factors described in the regulations. Finally, those regulations will have to be made on the joint recommendation of the Minister of Finance, as provided in the bill, and the Minister of Industry so that the industry's competitiveness will be taken into account in decision–making. We all know that the Minister of Industry is often in a good position to understand the rapid changes in market conditions at that level.

I urge my colleagues of all political parties to support this amendment which meets the expectations of the Canadian steel industry, and of thousands of workers in steel mills in Quebec and throughout the country.

It is imperative that Parliament pass this amendment that does not take anything from the bill, nor detract from its substance and its importance. It will in fact make it more specific and give it more teeth for the sake not only of the steel industry, but also of many other industries in the Canadian economy.

(1620)

I know those issues are a matter of deep concern to our colleague for Hamilton East, who is also Deputy Prime Minister and Minister of the Environment. She was with us yesterday, when we met with the Minister for International Trade, members of the steel caucus, and spokesmen for the Canadian steel industry and unions in that industry. She seemed quite anxious that Parliament consider the amendment suggested by the Canadian steel industry.

I hope the wisdom of the Deputy Prime Minister prevailed in discussions with her colleagues and that they will deem it useful and relevant to pass this amendment that is critical if Canadian industries, including the steel industry, are to compete successfully with our major trading partners and competitors, especially the United States.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I will make a very short intervention in this regard.

For those members of the Chamber who were away on business or whatever this morning, or for those who are tuning in on their television sets to this debate for the first time this afternoon, I simply want to remind the House that earlier today the member for Regina—Lumsden on behalf of the New Democratic Party put on record the concerns of the Saskatchewan steel industry. I believe he quite nicely brought together the views of our caucus on behalf of the Saskatchewan steel industry and the steel industry in general with regard to the motion before us.

I also want to respond to comments the parliamentary secretary made on the last motion dealing with child poverty and the exploitation of child labour. I can state his words fairly closely. He said that the government was not prepared to take unilateral action in this regard.

I remind the parliamentary secretary that the government is already taking unilateral action with regard to the WTO and agreements reflecting on the GATT. The parliamentary secretary should recognize that as a government it seems prepared to take unilateral action to penalize western grain farmers but is not prepared to take unilateral action to protect children. I think that is just shameful.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, my friend in the NDP has a tendency to bend the statement I made a bit. I said that the government was taking action and that the minister responsible for human resources was taking action on the whole question of child poverty.

I said that we could not change the game halfway through. I suggested that the issue was not agreed to in Marrakech. What we signed did not include that issue. A future agreement or a future debate might take place around the issue. I think the hon. member would suggest that it would be unwise for us to take a unilateral action as a country and add a new amendment to our legislation; but for him to say that we are not concerned about child poverty is not fair and not warranted.

I go back to some of the comments made concerning the whole notion of dumping and anti–dumping. The new disciplines on the treatment of dumped goods will not impair the Canadian ability to respond to exporters that dump goods into the Canadian market when such dumping threatens or causes injury to Canadian industry. The new discipline should however reduce the scope for the harassment of Canadian export interests resulting from unfair dumping duty actions by our trading partners.

(1625)

I also add that our existing dumping action will be continued under the new system as if it had been made under that system. Any continuation of an injury finding will be made in accordance with the new anti–dumping agreement. It is not expected to put an increased burden on Canadian authorities. They already operate in a system which for the most part conforms to the new rules.

There was a reference to the American legislation. I assure the House and Canadians that we are examining, have examined in the past and will continue to examine all moves and changes or proposed changes to the American legislation in terms of language or statement to ensure that they are consistent with the NAFTA as well as with the World Trade Organization agreement.

Should Canadian interests be harmed for whatever reason by any provisions which are inconsistent with our right under the international trade agreement we will take appropriate action. Two wrongs do not make a right. If somebody has gone beyond the agreement in introducing changes to our laws and regulations to divert from the agreement does not mean that we should be doing the same. As a government and as a society we have to fulfil our commitment under the World Trade Organization agreement.

The proposal suggested by the opposition member is inconsistent with the World Trade Organization. First, pursuant to article 3.7 of the agreement, implementation of article 6 of the act, the anti–dumping agreement, and article 15.7 of the World Trade Organization agreement on subsidies and countervailing measures, the specific factors listed in the motion are threat or injury factors. Adoption of the motion in our opinion would extend the application of these factors to injury and retardation in a manner inconsistent with the World Trade Organization specifically. Article 3.4 of the anti–dumping agreement and article 15.4 of the subsidy agreement require examination of a much larger list of factors in the broader determination of injury.

Second, with respect to the threat of injury, a list of factors will be set out in regulations being prepared under the authority of the new subparagraph 97.1(1)(a) which allows for full consideration of the factors set out in the hon. member's motion.

Third, the reference to the Minister of Industry in prescribing injury or causation factors should be deleted since he is nowhere else specifically mentioned in SIMA and the regulation making authority under SIMA is the responsibility of the Minister of Finance.

For these reasons and what I clearly stated earlier we are recommending rejection of the motion.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, we are being asked in Motion No. 10 to consider factors such as dumping, foreign subsidies and putting extra regulations into Bill C–57, an act to implement the World Trade Organization.

I am afraid I am going to disappoint the member for Verchères who has asked us to support the motion. It is not that I am unsympathetic to the discussions he outlined about the steel industry or any other industry undergoing trade actions.

(1630)

The bill calls for minimum compliance to try to move these disputes forward quickly to the World Trade Organization. It has better mechanisms to resolve these disputes than is currently available in the Canada–U.S. trade agreement for steel, for example. A lot of regulations have been built up over the last several years and we still had several dozen trade actions on steel alone last year. Surely that is not the best approach.

The best approach is moving disputes to a forum such as the World Trade Organization where all factors will be taken into account by a panel that hears disputes. The panel will not just take into account things like unused production capacity, increases in exports and inventories. It will consider all relevant factors as it should.

We should not try to build up a big regulation wall. The steel industry said at committee that it wants us to build a big regulation wall like the United States is doing with the ultimate goal of tearing it down at the World Trade Organization. We should not take the same kind of action that the United States is taking. The World Trade Organization panel will consider the type of regulations that are being built up in the United States in its implementing regulations. The panel will take that into account when it hears these disputes.

There is a process. It is a better process. We have to put our faith in it. It is going to work. Placing undue emphasis on the factors that were outlined just a few moments ago by the hon. member for Verchères might put undue emphasis on factors that would benefit things like supply management. It would also cause injury in some other sectors of our industries.

That does not say we do not have some problems. I outlined them during discussion of Bill C–57 at second reading. Those problems are internal trade barriers, high debt and deficit, our inability to trade. The Western Grain Transportation Act needs revision. There are problems with the tariff rate quotas. I do not believe we should have them. There is the problem with the sale and allotment of quotas but that is for a different day. Those problems have to be worked out in the next few months.

What is important is getting through the minimum compliance and have the World Trade Organization come into effect. Let us start hearing some of the disputes such as the wheat dispute that has been bubbling for the last year and the other disputes that have been talked about such as steel. Let us put the World Trade Organization to the test and it will come out with flying colours.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, I have been a member of the steel committee for several years. Recently, you had the opportunity to meet the people from the steel industry, at the steel committee, and also on two occasions at the Standing Committee on Foreign Affairs, where we had the opportunity to hear their claims.

I want to tell you that what we are proposing in our motion is exactly what the steel industry is asking for.

I cannot understand the government on this issue. It seems to be stubborn. I cannot understand it. Earlier, I heard the parliamentary secretary talk about this, and I still do not understand why he does not agree with the amendment that we are proposing, all the more so since I do not agree either with the Reform member who just spoke on the same subject regarding dumping.

It is clear and obvious, and we heard that several times, including just last week or two weeks ago. The president of the Steel Producers Association came to the committee and clearly explained to us that, as for our protection mechanisms in dumping and steel trade between Canada and the United States, among others, the United States had regulations this thick, which she did put on the table before us, while we only had a few pages of regulations to protect us.

(1635)

It is not I nor my colleague from Verchères who said that, it is the Canadian Steel Producers Association who said it several times. It is for these reasons that we have a lot of difficulty, this afternoon, understanding why the parliamentary secretary and the government did not amend this bill.

The steel industry is very important, particularly for Quebec. In my riding and the riding of the hon. member for Verchères, there are many major industries producing steel pellets. Steel trade is very important in Quebec, and that is why we are very concerned by the government's lack of attention towards the steel producers who came several times to explain to us, in great detail, their claims.

Once again I strongly hope the government will change its mind because, once this legislation is tabled and sanctioned, we will be facing major problems. That bill will have a negative impact on the steel industry which, it seems to me, is still quite dynamic and full of promises for the future of Quebec and the rest of Canada.

That is all I wanted to add. I do not want to get into the specifics, but I urge the government to listen. It said it had reviewed the issue. On what basis? The parliamentary secretary said earlier that they had reviewed the question, but on what basis and on whose advice?

We have heard the exact opposite and, once again, the government is not listening. I really wonder where we are headed. I think we will continue to sink further into a terrible deficit with that type of regulations that do not protect industries, that increase unemployment and add to the problems of Quebec businesses, particularly in the steel industry, one that I know very well.

I beg the government to accept this motion.

[*English*]

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, I rise today to speak on this motion as a past chair of the steel caucus. This is a caucus of all members of the House who have joined together to support the Canadian steel industry. My colleague from Oakville is the present chair, having taken over yesterday. She will guide steel issues through the House with the co–operation of all members.

The hon. member for Verchères, who put this motion forward, is a very active member of that committee and has taken almost word for word a proposal that was put forward by other members of the committee that represent steel industries.

Let me speak briefly about the intent of the motion. The steel industry felt it was important for it to send a strong message to the Americans that the present situation in which anti–dumping and trade actions are brought against Canadian steel industries is not acceptable. If we are going to have fair, open and free trade, if we are going to belong to an organization like the GATT, the World Trade Organization, the WTO, then we need to follow similar rules. The steel industry in North America is so integrated that we need to have similar rules on both sides of the border.

The intent of this motion is to make sure that there are similar rules on both sides of the border.

(1640)

Yesterday we had the opportunity to speak with the Minister for International Trade. I want to thank the minister for coming to the committee. We discussed this very issue. Unfortunately he only saw this after he walked into the meeting and did not have the opportunity to look at it. It was his view that the intent of the motion could actually be handled by regulation.

Unfortunately I did not have an opportunity to listen to the parliamentary secretary but I am sure that is what he meant when he responded to the hon. member. The minister gave us his commitment yesterday that he would look at this issue very seriously, make sure someone in his department would respond to our concerns and would work with the steel caucus so the intent of this motion is carried through. When Canadian steel companies or for that matter other industries want to do battle in trade disputes with companies in the United States they should have the same arsenal to work with.

I agree with the hon. member that the arsenal is not balanced now. Not only steel producers but other producers will tell you that it takes a heck of a lot longer to deal with a dispute in the United States than it does one in Canada. When they go to the United States they have to take a truckload of documents with them. But when Americans come here to deal with a dispute they just have to carry a briefcase full of documents.

If the values and the intent of the World Trade Organization is to bring down these sorts of barriers, then certainly industries, particularly the steel companies who employ thousands of workers in members' ridings across the country should have an opportunity to have fair trade.

I know that is the intent of the motion by the member for Verchères. I support the intent of his motion. We will work with the minister and members of the steel caucus to make sure that that intent is put forward as strongly as we can, and to work to make sure that through regulation the intent is carried on.

[*Translation*]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, we are now on the last amendment presented by the Bloc Quebecois. The purpose of this amendment is to amend, improve and clarify the bill to implement the Agreement Establishing the World Trade Organization. Although the parliamentary secretary does

not agree, I still believe that the hon. member for Verchères proposed an excellent amendment.

The amendment is an attempt to provide the basis for certain rules on what constitutes injury, with respect to dumping. At the very least, what I have to say may expand the horizons of the parliamentary secretary. During the past few weeks, through the Standing Committee on Foreign Affairs and International Trade, we were able to consult many Canadians and Quebecers.

They admitted their concern about the lack of clear provisions in Bill C–57 with respect to dumping. A number of people said they were afraid that imported goods would be sold on the Canadian market at prices below those prevailing on national markets and, in some cases below cost.

Bill C–57 already contains certain provisions on the evaluation of complaints about dumping by the Canadian International Trade Tribunal. An attempt is made to determine whether certain unlawful acts would harm the interests of Canadian and Quebec producers.

However, the bill provides that the tribunal cannot recognize the existence of injury unless the circumstances causing injury are clearly perceived and imminent.

(1645)

These provisions are not only extremely restrictive but also extremely vague. The bill contains no detailed instructions for determining what constitutes clearly perceived and imminent injury. It does not define the type of evidence that may be considered by the Canadian International Trade Tribunal.

Furthermore, it is simply left up to the governor in council, on the advice of the Minister of Finance, to establish regulations, if necessary. If he feels like it, as the hon. member for Verchères said. We think it is important that the Minister of Industry, who is in the best position to know about the problems facing Canadian businesses, should also be able to make recommendations to the governor in council on factors to be considered in determining whether there is a case of dumping. More should be done, however.

Our American neighbours have issued clear and detailed instructions on approaching tribunals with complaints about dumping and on the evidence to be considered by those tribunals.

It is therefore imperative that Canada provide clear and specific guidelines on the factors that would be admissible as evidence before the tribunals. Without these guidelines, Canadians and Quebecers, when they lose the advantage as a result of unlawful acts—I am thinking of steel producers, for instance—will not know how to argue their case to obtain justice.

[*English*]

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, I am grateful for the opportunity to respond to the amendment put forward by the member for Vercheres. I appreciate his initiative. This has come upon us fairly quickly. He has responded very quickly to the concerns of the steel industry by getting an amendment in by the deadline.

I think his speed and his responsiveness demonstrates the commitment not just of this government but indeed of this Parliament to both the management and the workers in the steel industry.

In the all–party steel caucus that support is obvious at every meeting. We sit around the table, people from all parties and management and labour, working together. It really is quite an exciting experience to be part of that particular group here where usually the setting is so highly partisan.

I should point out that we did have the opportunity yesterday to speak with the minister. He pointed out to us the difference in the wants of the way we legislate and the way the Americans legislate. It is much more their style to put a lot of details into their legislation whereas it is more our style to keep things pretty clean and put the details into regulation.

Yesterday the minister did not seem to be adverse to the idea of those concepts in the amendment in the regulations, however he pointed out to us that it was going to require as the parliamentary secretary pointed out the involvement of the Minister of Finance. He could not speak completely freely at that meeting knowing he had to get a cabinet colleague on side.

I would like to inform the mover of this amendment and those who are supporting him that I happen to know that this issue has been brought forward to the Minister of Finance in the last 24 hours by the Deputy Prime Minister. We now have three members of cabinet responding to the concerns of the steel industry as my colleague across the floor has responded today.

Keeping in mind that those three members of cabinet will work together on it, I think I can assure him that the general intention of what it is he wants to achieve will probably come forward. However, the idea of this amendment does not seem to be true to the Canadian tradition of how we write legislation and therefore I will have to join the parliamentary secretary in voting against it.

I would also like to assure the member that within the steel caucus we will continue to press to make sure that these things are achieved but in a more subtle way.

(1650)

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, I will be brief, first of all because the member for Verchères has explained quite well the theoretical and practical basis of his amendment as well as the need for it.

I find somewhat deplorable that members opposite have completely ignored the public hearings that we held with representatives of different industries. It is as if those public hearings were absolutely useless. I think it is a waste of time. Not only have we wasted time, but if we added up all the consultations that this government has done in the last year, we would probably find that vast sums have been gobbled up practically for nothing since the government always ends up doing what he intended to do anyway.

Members opposite recognize that the amendment is essentially good but they say they would prefer doing it by way of regulations. Let us not forget that regulations do not have the scope of an act; members opposite probably know that as well as we do. Actually, it is probably the reason why they are opposing this amendment to the act.

People often say that they are all for virtue, but such an assertion is not enough to guarantee that virtue will prevail. I think that in a way it applies to anti–dumping. The fact that the Uruguay Round prohibits dumping is not a sufficient guarantee that it will not occur. Therefore Bill C–57 must provide for a means to face the problem when it arises because it will.

We all know that dumping is an unfair trade practice. It can be so harmful to the industry against which it is used that it may make it disappear. In order to avoid such consequences, the GATT agreement prohibits dumping. However, it is incumbent upon the industry victim of dumping to prove that it has suffered a prejudice so serious that its future is threatened.

The amendment we propose defines the factors for determining such prejudice, which is not provided for in this bill. In the absence of guidelines, the injured industry would be unable to present its case in an appropriate way. Nevertheless, the United States could be used as a model in that regard. Therefore I invite the government to support the amendment.

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

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on Motion No. 10, standing in the name of Mr. Bergeron. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion, the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76, the recorded division on the motion stands deferred.

[*English*]

The House will now proceed to the taking of the deferred divisions at the report stage of the bill now before the House.

(1655)

And the bells having rung:

Pursuant to Standing Order 45(5)(a), I have been requested by the chief government whip to defer the division until a later time.

Accordingly, pursuant to Standing Order 45(6) the division on the question now before the House stands deferred until Monday at the ordinary hour of daily adjournment at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

YUKON SURFACE RIGHTS BOARD ACT

The House proceeded to the consideration of 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, as reported (without amendment) from the committee.

Hon. Brian Tobin (for the Minister of Indian Affairs and Northern Development) moved that the bill be concurred in.

(Motion agreed to.)

The Acting Speaker (Mr. Kilger): When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed

Mr. Tobin (for the Minister of Indian Affairs and Northern Development) moved that the bill be read the third time and passed.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, it is a pleasure to rise and address the House on third and final reading of Bill C–55, the Yukon Surface Rights Board Act.

I begin by thanking hon. members for supporting this bill at second reading. My colleagues clearly see the need to proceed with this bill because it will bring positive and lasting change to the Yukon. We appreciate their contribution to second reading debate and ask the House to once again give positive consideration to this legislation.

Bill C–55 will establish a new surface rights regime in the Yukon, a regime that will serve and protect the interests of all residents of the territory. As well, this final piece of legislation is required to allow implementation of the Yukon First Nations land claim and self–government agreements to proceed.

Clearly we only have one reasonable course of action. We must proceed with this bill as quickly as possible. We must live up to the crown's commitments to build new relationships with Yukon First Nations. In doing so we will open the doors for economic development, job creation and other social benefits for all residents of the Yukon.

Yukoners are virtually unanimous in wanting this bill to pass quickly. The minister has received letters, for example, from the Yukon Chamber of Mines urging the government to pass this legislation. Yukoners want and need the certainty of the economic development opportunities that this bill and the land claims settlement will bring.

Hon. members are aware that the surface rights board that will be established by Bill C–55 is a requirement of the Yukon umbrella final agreement. The creation of this board acknowledges the changing face of land ownership in the Yukon. It is an excellent example of foresight, planning and preparedness by government.

As land claims in the Yukon are settled, large tracts of land will be confirmed as First Nations land. Other residents of the Yukon will also be able to more readily acquire land as private owners. The crown's current role as primary land owner in the territory will gradually be eliminated.

(1700)

At the same time, the certainty of land and resource ownership that will result will rekindle interest in subsurface minerals, including minerals on privately held land. In support of resource development and resource development initiatives, a new mechanism of public government is needed. This will ensure that access rights are available to those who want and need to use the land.

That mechanism is known as the Yukon surface rights board. It has been modelled on similar boards operating in Manitoba, Saskatchewan, Alberta and British Columbia. This board will resolve disputes relating to both settlement and non–settlement lands throughout the Yukon. As has already been said, we anticipate that most of these disputes will involve access to land for exploring for or developing subsurface mineral resources.

We want to emphasize that the Yukon surface rights board will have a range of known and definite powers for resolving disputes. These will include the power to issue access orders, to establish terms and conditions of access, and to award compensation for access or for damage resulting from access. However, Bill C–55 will require people to attempt to negotiate access in compensation agreements before bringing a dispute to the board. The board will only be asked to resolve disputes where no such agreement was possible.

Orders of the Yukon surface rights board will be enforceable through the Supreme Court of the Yukon Territory. Decisions may be appealed to the court on limited grounds, such as bias or lack of procedural fairness.

We also want to stress that the board will take a balanced approach to its work. Bill C–55 ensures that all sectors of the Yukon society will have an opportunity to participate in the important decisions that need to be made.

Under the terms of its land claims agreement, the Council for Yukon Indians will have the right to nominate one–half of the members of the surface rights board excluding the chairperson. Yukon Indians will also be guaranteed representation on any panel created by the board to deal with matters concerning settlement lands. This will give aboriginal people an important and effective role in decision making relating to surface rights.

The remainder of the board's members will be nominated by the federal government. The minister intends to ensure that all interests in the Yukon are represented on the board. It will become a practical example of resource co–management that can be replicated in other jurisdictions.

Bill C–55 was drafted with cost efficiency in mind. It provides a less costly and time consuming option than the courts for addressing issues of access and compensation. The requirement for negotiation and possibly mediation before bringing a dispute to the board is also intended as a cost saving measure.

As hon. members are aware, this bill is based on extensive consultation with representatives of the Yukon First Nations, the territorial government, the mining industry and the Yukon general public. Many of these parties have been directly involved in drafting this legislation. Consequently, Bill C–55 is fair and responsible to everyone with a stake in the future of the Yukon.

As a result of the unprecedented consultative process, we have been able to reach a general agreement on the principles of this bill. We have also reached consensus on almost all of its provisions.

As I said at the outset, we have no reasonable alternative but to proceed with this bill. Parliament's endorsement of this legislation is critical to the process of settling land claims in the Yukon and bringing the fundamental democratic right of self–government to Yukon First Nations. It is vital that we uphold the crown's honour by fulfilling our obligation to Yukon First Nations under the land claims agreement.

Bill C–55 is also sound, responsible and necessary legislation in its own right. It will bring decision making closer to the people affected. It will provide a known regime for obtaining access to private and public lands. This in turn will facilitate economic development and provide a level playing field for Yukon industry compared to other areas in Canada. This will ensure that resource development projects will go ahead after many years of delay and frustration.

Bill C–55 will also give Yukon Indians the chance for a new partnership with governments and non–aboriginal Yukoners. This is a goal that is supported by all Canadians. I therefore urge my hon. colleagues to agree to send this legislation to the other place after which an order in council can be approved to proclaim this legislation into law.

(1705)

Combined with the Yukon land claims and self–government legislation, Bill C–55 will help bring about positive changes that have been long envisaged in the Yukon.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, I think it will not come as a surprise that, of course, we will support the bill, as we did for Bill C–33 and Bill C–34.

In fact, I say that it would be illogical not to adopt the bill now before the House, Bill C–55, since it will give effect to bills C–33 and C–34. Knowing the Yukon's concerns and since, as the critic responsible for these matters, I kept up with them for the whole session, we will be totally logical with ourselves by supporting the bill.

The bill is giving effect to Bill C–33 and Bill C–34. Before making a short description of these bills, I want to remind members that I went to the Yukon, this year. For me, it is the best way to deal with the issues and to see the way native peoples live.

Most of the members who will speak on the bills now before the House will do so without having visited the communities concerned. For my part, if possible, I try to go to these places in order to better understand the feelings of the people there and also to become aware of their quality of life.

I met some really remarkable people in the Yukon, very tolerant people who have also been very persevering. It was said repeatedly that these negotiations required 21 years of efforts before they could be concluded. Yet, we have to realize that the injustices do not go back only 21 years, but much further. When you become aware of the native way of doing things, of the way they see the world, you realize that from the very beginning, from the day the first Europeans came to the Yukon, aboriginal people accepted willingly to share their territory with them, but without relinquishing in any way their native rights, their rights as first occupants.

When the economy developed and when aboriginal people realized that they were excluded from that development, they understood that it was necessary for them to have a say about economic development and resource management on their land.

This is where we are today, after years, decades of injustice and after 21 years of negotiations. Bill C–55 will put into effect Bill C–33, which dealt with self–government. With that bill, and in some areas of activity, we were saying to aboriginal people: ''Here, now, instead of designing and managing programs from Ottawa, we are letting you decide in areas like education, health, etc.'' I think we really have here a way to solve the major problems we find on reserves.

It is an interesting solution, because for too long we have had a very paternalistic approach to their problems and we simply pushed them into a situation of extreme dependency. Often, there is no economic development because their land base is very limited, and the resources they have access to are also very limited. Therefore, they cannot flourish economically.

The Auditor General revealed this week that close to 40 per cent of the native population is heavily dependant on either welfare or unemployment insurance. I visited reserves where the unemployment rate was around 80 per cent. It is painfully obvious that the way we deal with the native situation is outdated and does not work. What we have here is an example of how to help native communities help themselves.

(1710)

When they manage their own affairs, not only are they no longer dependent on the bureaucracy in Ottawa, but they are in tune with local concerns. You know that when it comes to education and health matters, the native way is often very different from ours. Their approach is much more holistic, more respectful of the environment they live in. I believe that it is important to ensure that powers which used to belong to Ottawa be transferred to native communities. Bill C–33, which was passed recently, gives native people authority over some specific activities. It is the way of the future.

I referred to Bill C–33, which deals with self–government. Even though it is a different matter, it has something to do with the fact that one must ensure that the land which is given back to native people will contain enough resources to allow them to opt out of the Indian Act. As I mentioned before, this act keeps them in a state of extreme dependence. The land base arrived at in the agreement with the Yukon and the main stakeholders who have signed so far, will ensure that they will be able to become economically independent.

We could point out the importance of the board. The board is very important for the very simple reason that it must settle disputes. In the Split Lake agreement, for example, the lack of a

board to settle disputes is rather obvious. What would happen without a board such as the one proposed in this bill? The courts would systematically be called upon to settle disputes.

We realize that there might be hundreds of disputes, that people are waiting for their cases to be resolved because we know how heavy the courts' backlog is. The board proposed today will clear some of the backlog by settling disputes concerning both rights and territories.

We also at one point toyed with the idea of proposing amendments. However, after consulting with Yukon first nations, we concluded that it might be better not to define the rights and interests because they said that the nations could probably agree among themselves on what these rights and interests are.

We also played with the notion of person because, as you know, the agreement before us covers four first nations out of 14, if I am not mistaken. Another 10 or so are negotiating or close to a settlement. We were concerned at one point that the notion of person would only apply to signatory nations. However, after discussion, we realized that the term ''person'' had a broader meaning. As a result, the board will be able to settle disputes not only among the first nations that have signed the agreement and are subject to the act but also with the first nations that have not signed it yet.

That is why today we will support the bill without amendments as such.

Why do we support the bill? I think I have just given a few of the reasons: the Natives' desire to manage their own affairs along with the Canadian government's intention to stop placing Indians under its guardianship. I think that this government has announced its intentions, including a pilot project in Manitoba among other things. Let us say, however, that after almost 100 years the government finally realized that the law was obsolete and did not achieve its objectives and that it was imperative to completely alter the way we deal with Natives.

The government is willing to make these changes. Of course, Bloc Quebecois members also realized very quickly that changes were needed. One only has to visit some reserves a number of times to see that the system does not work. Avenues of resolution lie before us and the Bloc Quebecois will certainly agree that a new approach must be taken involving self–government and land claims.

(1715)

As for respect for aboriginal cultures, if there is an issue that is truly fascinating, this is it. There are 635 communities living on reserves in Canada. I am limiting my comments to aboriginal people living on reserves, because you notice that many no longer do and this is the kind of unique dynamic that they have to deal with. There is the whole issue of the Metis, and the Inuit as well, because they too are very preoccupied with not being drowned by such concerns, by aboriginal concerns. In fact, they say so, every chance they get.

Coming back to aboriginal communities, to the 635 of them. This is a really fascinating issue, because although they belong to first nations and often speak the same language—there are approximately 50 aboriginal languages you know—we notice that from one of these 635 communities to the other, these aboriginal people all have their own way of looking at things. And that is what makes aboriginal affairs such a great challenge. It is a fascinating issue.

So, the agreement before us concerns aboriginal nations of the Yukon. Yukon has a rather unique history and the aboriginal people are proud of having shared in writing it with the Europeans. I can say, having travelled myself to that part of the country, that these people took me to see magnificent sites, including the Yukon River. It was beautiful at the time of year when I visited. Because of the glaciers, the river was completely transformed, taking shades of blue like I had never seen, except perhaps at sea or from a beach, watching colours change as the horizon becomes indistinct. But in the Yukon, the depth and colour of the river were really amazing. They are proud to say that they have shared this territory with others.

I was taken to a mountain where the first Europeans supposedly went to see the midnight sun. I had never seen the midnight sun. I found it thrilling. I was taken to the Klondike, now Dawson City, and we are proud to see that there was a happy coexistence between Europeans—I was even given the opportunity to try to find gold. I was assured that I could find gold, but unfortunately I could not take the time to do it. I spent more time trying to fish on the river and perhaps I did not catch any fish, but I did not get any gold either. I met some wonderful people there and I tell you that the trip was quite what I expected, a realization that those people are extraordinary and live in a wonderful place.

As I said at some length before, the inhabitants will have the resources needed for economic development. I think that with the areas granted and the degree of responsibility that these people will have—and they have been waiting to take control of their lives for a long time—I think that their future is now assured. They will have both the land base and sufficient economic resources to break from the tutelage of the Indian Act.

They will also be able to ensure their identity as native people. Several examples to illustrate this point could be mentioned. Let us take a very specific one, housing. One need only go to the reserves to see how all the houses are alike. It is so because the houses and the housing development plans were designed in Ottawa, and also because the budgets were usually rather limited. So, the question was: How are we going to build adequate houses, but without any frills? The result was that

these houses were often all identical and that the aboriginal culture was not taken into consideration.

It is important to them to ensure their development while also affirming their cultural identity. I think you will see a major change in the way native people will do things in the Yukon. I believe they will give us quite a demonstration. I am anxious to go back there and see how things will have changed in a few years. I hope that by then Quebec will be an independent country. However, it will still be possible to go to the Yukon because we have no intention of building a Berlin wall between Quebec and the rest of Canada. I will always be happy to visit the Yukon, look at the new way of doing things and see how these people will have taken control of their destiny and ensured that their culture is reflected in the decisions they will make.

This legislation puts an end to the uncertainty regarding territorial rights, land titles, cutting rights as well as mining rights.

(1720)

Indeed, there was a great deal of uncertainty before, but things will finally be settled.

Negotiations lasted 21 years and surface rights had to be established to confirm ownership and rights over usable land. I briefly alluded to this earlier and I do not think it is necessary to go over that again.

Bill C–55 proposes the establishment of a board having jurisdiction to settle disputes. I also mentioned that point earlier and I made a comparison with Split Lake, where no such board exists and where arbitration problems are mounting. If such a board was established there, a large number of disputes would be settled without having to go before the courts. This is an original idea that will also save a lot of money to a lot of people.

Given the current state of public finances, it is very important to make good use of our money. I believe that this board will result in savings, considering the legal costs generated by all those endless disputes which would often end up in the Supreme Court. These people would rather settle things differently, more or less by consensus, which is the way democracy works. The board, through its membership, and I will come back to this later on, will solve these disputes.

It will be a last resort and it will represent a true transfer of jurisdiction to the first nations.

I want to say a little more on the housing and health issues, and also discuss infrastructures. We know that the government has spent a lot of money on infrastructure. I have personally visited several reserves and, as I mentioned yesterday in this House, I was stunned to see how dilapidated housing on the reserve is, but also that a large number of houses have no water system, no sewer and no running water. In Canada, we boast about our remarkable quality of life. But we tolerate these things, which only go to show that the Indian Act provides no solution at all. We boast about the remarkable quality of life in Canada, but the native people are living in what I consider Third World conditions.

With this kind of bill, and bills like C–33, C–34 and C–55, people will be able to invest their own resources in whatever basic infrastructure projects that might meet their own needs. This is not only a step in the right direction, but also the way to nip the problem in the bud.

I will now turn to the membership of the board, because I see that the private members' hour is coming up soon. The board will be made up of 3 to 11 members. What is original here is that the native people will have their say in the appointment of these board members. Since we are giving natives a land base and granting them self–government, it would be a bit silly to seize the very first opportunity we have to set up a board and appoint only white people. Of course, in Yukon, the majority of the board members will be natives. I think this is an adequate compromise. Half of the board members will be natives appointed by natives.

It is equally important that the people making up the other part of the committee also come from the Yukon. Personally, I have a good knowledge of native affairs, but I would feel very uneasy if the minister or the government chose me to sit on the Yukon committee. It would be ill advised on my part to say that I know that community and that I want them to benefit from my great wisdom. I think that the days when Ottawa could impose its wisdom on the regions and on the native communities are over and I think that the bill before us reflects a desire to help the First Nations take their own destiny in hand. Therefore, there must be a native component in all of the various committees so that the policies and the plans of the First Nations are reflected in reality and that the natives are free to take the directions they want.

(1725)

I would be remiss if, before concluding briefly, I did not also mention Quebec's experience. I believe that Quebec's experience, notably the James Bay Convention, somehow sets a standard. I say this every time the issue of self–government comes up, and I say it again: I believe that the James Bay Convention set a standard which truly serves as a model elsewhere in Canada.

So I think it was very interesting in this regard. I would be remiss if, every time we have an opportunity to talk about self–government, I did not mention it, because that convention

was signed in 1975. I am not saying the agreement is perfect since there are no perfect agreements. They often are the result of a fine compromise. But even if it is now being attacked by the Cree nations, as some colleagues of mine said this week, we must consider that in those days, at the time of the signature, people were very happy with that document. Today, many provisions of the James Bay Agreement apply even in Yukon and I think many parts of the James Bay Agreement served as a model for the regulations on self–government that were adopted here, after that legislation.

There is wide consensus also in Yukon. Of course there are a great number of natives in Yukon, but there are also a great number of people of other nations who shared the territory with the native people. I say share, but I am being generous in saying that because, down deep, there was no sharing. It is more like the natives had to share part of their territory because the mining companies established themselves there. Perhaps these companies gave work to a few natives in the region, but we must admit the resources extracted from the Yukon territory did not really help finance the solution of the native issues in Yukon.

Therefore we will remedy the inequities with a proper compromise. The consensus is wide enough, even in the Yukon. The Yukon government agrees on that, the Mining Association agrees on the proposals that are before us. People realize that there have been inequities for too long and that negotiations have taken place for 21 years. Finally, I want to say that the last page of paternalism in Yukon has been turned today, that we are putting an end today to an era that may have been useful at the time for some people, but surely not for the native people, and that a new era in which native people will take control of their destiny, in which there will be no dependence towards the federal government, is beginning.

These people will now be able to tell their children and grandchildren: ''That happened in 1994''. And if we consider their attitude during the negotiations, and their perseverance, for decades, from generation to generation, these people have been saying: this must be changed, and they persevered, so that today, we are turning over a new leaf, and as a result, aboriginal people, I am positive, will be much better off, as far as their culture, natural resources, territory and their relationship with non–aboriginal people in the Yukon are concerned. From this day onward, there will be no more dependency. They have started something new, and I am looking forward to seeing how things will evolve, and from now on we will see that we made the right decision in 1994.

I want to congratulate all first nations who, I know, are listening to us today. Today is the culmination of all these negotiations, and of course the Bloc is delighted to have been a part of these discussions, and in concluding, I want to thank them for their cordial welcome, and I am so happy that we were with them throughout this process, and the Bloc Quebecois is pleased to say that they will support this bill.

[*English*]

The Acting Speaker (Mr. Kilger): It being 5.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

GRAIN EXPORT PROTECTION ACT

Mr. Ray Speaker (Lethbridge, Ref.) moved that Bill C–262, an act to provide for the settlement of labour disputes affecting the export of grain by arbitration and to amend the Public Service Staff Relations Act in consequence thereof, be read the second time and referred to a committee.

He said: Mr. Speaker, I am pleased to have the opportunity to speak in support of my Bill C–262 respecting the Grain Export Protection Act. The bill deals with an issue that grain farmers in western Canada and in my constituency have been addressing and wanting to address for some time.

For 11 days last January and February a labour dispute at the Vancouver ports disrupted the flow of Canadian grain to export markets. It is estimated that Canada's grain industry incurred losses of hundreds of millions of dollars.

The federal government responded by introducing special back to work legislation, Bill C–10, to end the dispute and resume the flow of grain. Far from being an isolated case, it marked the 13th time that the workers were legislated back to work since the year 1966. Bill C–262 provides a permanent solution to this chronic problem by amending the Public Service Staff Relations Act to prevent labour disputes from disrupting the flow of grain from the farm to export.

In cases where grain transportation is threatened by strikes or lockouts those actions are prevented. To settle such disputes the bill provides for a settlement mechanism known as final offer selection arbitration. The process is only utilized if the parties involved are unable to reach an agreement through the normal collective bargaining process.

For those who are not familiar with final offer selection arbitration, let me quickly mention some of its key features. First, the trade union and the employer are requested to provide the minister with the name of a person they jointly recommend as the arbitrator.

Second, the trade union and employer are required to submit to the arbitrator a list of matters agreed upon and a list of those matters still under dispute. For the disputed issues each party is required to submit a final offer for settlement. The arbitrator

then settles either the final offer submitted by the trade union or the final offer submitted by the employer. The arbitrator is not permitted to split the difference. In the event that one party does not submit a final offer the other side is automatically accepted. The arbitrator's decision in these matters is binding on both parties.

Why was the final offer selection chosen? This dispute settlement mechanism used by the federal government in Bill C–10 was chosen to force the negotiating parties to make a greater effort at settling their differences by themselves. By compelling each party to submit a final best offer and by preventing the arbitrator from splitting the difference between the two, the mechanism creates a strong incentive for both parties to submit a credible, constructive and economically realistic offer for settlement. Any party that tables an unreasonable final offer would be taking a huge gamble the arbitrator would choose the other party's proposal. It is hoped that the existence of the process will encourage negotiating parties to reach agreements before it becomes necessary to have the arbitrator choose one offer or the other.

Since 1966, as I have mentioned, the federal government has had to pass special back to work legislation in the areas of longshoring and grain handling 13 times. The cost of such disruptions to grain farmers and the grain industry is tremendous. The Western Wheat Growers Association estimated that the 11–day work stoppage which was ended by Bill C–10 of this year cost the grain industry some $35 million in demurrage, penalties and out of pocket expenses.

(1735)

When the Minister of Human Resources Development spoke on Bill C–10 he stated that the strike was threatening some $500 million worth of grain sales. That is not acceptable.

The frequency of such work stoppages over the past 20 to 30 years has also made foreign buyers question the reliability of Canada's grain supply. The most recent work stoppage at the west coast ports so concerned Japanese canola importers that they have begun offering Australian farmers minimum pricing contracts to encourage them to grow canola.

Another reason Bill C–262 is necessary is the vulnerability of western grain farmers to work stoppages in these industries. To illustrate just how vulnerable grain farmers are, let us consider this example. In 1988, 30 per cent of the country's grain exports were halted by 69 grain handlers in Prince Rupert. As usual the federal government was compelled to legislate them back to work after a few days.

One source of the problem is that Canada's transportation network has failed western grain farmers by limiting the options available to them in moving their grain to market. This is largely a result of the distorting effects government policies such as the WGTA subsidy, the Crow benefit, have had on the development of the nation's transportation structure.

Another source of grain farmers' vulnerability is the composition and location of Canada's grain markets. Approximately 80 per cent of Canadian grain is exported and most foreign buyers prefer loading out of west coast ports.

Finally there is a combination of legislation, regulations and purely economic considerations that has made it uneconomical or impractical for farmers to ship grain to export markets via such alternate routes as Thunder Bay, Churchill and American west coast ports.

On average the federal government has had to legislate grain handlers and longshoremen back to work, as I have said, about once every two years. Each time it happens grain farmers lose control over their livelihoods and their lives. Why should we not settle the issue once and for all instead of waiting for the next time it becomes necessary to rush through emergency back to work legislation? There is no need to have next times because with Bill C–262 we can resolve the problem once and for all.

One question asked is: Does Bill C–262 not violate the right to bargain collectively? I want to say very clearly that Reform is not anti–labour. That is not the intent of the bill. It is not a bill about union busting. We fully support the principle of collective bargaining. As a member of the legislature in the province of Alberta I have spoken a number of times in support of the process. However we also support the right of farmers to earn a living. We believe that governments have a responsibility to protect western grain farmers from ever again having to incur the costs they incurred during past strikes and lockouts.

In the sectors affected by the bill, that is the grain industry itself, the right to bargain collectively and to strike or to lock out employees is presently somewhat of a fiction. All the parties involved realize this very fact. Why do I say that? It is fiction because the federal government is always compelled—and the history is there—to intervene to end such work stoppages within a matter of days. The proof for this statement, as I have said more than once already in my remarks, is that the federal government has had to legislate the workers back to work some 13 times since 1966.

(1740)

In a properly functioning labour environment with employers and employees they both have to take into account costs in the form of lost wages or in the form of sales. Then the question about strike action becomes something different. Normally this is a powerful incentive for both sides to reach an agreement at the bargaining table.

However this normal safeguard does not apply in the case of longshoring and grain handling. The knowledge that any work stoppage in these areas will not be permitted to last for any length of time has been factored into the negotiation process for the parties. They do not fear a strike nor a lockout knowing it

will not last too long. They know the victims in the process will not be the employers or the employees but western Canadian grain farmers because in the end they pay the bills.

When I look at legislation such as this I wonder whether or not it should be permanent legislation. I do not believe it should be permanent. We in the Reform Party hope that at some point we could take the legislation off the books. Such legislation is presently necessary due to a number factors. Western grain farmers have no choice but to export their grain via one transportation route. If they had the option of shipping their grain via route *a* or via route *b* when there is work stoppage there would be no need for Bill C–262.

This is one reason a Reform government would work to create a more flexible and efficient transportation network. Transportation reform is one of a series of measures which Reformers believe would empower farmers by giving them greater flexibility and control over their own livelihood. When such reforms are put in place there would be no need for legislation such as the private member's bill before us today. At such a time the legislation could be repealed with no harm to grain farmers. Until such reforms are made Reformers believe the government's priority should be to protect the western grain farmer.

If in the future after Bill C–262 has been repealed and there is some combination of events that threatens western grain farmers again, we would not hesitate to bring back into effect that kind of legislation.

I look at Bill C–262 as a private member and as a farmer from western Canada. I was involved in each work stoppage that occurred over the past 13 years either as a member of the legislature or as a farmer who wanted to ship grain to meet my expenses and commitments as a farmer. I was always frustrated.

I remember in the legislature moving resolutions that the provincial government should go to the federal government and get the work stoppage stopped so that farmers could start shipping their grain and getting out of some of the financial stress they were facing. The provincial government said it was a federal matter. Often it stayed that type of thing even though members of the legislature in Alberta agreed that something should be done.

I remember as a farmer saying: ''I know I am paying the bill but I cannot sit at the table. I have no place at the table as a farmer even though I am paying the bill in order to make my case. There is no one at the table representing me''. The grain companies did not have the vested interest of the farmer. We could not say anything to the grain companies. We could not say anything to the longshoremen. They were not responsible to the farmer. It had been and still is a very frustrating and difficult problem.

I always said that if I had the opportunity something should be done where the farmer is represented at the table. The bill empowers the federal government to be at the table and to say to the 23 or 25 unions between the farm gate and the hold of the boat that if they move to a point where they can negotiate no further at the table they must move to arbitration. You present your case at the table the best you can. If you win you get that settlement; if the employer or the shipping companies win then that is the settlement. That is the way it is. We would be a little more involved as a farmer in an indirect sense, the federal government would represent us there.

(1745)

What happens now under the circumstances? What happened in January and February 1994? Again we had work stoppage. Farmers were in difficulty. The government was being pressured to bring in a bill to put these people back to work.

Then it becomes a political item. Should we force labour back to work or not? Should we get involved or not? What are the politics of it? Are the farmers stressed or are they not? Do we want to represent the union? We do not want to lose their vote out there.

All of a sudden here is the farmer of western Canada in terms of his financial circumstances and his marketing capabilities being involved in a political process. He should not be involved in this type of circumstance. As far as I am concerned, that is wrong and it should stop.

It is incumbent upon this government to look seriously at this proposal and take some action. I know that western farmers would shout hurrah and be excited about it. They would want this type of action from the government. They are getting tired of being pawns of these few longshoremen who are paid very high hourly wages, exorbitant wages, for the jobs they are doing out on the coast.

I have said this in the Alberta legislature and I have said it publicly to the media and in a variety of other places. We as farmers were so disgusted with the circumstances out there. I said that I could train 25 to 40 of the young farmers from my constituency in two weeks or less and move them out there. We could take over those jobs and we could continue to get our grain on the boats and move it forward.

I can tell you a lot of young farmers were so upset because of this strike, with people getting paid high wages out there and having no consideration. Living on the coast at Vancouver, sitting out on the port where the water never freezes over, or sitting up at Prince Rupert where there is not any kind of agricultural environment, there is no loyalty, no communi-

cation, no concern for that farmer. That farmer is out on the flat prairie trying to survive under not only very adverse climatic conditions but economic conditions as well.

This bill should not be taken lightly by government. The normal practice for this kind of thing is that if a private member introduces and presents a bill on the floor of the House of Commons or in a legislative environment, just because it comes from a private member of Parliament from the opposition the first knee–jerk reaction is for government members to come up with one reason or 10 reasons to reject the bill.

Government members do not think about the merits of the bill and whether it will it work. They often think about who is going to get the credit. Well, I could not care less who gets the credit, but we should think about the idea behind the bill and consider it sincerely so that we can solve this problem once and for all for the farmers of western Canada.

That is my case. I leave it with this House of Commons. I am certain that western Canadian farmers, the agriculture industry, are very interested in these kinds of changes. I urge my colleagues to give it their utmost support and consideration.

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, because of time constraints I will give an abbreviated version of my speech. The comments of the hon. member are interesting especially in light of his saying that we should be looking at the idea behind it. Perhaps the idea is most commendable. It is a question of whether this legislation meets the needs we are looking at.

I would like to begin my remarks on Bill C–262 by noting that we have been asked to look at what I regard as a very unusual piece of legislation. The author of the bill, the hon. member for Lethbridge, has titled the bill the grain export protection act. I say it is unusual because the House is very seldom asked to pass legislation that seeks to protect an economic activity from the participants themselves.

(1750)

We have passed legislation that protects people from dangerous products or dangerous working conditions and we have passed legislation that protects consumers from unfair competition. In Bill C–262 in contrast we are being asked to pass a piece of legislation that seeks to protect an economic process, which is the transportation of grain, from the participants who are capable of slowing down or stopping the transportation process.

The first question I would ask with regard to the stated intention of the bill is, who would the bill affect if it were to be passed? What companies and trade unions in the grain handling and transportation industry would be covered?

A shutdown of the national railway system or a shutdown of one of the major terminal elevators would certainly affect the transportation of grain and would come under the scope of the bill. What about a shutdown of one of the transfer elevators on the Great Lakes or along the St. Lawrence seaway system? What about a shutdown of the Prescott elevators or the Sorel elevators near Montreal? Would the legislation apply to the companies or unions at these points? They are involved in the transportation of grain to the export market.

Obviously, the scale of operations of these companies is much smaller than the terminal elevators at Thunder Bay or Vancouver. Therefore it is questionable as to whether or not they should be included. Unfortunately, the bill is unclear on this point and we are left to surmise for ourselves as to the companies and workers who might be covered by the bill.

I should like to emphasize the important role played by grain farmers throughout Canada to our national economy as indicated by the hon. member. As we examine Bill C–262 we will want to keep in mind that we are assessing the relevance of this bill to grain farmers principally in the prairie provinces as well as the men and women who work in the grain transportation system across Canada.

Mr. Speaker, as I said, this is an abbreviated version of my speech. The management of the grain transportation and handling system is a complicated matter. There are an untold number of factors that contribute to the success in the operation of the system and there is an equally wide number of factors that can go wrong. The experience of this past year with the difficulties in the grain hopper car supply and weather conditions illustrates this point very well.

When we look at a bill such as C–262 and the drastic measures it proposes, we have to keep in perspective the fact that industrial relations is only one dimension in the workings of this very expensive and complex system.

I feel extremely uneasy about one implication of this bill which I believe should be highlighted. That is the fact that it seeks to ameliorate the conditions of one group in the western economy by restricting the rights of others, namely the parties involved in the grain handling and transportation system.

I would suggest that it would be an extremely questionable act for the House to enact such a measure. I say this especially in view of the fact that many of the difficulties in the prairie grain economy are attributable to the international competitive environment and the difficulties we experienced earlier this year with the hopper car situation.

I seriously doubt that the proposed legislative amendments would have the desired effect for the prairie economy and may in fact have negative implications for the agricultural sector.

There is well founded evidence in those countries that have institutionalized the use of arbitration that work stoppages albeit illegal in nature continue to occur. In addition the arbi-

tration process can result in settlements which are not always reflective of the mutual interests of the parties.

The export of Canada's grain and its delivery to domestic markets depend on the vital activities of many companies and their workforces. On occasion the reliability of grain transportation and handling can be inconvenienced by work stoppages involving players in the system.

Hon. members will be aware there have been occasions in the past where the particular party in power has had to take action in the public interest and bring about a resolution of work stoppages by legislative intervention. However, these infrequent occurrences hardly warrant the passage of proposed Bill C–262 before us which would remove collective bargaining rights and provide for the drastic measures that are contained within it.

(1755)

We need only look to the experience of countries in which compulsory arbitration is widely practised. That experience is instructive. It indicates very clearly that strikes continue to occur even with compulsory arbitration and that such a measure turns out to be less than the solution or the panacea it is purported to be.

I have stated that there is a widespread consensus on the source of present difficulties in international grain markets and in the measures that are being introduced to help augment the supply and efficiency of grain hopper cars. In view of this reality my feeling is that it would be unfortunate to inflict such a weighty and questionable measure as is proposed by Bill C–262 on the employers and workers in the industry.

Therefore, I have to say that Bill C–262 is not an appropriate measure for regulating collective bargaining in the Canadian grain handling and transportation system. I would urge hon. members of this House not to support the proposed legislation.

There has been mention made of the needs of Canadian farmers and certainly there are losses that occur in strikes. There are always losses that occur in strikes, losses that occur not just to the grain farmers, but losses that occur to the people who work in the industry and to the companies involved. This is part of the bargaining process and labour management and it should continue. Elimination of such processes causes bitter feelings, causes stress and tension. In fact it exacerbates the situation rather than improves it.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, the bill introduced by the hon. member for Lethbrige deals with grain tranportation from the point of production to the point of export.

If we go back a little, we find that this bill has its origin in a work stoppage which occurred last February at the port of Vancouver. To better understand the scope and the reasons of this bill, we must go back in time.

On January 27, in Vancouver, representatives of the Longshoremen's Union and management failed to come to an agreement. The union decided to go on legal strike at the port of Chemainus on Vancouver Island. Two days later, on January 29, management reacted by imposing a lock–out. On February 8, that is 10 or 11 days later, the Minister of Human Resources Development had this House pass Bill C–10 forcing longshoremen back to work. That bill imposed a settlement of the labour dispute. It provided for the appointment of an arbitrator to whom both parties where to submit their final offers. He would then choose one of the two which would be the new collective agreement.

This way of doing things is contrary to the bargaining process since it totally rejects one of the two offers. The object of bargaining is to find a compromise fair to both parties.

At the time, my colleague from Mercier had proposed an amendment which would have made the bill more in keeping with the spirit of collective bargaining. She was proposing to let the arbitrator choose parts of both offers to construct a final offer which would contain elements proposed by both parties. As I said, the essence of bargaining is finding the right compromise.

The amendment of my colleague from Mercier was rejected by the Liberals opposite who argued that their basic idea was the best, and rejected also by Reformers who considered that this bill did not go far enough. They will correct me if I am wrong, but I believe that the bill before us today espouses the same logic. They want to settle once and for all labour disputes affecting the export of grain.

(1800)

To this end, the bill proposes two measures. The first one is to forbid employees to strike and employers to lock them out, if this strike or lock–out would cause cessation of work by any employee whose work is essential to any stage of the progress of grain from the premises of the producer of the grain to export. The second one is to make grain transportation an essential service.

This is the crux of the matter. Is grain transportation an essential service? You will understand that, for our part, we too are sticking to the same logic as last winter and spring by vigorously opposing this bill.

By removing the right to strike and to lock out, bargaining powers are reduced to nothing. We recognize that grain export constitutes a special case. Last winter, the strike was having devastating consequences for western producers: the grain shipped to port could not be loaded on the 25 foreign ships waiting for their cargo. Some even sailed to an American port to

get their cargo. Obviously, when Canada does not meet its grain export obligations, it has a serious impact on the industry. But we believe that this is not the way to solve the problem.

Many strikes in this industry have ended in ad hoc legislation by the governement. Earlier today, I learned, much to my surprise, that since 1966, in 28 years, no less than 13 ad hoc bills have been passed in order to settle disputes in the port of Vancouver. This is an average of a little more than one ad hoc piece of legislation every two years. Serious questions have to be asked. What is happening there? What is the matter?

Is management taking advantage of those employees? How come the federal government has had to intervene 13 times to settle directly a labour dispute? Mr. Speaker, this might make you smile, but I have a friend who is getting divorced for the sixth time. I told him: ''Listen, there is a problem. It is either you or the women you choose. Either you do not know how to choose your girlfriends or you are the problem''.

Thirteen bills in 30 years, that denotes a serious problem. I suggest to members of the Reform Party that labour relations should probably be looked at. There is probably a problem in that famous seaport, if not in all the west coast harbours, because it is not normal to have labour strikes every two years.

I have been on strike before, and I was proud of it. An employee on strike loses his salary. His ultimate goal when striking is to put an end to some injustice.

(1805)

If an employee loses money, the employer should also lose money. I barely had time to say half of what I had in mind, but I will conclude by saying this: unfortunately, the Bloc Quebecois will vote with the government and against the Reform Party, because this bill does not agree with our policies.

In Quebec, we know about essential services, and we associate them with hospital workers, firemen, and policemen, but not with seaports. If we were to let longshoremen become essential services, tomorrow it would be the bulk milk carriers, the day after, workers in feed mills, because people would say: ''Oh, those poor cows, sheep, pigs and hens will have nothing to eat!''

Mr. Speaker, obviously this does not make sense, members of the Bloc Quebecois will simply vote against this legislation and support the Liberal Party, in order to defeat the Private Members' bill presented by the hon. member for Lethbridge.

[*English*]

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I would like to address this bill today from the viewpoint of the farmer. I have farmed through all the years that we have had disruptions in the grain handling system.

My career started in 1957. I farmed through about 10 years of fairly decent grain handling activities. We were without strikes until 1966. It amazes me when I hear members on the opposite side today saying how important it is to support labour and management. My colleague from Lethbridge never stressed that it was totally labour's fault that these strikes existed. There was probably some belligerence from the management side as well. The problem in the grain handling system probably lies with both management and labour.

The first strike in 1966 was at a time when farmers had no grain drying facilities. I remember very well how the grain was backed up in 1966. We had decent weather to combine but we did not dare combine because the grain was tough and damp. We had to leave that number one quality wheat out in the field until the weather cooled enough so that we could store it. This is what happens to the farmer in the grain handling system when we have labour and management disagreeing.

By 1972 we had had backups on grain. There were good crops. I remember very well that in 1971 I bought three bushels of barley for $1 because there was no movement in grain. I bought numbered wheat at 70 cents a bushel to feed to my cattle operation.

Grain farmers did not know what to do with their top quality grain. That was the first time in my life that I had ever heard of farmers going bankrupt. It was not due to the farmers nor to their efficiency or work habit. It was due to unions and management not agreeing on a set price.

In 1971, grain handlers got a 66 per cent increase in wages. Farmers were selling their grain for one–third of the price that they should have had. If that is treating people fairly, I never want to be discriminated against.

(1810)

The hon. member for Saskatoon—Dundurn, who is a lawyer by profession, suggested that there is third party liability in this situation. If two cars driving by his home were involved in an accident, rolled into his house and his house burned, who would pay for it? Would the hon. member pay for it? I bet he would not. That is what farmers have put up with for 30 years.

The Liberals will get no feathers in their hat because they have had as many strikes during their reign as the Conservatives.

If this country is going to survive, the primary producers of our products must be treated fairly. If that does not occur something is going to happen. Hon. members should remember that in 1995 GATT will come into effect. The western Canadian grain farmer will have the opportunity to move his grain through the transportation system in the U.S.

As the hon. Minister of Transport pointed out in his speech in Winnipeg in October, the United States transportation system is 66 per cent more efficient than the Canadian system. The United

States primary elevator system and terminal system is less than half as costly as the Canadian system.

If farmers do not get a decent deal through this bill, in 1995 farmers are definitely going to move their grain through a system outside this country. At that moment the people in the east can start floating their toy boats down the St. Lawrence seaway because that is all they will have. Farmers will not put up with that any longer.

It is important that members opposite and members of the Bloc realize that if we do not give fair treatment to the people on the land who are being discriminated against, those people will no longer support them.

Any political system that allows its primary food producers to go down the drain will itself follow quickly. The slightest blip in the economy will force grain prices down. The 20 per cent of farmers who produce 80 per cent of the food today will be gone. I want to see hon. members on the other side at that time try to import food with a dollar that is worthless.

It is time that we as members of Parliament and the government start addressing the real issues, not the superficial issues. If we do not protect our food industry we will see something happen that this Parliament will wish it had never seen.

Mr. Whelan, the former minister of agriculture, said that we have lost 100 food manufacturing plants in the last 10 years. That tells me that something is very wrong in our system. If that continues another three or four years this country will lose its balance of payments to the point that we will not be able to pay the interest on the debt that Conservative and Liberal governments have put on the backs of our children and grandchildren.

Today, instead of being partisan we should start agreeing and improving the system so that farmers can make a living and support the rest of this country.

(1815)

The hon. member for Malpeque is a very strong supporter of supply management. If the grain producers do not get a fair deal, his supply management theory will be out the window.

I wish I could impress on Parliament the seriousness of this problem. When I look at the Soviet Union today, which I visited after the coup in 1991, I see a country that has half the agricultural land in Europe, the oil of the Middle East and gold of South Africa, starving. It is an example of what happens when we allow the primary producer to go down the drain.

I hope that Parliament has enough logic and sense to start dealing with these issues. When I see statistics that show it takes the same amount of time to move a rail car from the prairies to Vancouver as it did in 1907 there is something wrong with our transportation system. It cannot be put on the backs of the farmers.

When I see that charges at our elevators are four times as high as in the U.S. it is not the farmers' problem. When the taxes on our terminals are three and four times as high as they are in the U.S. that is not the problem of the farmers.

I hope I have impressed on Parliament that there has to be a solution found to this inefficient, expensive system of grain handling because if we do not find it somebody will do it for us.

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, Bill C–262, an act to provide for the settlement of labour disputes affecting the export of grain is legislation which has been needed for many years in the often stormy climate affecting Canada's reliable supply of grain to the hungry world.

I am pleased to rise in the House today to support this private member's bill. Shortly after the newly elected 35th Parliament was opened early this year, the people of Canada were asking us to do something about the prolonged strike of nine locals of the International Longshoremen's and Warehousemen's Union known as the ILWU and the accompanying lockout by British Columbia Maritime Employers' Association representing 70 different west coast companies.

By the time this matter came before us, the economic impact of this major disturbance in the workplace had spread to some 3,500 west coast grain handlers as well as approximately 200 employees of railroads while the cycle of rail car movement also suffered major disruption.

A great many prairie farmers whose grain was not yet being moved suffered major financial losses. Included were demurrage costs of some $10,000 per day for 26 ships in port plus the threat of even more demurrage for 38 ships due to arrive during that week and the next.

The disrupted labour contract had been the subject of prolonged negotiating sessions from July through December 1993, but rather than prompting a settlement the threat of strike erupted into job action at financial costs which were estimated as high as $300,000 per day for wheat alone.

However, perhaps the greatest loss was to the reputation of the Canadian Wheat Board and the port of Vancouver as being reliable suppliers of grain.

We should be aware that both our Canadian production of wheat and world demand for it are increasing. For example, according to figures supplied by the Canadian Grain Commission in its publication, ''Grain Statistics Weekly'', at the close of business January 9, 1994 farmers delivered 20,900 tonnes of durum wheat; 95,700 tonnes of other wheat; 10,200 tonnes of oats; 85,900 tonnes of barley; 71,100 tonnes of canola; 6,400

tonnes of flaxseed and over a tonne of rye for a total of 291,400 tonnes, all for export.

(1820)

But the previous week the totals were nearly three times as high; 912,900 tonnes, the vast majority also headed for export. International demand for wheat, especially among customers living around the Pacific rim is growing.

According to a letter from the Canadian Wheat Board called ''Grain Matters'': ''The Far East and Oceania, home to 3.2 billion consumers, could account for 40 per cent of the world wheat trade by the end of the century. Population and income growth, increased urbanization and the resulting dietary shift away from rice, are expected to lead to greater use of wheat based products. Canada could secure as much as 30 per cent of this market''.

Such growth in both Canadian productivity of wheat and growth in Pacific rim demand for that wheat could be good news for farmers and for the Canadian economy as a whole. We must ask ourselves what happens in corporate board rooms around the Pacific rim when chief executive officers and boards of directors see shipments expected from Canada being delayed for two weeks or more due to a labour dispute?

Unlike a current TV commercial for coffee, those ships cannot simply be turned around en route. Instead they sit in port while we pay penalties called demurrage. According to figures supplied from both the department of agriculture and the department of human resources the Japanese cancelled some of their barley orders for April over the strike in January. Unfulfilled or seriously delayed orders cause serious damage to the willingness of our customers to buy from us, if they can possibly obtain sufficient grain for their needs in either Australia or the United States.

Nor was the grain handling disruption in January this year a one time occurrence. On the contrary. The need to settle grain handling disputes has been the most prominent issue requiring recent federal back–to–work legislation, starting with the West Coast Ports Operation Act, providing for the resumption and continuation of longshoring and grain handling operations, rushed through Parliament on August 31 and September 1, 1972 and even earlier on the St. Lawrence in 1966.

From then onward until earlier this year the list reads like a sad litany to mourn the failure of the labour negotiation process as regards this perishable commodity: in 1974, 1975, 1976, 1982, 1986, 1988, 1991 and again in 1994.

In part the blame must lie with the excessive taxes caused by a quarter century of excessively high peacetime federal government budgets. As proof of these excessive taxes, in British Columbia tax freedom day according to the Fraser Institute has advanced 49 days during that period of time until in 1994 the average B.C. worker must put in fully half a year's wages to pay his taxes before he can finally draw a full breath and start to work for himself and his family on the first day of July.

Seeing less and less of his pay cheque being left to spend on the necessities of life for himself and his family, at the same time as the prices of goods have been relentlessly driven upwards by the same causes, the average employee wants a bigger pay cheque when it comes time to negotiate a new contract.

Likewise, British Columbia employers continue to be saddled not only with the highest personal income taxes in Canada on the profits, but also as business people with high levels of taxes not related to profits, including business licences and insurance, plus premiums paid for things like unemployment insurance and workers' compensation.

These factors, influencing both sides of labour negotiations, make it harder and harder for all employers and all employees to readily reach new terms once an existing contract expires.

(1825)

Given the size of our federal debt, now in excess of $530 billion, it is clear that high taxes are not going to go away in the near future. It must also be clear that we need a new method for settling disputes such as the one involving west coast grain handlers whose economic consequences are so widespread. Indeed many members of Parliament, including myself, have received representations from the elevator operators asking that some long term resolution of their dispute be legislated as it has become apparent that the present system simply does not work.

My fellow members of Parliament in the Reform Party caucus and I voted in favour of the government's back to work legislation last February with the understanding that a long term solution must be found so that the federal government need not continue to interfere on a case by case basis in the collective bargaining process.

It was therefore with a great sense of relief that I first read this private member's bill, C–262. It lays down a simple method of settling future disputes precisely along the lines employed in the government's back to work legislation earlier this year as embodied in Bill C–10 passed on February 8. The only difference I can see between the actual dispute settlement mechanisms outlined in private member's bill C–262 and the government's Bill C–10 is that C–262 asked an appointed arbitrator to make his recommendations within 60 days, but allows the arbitrator to appeal to the minister for a longer time if needed, whereas Bill C–10 starts with 90 days instead of 60.

Both of these bills use the last best offer method of dispute settlement whereby either the final offer of the union or the final offer of the employer's association must be accepted in its entirety for matters on which the two have not previously been able to agree. However, nothing in the legislation would prevent the two parties from negotiating peacefully together and pos-

sibly never needing to use the new legislation at all. It would be in place if it were needed rather than requiring Parliament to once again rush to interfere if the two parties should again find themselves unable to sign a collective agreement and the shipment of grain again become jeopardized.

In view of the widespread and long term economic consequences of possible future disruptions in handling Canadian grain, I hope that all members of this House who joined together in support of government Bill C–10 will once again be able to join together to support Bill C–262.

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I have listened with interest to the remarks by members opposite on Bill C–262, especially the remarks by the member for Lisgar—Marquette. I recognize full well the impact that labour and management problems, whether in the railway system or on the west coast, have on the farm community. In fact I have been involved in a lot of those disputes over the years.

I think there are ways of resolving those issues through better labour management negotiations other than what this bill proposes. I believe this bill puts too much of the burden on the labour side of the equation rather than on equality between the two. I think it is possible to have labour and management come together. I know as a member on the government side that I will certainly be encouraging the Minister of Human Resources Development to look at ways of resolving disputes before they get to the stage where the system shuts down.

I remember one time I was involved in a dispute where we as a farm organization met with labour. We knew they were going to go on strike in July. The end of the crop year is July 31. We were able to talk to them and prevent them from taking that kind of action prior to the end of the crop year because prices were going down at the end of the crop year.

It is possible to find other ways to resolve labour disputes and we will be working at that as a government in coming years.

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93 the order is dropped to the bottom of the order of precedence on the Order Paper.

[*Translation*]

It being 6.30 p.m. and since there are no members to take part in the proceedings on the adjournment motion, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24.

(The House adjourned at 6.30 p.m.)

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