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OFFICIAL REPORT
(HANSARD)

Tuesday, April 25, 1995

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Tuesday, April 25, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

OFFICIAL LANGUAGES

The Deputy Speaker: I have the honour to lay upon the table the annual report of the Commissioner of Official Languages, covering the calendar year 1994, under our standing orders and under section 66 of the Official Languages Act.

[*Translation*]

Accordingly, pursuant to Standing Order 108(4)(*b*), the document is deemed referred to the Standing Joint Committee on Official Languages.

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[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 34 petitions.

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AUDITOR GENERAL ACT

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.) moved for leave to introduce Bill C–83, an act to amend the Auditor General Act.

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

PETITIONS

INCOME TAX ACT

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I am pleased to rise to present a petition on behalf of 61 people in Deloraine, Manitoba. The petition calls on the government to amend the Income Tax Act to provide a child care expense deduction that is available to all families, regardless of the income level of the parents, the amount of child care expenses incurred, or the form of child care chosen.

As members will be aware, my private member's bill, C–247, did just that. It is too bad that the government chose to defeat it, largely because of special interest group agendas and the fact that stay at home parents do not provide tax revenues for government coffers.

ASSISTED SUICIDE

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, today I would like to present a number of petitions on behalf of my constituents, pursuant to Standing Order 36.

The first petition requests that current laws regarding assisted suicide be enforced and no changes that would sanction or allow suicide or euthanasia be made to the law.

SEXUAL ORIENTATION

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the second and third petitions ask Parliament not to indicate societal approval of same–sex relationships or homosexuality by amending legislation to include the undefined phrase ''sexual orientation''.

RIGHTS OF THE UNBORN

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the next petition prays that Parliament amend the Criminal Code to extend the same protection enjoyed by human beings to unborn human beings.

GUN CONTROL

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, my constituents have also requested that I submit their petitions asking Parliament to support laws that punish criminals using firearms; to support, recognize and protect the rights of law–abiding citizens to own and use recreational firearms; and to abolish any existing gun control laws that have proven ineffective.

DESIGNATION OF OFFICIAL OPPOSITION

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, my last petition asks Parliament to recognize the Reform Party of Canada as the official opposition during the remainder of the 35th Parliament. The signatories feel the rights and interests of all Canadian citizens cannot be adequately protected by the Bloc Quebecois.

GUN CONTROL

Mr. Réginald Bélair (Cochrane—Superior, Lib.): Mr. Speaker, it is a pleasure for me this morning to present to the House of Commons a petition containing 1,375 names.

The petitioners humbly suggest that there is a need for more crime control in this country, not necessarily more gun control. The petitioners also ask for the removal of the firearm registry from Bill C–68. The petitioners also ask Parliament to concentrate its efforts on the criminal element of our society and not to erode gun owners' rights in Canada. The petitioners ask that common sense prevail.

(1010)

CHELAN SUBDIVISION OF CNR

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, I wish to present petitions gathered by people along the Chelan Subdivision of the CNR, which is now, thanks to government order in council, no longer protected to the year 2000. Virtually every resident along that line has signed this petition.

The petitioners are asking Parliament to support Canada's rural way of life by rejecting the policy proposals of lifting the prohibition order on branch lines and developing agricultural and rural development policies for Canada in which rural citizens are considered to be human beings with spiritual, social, and economic needs and not just economic commodities or statistics.

SEXUAL ORIENTATION

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I would like to present a petition today with which I agree.

This petition asks that Parliament do not include the phrase ''sexual orientation'' in Bill C–41. This is one of many petitions that come from my constituency on this issue.

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, I also wish to present a petition asking that sexual orientation not be included in any new hate crimes legislation. I endorse this petition. It is from the riding of Victoria—Haliburton in Ontario.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following question will be answered today: No. 136.

[*Text*]

Question No. 136—**Mr. McClelland:**

With respect to the old age pension (*a*) how much money is paid in old age pension to citizens of Canada now residing outside the country and what are the top five countries to which payments are made; (*b*) what residency requirements are necessary as a pre–condition to collecting old age pension; and (*c*) is it necessary to have paid taxes in Canada in order to collect old age pension while living outside Canada?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): (a) During 1994 approximately $177 million in old age security, OAS, benefits was paid outside Canada. It is not known how much of this was paid to citizens of Canada because an individual does not have to be a Canadian citizen to qualify for OAS.

The five countries to which the highest overall OAS payments were made in 1994 are in descending order:

United States—$92.2 million
Italy—$17.8 million
United Kingdom—$13.6 million
Greece—$5.3 million
Portugal—$4.7 million

(b) To receive an OAS pension an individual must be a Canadian citizen or legal resident of Canada on the day preceding approval of the OAS pension application; or if no longer living in Canada, must have been a Canadian citizen or legal resident of Canada on the day preceding the day he or she stopped living in Canada. In addition, an individual must have resided in Canada for a minimum of 10 years after age 18. To receive an OAS pension outside Canada, an individual must have lived in Canada for at least 20 years after age 18.

The amount of the OAS pension paid either within Canada or abroad depends on how long an individual has lived in Canada after age 18. A full pension is payable with 40 or more years of residence in Canada after age 18. A partial pension is payable with less than 40 but at least 10 years of residence after age 18, accrued at the rate of one–fortieth of the full pension for each year of residence after age 18.

Individuals with less than 40 years of residence can qualify for a full pension under a former set of rules that is being phased out over a 40–year period which began July 1, 1977. A full OAS pension can be paid if, on July 1, 1977, an individual was 25 years of age or over, and lived in Canada on July 1, 1977; had lived in Canada before July 1, 1977 after reaching age 18; or possessed a valid immigration visa on July 1, 1977.

In such cases, an individual must have lived in Canada for the 10 years immediately preceding approval of the OAS application. Absences in this 10–year period may be offset if the individual lived in Canada after age 18 and before the 10–year period for periods that equal at least three times the length of the absence. In this case, however, the individual is required to live in Canada for a full year immediately preceding approval of the OAS application.

The Old Age Security Act permits the inclusion of the old age security program in reciprocal social security agreements. Such agreements enable people who live or who have lived in the other contracting country to add periods of residence abroad, or in some cases periods of contributions, to periods of residence in Canada to satisfy the minimum eligibility requirements for the OAS pension, and the income tested spouse's allowance. For example, someone who lived in Canada for less than the 10 years required to qualify for a partial OAS pension in Canada would be able to use periods of residence in the other country to meet the 10–year requirement. As well, a similar provision would apply to someone who lived in Canada for less than the 20 years required for payment of the OAS pension outside the country.

Once eligibility for the OAS pension is established in this way, the actual pension paid is based only on actual periods of residence in Canada.

The answer to (c) is no. Payment outside Canada depends only on whether an individual has resided in Canada for at least 20 years after age 18 or is living in a country with which Canada has concluded an international social security agreement.

* * *

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, with respect to Starred Question No. 163, I would ask that the answer be made an Order for Return, in which case the return would be tabled immediately. I would ask that all the remaining questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[*Text*]

Question No. 163—**Mr. Penson:**

With regard to the Prime Minister's recent trip to Latin America, (*a*) how many business people accompanied the Prime Minister, (*b*) what was the total amount of federal government assistance to business people on the trip, (*c*) which Canadian companies signed firm deals, (*d*) what was the total dollar amount for these deals, (*e*) what was the extent and source of federal government financing to make these deals possible, (*f*) which memorandums of understanding were signed, and (*g*) what promises were made of possible federal government financing or other assistance if these MOU's should result in firm sales?

Return tabled.

GOVERNMENT ORDERS

[*Translation*]

LOBBYISTS REGISTRATION ACT

The House proceeded to the consideration of Bill C–43, an act to amend the Lobbyists Registration Act and to make related amendments to other acts, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Deputy Speaker: There are 33 motions in amendment in the Notice Paper concerning the report stage of Bill C–43, an act to amend the Lobbyists Registration Act and to make related amendments to other Acts.

Motions Nos. 10 and 20 are identical to motions presented and rejected in committee. Accordingly, pursuant to Standing Order 76(5), they will not be selected.

[*English*]

Motion No. 1 will be debated and voted on separately.

[*Translation*]

Motions Nos. 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 21, 24, 26, 27, 32, and 33 will be grouped for debate and voted on as follows:

(a) A vote on Motion No. 2 applies to Motions Nos. 4, 5, 6, 8, 12, 13, 14, 24, 26, 27, 32, and 33.

(b) An affirmative vote on Motion No. 2 will obviate the necessity of the question being put on Motions Nos. 3, 15, 16, 17, and 18.

i. Motion No. 11 will be voted on separately.

(c) However, a negative vote on Motion No. 2 necessitates the question being put on Motions Nos. 3, 11 and 16.

i. A vote on Motion No. 3 applies to Motion No. 15.

ii. A vote on Motion No. 11 applies to Motions Nos. 17 and 18.

(d) Motions Nos. 7, 9 and 21 will be voted on separately.

Motion No. 19 will be debated and voted on separately.

[*English*]

Motions Nos. 22, 23, 25, 28, 29, 30 and 31 will be grouped for debate and voted on as follows. An affirmative vote on Motion No. 22 obviates the necessity of the question being put on Motion No. 23. On the other hand, a negative vote on Motion No. 22 necessitates the question being put on Motion No. 23.

Motion No. 25 will be voted on separately.

(1015)

A vote on Motion No. 28 applies to Motion No. 29. An affirmative vote on Motion No. 28 obviates the necessity of the question being put on Motion No. 30. On the other hand, a negative vote on Motion No. 28 necessitates the need for the question being put on Motion No. 30.

Motion No. 31 will be voted on separately.

MOTIONS IN AMENDMENT

Mr. Ken Epp (Elk Island, Ref) moved:

That Bill C–43, in clause 2, be amended by deleting lines 8 to 20, on page 2.

He said: Mr. Speaker, it is distinct pleasure to address the questions before us today on the Lobbyists Registration Act.

One of the pledges of the Liberal government was to rebuild trust in government which has been eroded to a considerable extent over the last number of years under previous governments. I use the plural extending to more than two.

The amendment is very specific. The government labelled the report on this bill ''rebuilding trust''. Therefore our party has tried to come up with amendments—this will be true for the one before us now and for the others we are proposing—that work toward that goal.

In a way we are trying to help the government to achieve the goals it stated but for some reason has now become unwilling to follow through on.

We are moving an amendment to increase the openness, the accountability and the disclosure required under the Lobbyists Registration Act so citizens can see more clearly what is happening. In a very general sense hopefully the more they know the more we will move toward a true democracy since it seems we have lost the sense of true representative democracy.

MPs are elected and sent to the House to represent their constituents but sometimes are not allowed to vote according to the wishes of those they represent; the decisions being made in smaller rooms elsewhere and the results being orchestrated from here. Obviously if people want to have their input into how government works they will find out where the decisions are made and then proceed to use that particular approach.

How did lobbyists gain such a large force? The people have discovered that it is a way they can get to the root of where the decisions are made in government. It is not through the members of Parliament. They have essentially lost their representative function.

The way one influences government policy is by getting to the decision makers. The decision makers are the top bureaucrats, the deputy ministers, the ministers and the Prime Minister. Backbench MPs on the government side ultimately feel that pressure. I have spoken to some who have expressed some consternation about the fact that they are not free to express their views in the House because of the element of party discipline.

The amendment we are moving would require more openness and disclosure. Therefore when people become aware of how government is being influenced, hopefully the more they know the more they will dislike it and we will then be able to achieve a shift toward true representative government via members of Parliament.

(1020)

I found the work in the committee on Bill C–43 for the most part very interesting. It was a good committee. Our chairman was very capable and very personable. Sometimes he tried to push things through too fast. We had a committee that worked together and pulled him back. For the most part things went very smoothly until we came the end. Suddenly there was a dramatic shift on the part of government members. They stopped listening to reason and suddenly it was orchestrated from the back rooms.

When the motion simply says to delete some lines and introduce new ones, it is not really clear to the average person or even to some members exactly what this motion proposes.

Presently the bill exempts from registration requirements any meetings initiated by public office holders. In other words, the Lobbyists Registration Act says if you lobby government, you are supposed to register. That is an acknowledgement that there is a lobby group, organization, a business, a firm or a corporation trying to influence government.

We found out that quite often the government makes an initiative to talk to lobbyists because it wants to find out something about a particular business sector or it has some other reason. It initiates the call.

If it is a straight transfer of information, information gathering and if all of our amendments are accepted, that would not be included in a registration requirement. Where the lobbyist is trying to influence the government, however the first contact is initiated it ought to be disclosed. Bill C–43 as proposed by the government does not include that.

We are saying there should not be an exemption from registration if a department official or the minister or anyone else in government initiates the communications. In other words, if there is communication taking place, the purpose of it is ultimately in order to influence government, however it was implemented.

We need to be careful because if we do not permit this amendment, we will provide a very easy loophole. If we are rebuilding trust, the last thing we want is to provide a number of escape routes from accountability. The present bill has that escape route because it says that if a government official initiates the meeting, then registration is not required. Therefore what happens in that meeting may be greatly directed toward

influencing government. A government official has asked for it but immediately the lobbyist is influencing government.

It would not be correct to provide a means whereby the person doing the lobbying is now exempted from registration just because he did not take the first motion.

I will quote a local columnist: ''Any lobbyist who cannot finagle an invitation from a public office holder is not worth his retainer''. That is true. If a lobbyist wants to influence government but wants to do it in such a way that is not disclosed all he has to do is, in the words of this columnist, finagle an invitation.

(1025)

That is very easy to do if one has a good lobbyist network. That is what these guys are about. This is their business. Therefore members can see where the lobbyist would meet casually with the government official and say: ''Invite me down, I would like to talk to you about some things''. There is a delay of a couple of days. Then he gets an invitation and now he is not required to register.

There is some question as to whether this would inhibit government officials from genuinely seeking information. I need to have the members, when they are considering supporting us in this amendment, to remember that we are also proposing another amendment that really is necessary to understand in order to approve this one. We want to also change the definition of lobbying. Lobbying is not well defined in the present act. We would like to change it so that the element of influencing or attempting to influence government is an integral part of definition of lobbyist.

That way if there is a genuine request simply for information there would be no requirement at all to register in any case. That is not a lobbying function. That would be a very normal routine of talking to some sector of industry for absent association in order to find information.

This new definition, if we say it must include influencing or attempting to influence, would totally look after that. Therefore in supporting the amendment we are proposing the government would do well. It would be fulfilling its own red book promise of increasing transparency, increasing accountability, increasing the openness with which government operates so hopefully the result could be achieved. We want to make sure all aspects of government operations whether procurement or influencing of government policy be done in the open so people know what is happening. Hopefully they can renew their trust in the officials, in the MPs and in the cabinet ministers elected by them.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I would like to reiterate what the member for Elk Island said, that it was a great experience working on this bill in committee. We on this side of the House found it satisfying as well.

The member's motion will not be supported by the government because we believe the bill covers the very thing the member says it does not cover. If a lobbyist were to lobby for an issue with a public servant even though the initiation was made by a public office holder on a totally different issue, it does not take away from the responsibility of the lobbyist to report that piece of lobbying in the context of a government initiated meeting.

There is a balancing act between transparency and making sure there is a good working relationship between the government and the private sector in the interests of developing good public policy.

We did say that in the interpretation bulletin from the registrar that the area the member is concerned about is crafted precisely to make sure there would not be any kind of loophole.

(1030)

The essence of the bill states clearly that if a lobbyist within 10 days of registering is arranging meetings or attempting to influence legislative proposals, bills, resolutions, regulations, policies, programs, award of grants, contributions, other financial benefits, or award of contracts, must be duly noted.

Another thing the member talked about in his speech was the need to make sure all of this information was open and accessible. All of these registrations, all meetings and all of this information would be available through computer access via Internet. Therefore there is no need for this amendment. The bill has gone a long way in advancing the transparency of the relationship between lobbyists and the Government of Canada.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, like my two colleagues who spoke before me, I will make a brief comment on the work done by committee members who considered this bill. I sat on the committee myself and attended most of its meetings. I followed proceedings very closely and listened to many witnesses. I can tell you that I am a little disappointed in the very partisan work done by government members.

The attendance record of the government members was not as good as that of the representatives of the Bloc Quebecois and the Reform Party, so that it was extremely difficult to agree and achieve one of the objectives, namely to reassert the value of the work done by ordinary members of Parliament through exchanges between government and opposition members.

When people opposite us keep changing from one meeting to the next, it is very difficult to resume a discussion or complete the arguments introduced one or two days before the last meeting. Yes, there were good exchanges at the committee level.

There is, however, room for improvement with respect to the attendance record of government members and how they could follow up the work done in committee.

With regard to the objective sought by Bill C–43, I think that no one in this House can be against it. True, taxpayers and constituents from across the country have lost some confidence in the government for several reasons. One only has to look to the past to find many reasons to lose one's confidence in the government. Bill C–43 is designed to ensure a certain level of openness, to show everyone what the power brokers in Ottawa are really doing behind the scenes.

In any case, the objective of Bill C–43 was to make all lobbyists—or influence peddlers as some people call them—accountable, to make their work on Parliament Hill more transparent, to show the people that, in the end, the government was justified in doing business with a given individual, in changing the regulations, in drafting a bill or anything else.

This goal is commendable and the opposition agrees with it. The reason we agreed to work with the government was to achieve greater transparency. However, the bill we are debating, Bill C–43, is very disappointing in that it did not achieve this goal. Today, I am doing the same thing I did at the committee stage, when I suggested a number of amendments to promote more openness and bring about the desired transparency. It is one thing to have a goal, but efforts must be made to achieve it.

I suggested a number of approaches—twenty or so—at committee level, but this government, government members who, by the way, had not even heard the evidence, attended our meetings and heard witnesses request specific measures, rejected every one of the amendments proposed by the Bloc Quebecois. They voted them down. Today, the government is given another opportunity to improve this bill through a series of amendments. We have 33 motions before us and I think that some of them would greatly help improve transparency, as Bill C–43 seeks to do.

(1035)

I urge the government to give serious consideration to these motions, to review the goals it set in its famous red book during the election campaign and then to look at Bill C–43 in order to determine whether or not these goals were met. I am convinced that it will come to the conclusion that, indeed, they were not. Now, the opposition is offering to help the government achieve a goal it has set for itself during the last election campaign.

I must say however that Motion No. 1 may not be going in the direction that I just mentioned. Let me explain. I agree with the government that Motion No. 1 should not be passed.

We must set Motion No. 1 in context and see what changes it introduces. It amends clause 2 of the bill, that is to say section 2 of the present act, under definitions. It also affects subsection 4(2) of the act, under application, which specifies to whom the act applies and particularly to whom it does not apply, because I think arrangements have to be made so that citizens can contact the government. I think that honest citizens who are looking for information, want to express their views before our committees and act openly and publicly should not be restricted in their right to contact the government to make representations.

In fact, two exceptions to subsection 4(2) are already contemplated. The first exception concerns those who make representations before a Senate, a House of Commons or a joint committee. Several pieces of legislation are reviewed in committee, and it only makes sense that those who submit briefs and come to tell the committee what they think of a bill should not have to register. That exception is already included.

The second exception deals with the case of a taxpayer who phones a public servant to obtain an interpretation regarding existing legislation. Again, it goes without saying that the person should not have to register, nor state his reason for contacting the government, since it is normal to communicate with public servants to obtain details regarding legislation.

This amendment to Bill C–43, which the Reform Party wants to eliminate through its motion, would affect all those contacted by the government. During the review conducted by the committee, I referred to these situations as ''government initiatives''. Before awarding a contract or considering a specific measure, the government, for a number of reasons, usually contacts some organizations to get their opinion. It approaches various groups and asks them: ''Do you have a problem with this legislation? Would you be in favour of improving it in this fashion? Would you be opposed to such a measure? What do you think?''

If an exception is not provided regarding clause 4(2) of this bill, people will stop providing such answers to the government. The witnesses heard by the committee clearly said that, if they have to comply with the provisions of Bill C–43, they, as officials representing mostly non–profit community organizations, will definitely stop providing opinions to the government and help it make choices. These people added that they would certainly not pay to reply to a government's request.

So, that amendment, which is just about the only one accepted by the government, should not be set aside right away. It should be reviewed, and I ask the Reform Party to really consider the purpose of this amendment, which is the only one which was accepted by the government following the review of this bill by the committee.

The amendment is very simple.

(1040)

The bottom line is that any oral or written submission made to a public office holder by an individual on behalf of any person or organization will be exempt if it is in direct reply to a written request from a public office holder for advice or comment in respect of the specified provisions. Other clauses are also quoted to specify who the clause will apply to.

The wording of the clause now before us guarantees that the fears the Reform member just expressed will not be substantiated, that there will be no bending of the rules or attempts to get around the law, because everything will be done in writing. And I think that, under the Access to Information Act, we as taxpayers can obtain copies of this information. Therefore, we can check the public servant's request and the organization's reply because they will be in writing. This applies to a direct, written reply to a request.

Bill C–43 and the amendment proposed this morning, which the Reform Party does not support, would not exempt the information in cases where, following analysis or research, it was discovered that the public servant asked the organization whether it would support such and such legislation and it is obvious from the organization's reply that it would only support the government's proposal in exchange for such and such a contract or an amendment to such and such other regulation. Therefore, the organization in question would have to meet the requirements of Bill C–43.

Motion No. 1, as it is written, quite simply moves that the entire amendment or the content of clause 4(2) of Bill C–43 be removed, and I cannot support such a motion. This and all of the reasons stated above is why the Bloc Quebecois, the official opposition, will vote against Motion No. 1.

[*English*]

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I rise to confirm my support for the motion before the House that Bill C–43, in clause 2, be amended by deleting lines 8 to 20 on page 2.

We want to ensure that the Lobbyists Registration Act is open, transparent and that it works for the benefit of all Canadians. I mean all Canadians, not the few who feel that behind the scenes they can influence government policy and government decisions to their own particular benefit.

No greater example exists than the Pearson airport situation. It has been deliberated on in the House on many occasions over the last year or more. It was a deal struck behind the scenes by a government that, in its waning days, knew it was headed for defeat. It decided it would get all its friends rolled up into one neat little package and provide a contract worth millions of dollars over many years. One of the prime assets of the country, Toronto's Pearson International Airport, would be given to a select few at a cost to all Canadians. That is the type of thing which we want to ensure is eliminated once and for all.

We have also read the book *On the Take*. It is a litany of situations where, from beginning to end, government and individuals, behind closed doors, manipulate things in their favour. The innocent Canadian is left with nothing other than the bill to pay, which is in the millions of dollars. That is the type of thing we want to see stopped by this motion.

It is a two–way situation. When individuals are talking to people in government, be they cabinet ministers, backbenchers, or senior civil servants, it is a two–way street. Therefore, we must register when the public servants talk to these people, not just when the individuals talk to the government. If I phone and leave a message for a deputy minister, a cabinet minister or the director of a department and find out that he is out and he returns my call, that does not need to be registered. If he returns my call it does not need to be registered. Had I had talked to him when I called the first time, there would be a requirement for it to be registered. However, if one leaves a message to have the individual call back, the government person is now talking to the individual and it does not need to be registered. It makes no sense at all. It is a two–way street. This loophole is so big that a 747 could fly through it. In fact every day many 747s could fly through the loophole.

(1045)

If the government were serious about representing Canadians, about being open and transparent about lobbyists, about ensuring that Canadians deserve better and about wanting to be perceived as a government that is honest, reliable and trustworthy, surely it would want to support the motion.

I cannot think why the government would not want to support the motion, unless it has devious things in mind and once it is in place it can tell Canadians that it has tightened up the Lobbyist Registration Act, made it more difficult, and requires more registration. It has left out the situation where bureaucrats, cabinet ministers, backbenchers or whoever talk to the individuals. That type of exchange has been eliminated from the registration act. Basically the legislation means nothing because the loophole is so wide it has destroyed the whole meaning of lobbyist registration.

That is the point we are trying to make to the government on behalf of Canadians. If the government wants the registration act to mean something, surely it would want to support the motion.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

We will now move to the second group which has 22 amendments. I hope I will be able to dispense as we go along or there will be a lot of reading.

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 2

That Bill C–43, in Clause 3, be amended by replacing lines 24 to 28, on page 2 with the following:

''5. (1) Every individual who, for payment, pursuant to a contract or other arrangement or as an employee, undertakes or as a part of the duties of employment is required to undertake, on behalf of any person or organization (in this section referred to as the ''client''), or on behalf of the individual's employer or the employer's client, to

(*a*) communicate with a public office holder or advise a client how to communicate with a public office holder''.

Hon. John Manley (Minister of Industry, Lib.) moved:

Motion No. 3

That Bill C–43, in Clause 3, be amended in the French version, by replacing lines 26 and 27, on page 2, with the following:

«toute personne (ci–après «lobbyiste–conseil») qui, moyennant paiement,».

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 4

That Bill C–43, in Clause 3, be amended by replacing line 12, on page 3, with following:

''office holder and any other person or advise another how to arrange such a meeting,''.

Motion No. 5

That Bill C–43, in Clause 3, be amended in the French version, by replacing line 14, on page 3, with the following:

''(2) Le lobbyiste est tenu, dans sa''.

Motion No. 6

That Bill C–43, in Clause 3, be amended by replacing line 23, on page 3, with following:

''individual is engaged in business or employed;''.

Motion No. 7

That Bill C–43, in Clause 3, be amended by adding after line 23, on page 3, the following:

''(a.1)

(i) any employment or appointed or elected office the individual has held with the government of Canada or a province or with a municipality;

(ii) any employment or office the individual has held with a political party, political party caucus, a member of Parliament or of the legislative assembly of a province or a minister of the Crown in right of Canada or a province;

(iii) if the individual donated more than one thousand dollars in aggregate to political parties during the preceding year, the amount donated to each party;''.

Mr. Epp: Mr. Speaker, I rise on a point of order. Could you shorten things by just reading the sections. I would like you to read the sections themselves and then we could say we would dispense with them all in one sweep.

The Deputy Speaker: For example, Motion No. 7. Mr. Epp, seconded by Mr. Hoeppner, moves that Bill C–43 in clause 3 be amended and so on. Is that acceptable?

Mr. Epp: All these motions are on the Order Paper. If you were to read the exact motions we are dealing with in this group we could dispense with all of them in one fell swoop.

(1050)

The Deputy Speaker: The Chair is required to start to read them because they have not been introduced in the House.

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 8

That Bill C–43, in Clause 3, be amended by adding after line 44, on page 3, the following:

''(*e*.1) where the individual is employed by an organization and the organization is funded in whole or in part by a government, the name of the government or government agency, as the case may be, and the amount of funding received by the organization from that government or government agency during the previous three years;''.

Motion No. 9

That Bill C–43, in Clause 3, be amended by adding after line 44, on page 3, the following:

''(*e*.1) where the client is funded in whole or in part by a government, the name of the government or government agency, as the case may be, and the amount of funding received by the client from that government or government agency;''.

Motion No. 11

That Bill C–43, in Clause 3, be amended by adding after line 19, on page 4, the following:

''(*h*.1) the name of every public office holder the individual has attempted to influence or expects to attempt to influence;''.

Motion No. 12

That Bill C–43, in Clause 3, be amended by adding after line 27, on page 5, the following:

''(6.1) Where the individual is employed by a corporation or an organization and carries out activities mentioned in subsection (1) in the course of the employment, the employer must

(*a*) ensure that the individual complies with this section, or

(*b*) make the returns and provide the information that the individual is required to make by this section.''

Motion No. 13

That Bill C–43, in Clause 3, be amended in the French version, by replacing line 20, on page 5, with the following:

''(7) Le lobbyiste qui s'engage à''.

Motion No. 14

That Bill C–43, in Clause 3, be amended by deleting lines 36 to 47 on page 5, 1 to 46 on page 6, 1 to 46 on page 7, 1 to 45 on page 8, 1 to 48 on page 9, 1 to 47 on page 10 and 1 to 47 on page 11.

Hon. John Manley (Minister of Industry, Lib.) moved:

Motion No. 15

That Bill C–43, in Clause 3, be amended in the French version, by replacing lines 32 and 33, on page 5, with the following:

''phe (3) tout employé (ci–après «lobbyiste salarié») d'une personne''.

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 16

That Bill C–43, in Clause 3, be amended by adding after line 16, on page 7, the following:

''(*f*.1) where the employer is funded in whole or in part by a government, the name of the government or government agency, as the case may be, and the amount of funding received by the employer from that government or government agency;''.

Motion No. 17

That Bill C–43, in Clause 3, be amended by adding after line 46, on page 7, the following:

''(*j*.1) the name of every public office holder the employee has attempted to influence or expects to attempt to influence;''.

Motion No. 18

That Bill C–43, in Clause 3, be amended by adding after line 7, on page 11, the following:

''(*j*.1) the name of every public office holder any such employee has attempted to influence or expects to attempt to influence;''.

Hon. John Manley (Minister of Industry, Lib.) moved:

Motion No. 21

That Bill C–43, in Clause 5, be amended in the French version, by replacing line 23, on page 13, with the following:

''ne sont pas des textes réglementaires au sens de la''.

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 24

That Bill C–43, in Clause 5, be amended by replacing lines 32 and 33, on page 13, with the following:

''the activities described in subsection 5(1).''

Motion No. 26

That Bill C–43, in Clause 5, be amended by replacing lines 5 to 11, on page 14, with the following:

''10.3(1) Every individual who is required to file a return under subsection 5(1) shall comply with the Code.''

Motion No. 27

That Bill C–43, in Clause 5, be amended by replacing lines 35 to 41, on page 14, with the following:

''5(1), in respect of any matter referred to in any of subparagraphs 5(1)(*a*)(i) to (vi); and''.

Motion No. 32

That Bill C–43, in Clause 5, be amended by replacing lines 44 to 48, on page 15 and line 1, on page 16, with the following:

''in respect of any matter referred to in any of subparagraphs 5(1)(*a*)(i) to (vi), if the Ethics''.

Motion No. 33

That Bill C–43, in Clause 7, be amended by replacing line 29, on page 16, with following:

''section 5, or for any service''.

He said: Mr. Speaker, I begin this section of my participation today by commenting briefly on the process we went through. When Bill C–43 was first introduced last June we were relatively new in the House. I did not understand the full impact of what it meant to go from first reading directly into committee. Consequently we had a very good open discussion, I guess because most of the members of the committee were first time members of the House. We actually operated like a group of co–operating individuals for the most part, especially at the beginning of the committee. We tried to come together on a number of issues.

I was really quite disappointed to find that some of the things we tried to do were subsequently defeated or were not accepted as ideas worthy of being put forward.

In this grouping I will talk specifically about some of the motions. It would have been nice if we could have spent a little more time on all of them, but I will not be able to cover them all in 10 minutes. It is important for us as the House to adopt this set of amendments. Obviously I believe that or I would not have brought mine forward. In this instance I am eagerly anticipating that we will come to an agreement to accept the amendments.

I will begin talking about Motion No. 2 because it is a very important one. We need to clearly define who a lobbyist is. This amendment very clearly specifies what a lobbying activity is and how it is defined so that there is no question.

The problem with Bill C–43 and indeed the old Lobbyists Registration Act is that they are not clear as to precisely who is

required to register. We have said a lobbyist is a person who is clearly a lobbyist and there should be no question.

This is the definition:

> Every individual who, for payment, pursuant to a contract or other arrangement or as an employee, undertakes or as a part of the duties of employment is required to undertake, on behalf of any person or organization (in this section referred to as the ''client''), or on behalf of the individual's employer or the employer's client—

(1055)

We want to specifically add the activity:

> (a) communicate with a public office holder or advise a client how to communicate with a public office holder.

That person would be defined as a lobbyist. This is a critical part of the bill.

If we fail to bring in a clear definition of who has to register, it does not matter what the requirements for disclosure are. The presumed lobbyist can ask whether or not he or she is required to register. If the conclusion is that he or she is not required to register then he or she will not register. The result will be no disclosure at all, which defeats the whole purpose of the bill. That would be a pivotal point in this group.

We also want to include advice on how to lobby. Sometimes in order to avoid disclosure we could have a lobbyist who simply trains someone else. He or she does not make the contacts but does everything else. He or she indicates by the connections with whom to get in contact and shows the tree to follow in terms of making the connections. In other words, basically he or she orchestrates all of the work of the lobbying effort without becoming personally involved. We would include that also in the definition as given here.

In the current definition there is a real loose word. It states: ''Anybody who spends a significant of time lobbying''. The word significant is really one that is open to interpretation. We could have some people who because of the nature of their jobs spend 50 per cent of their time lobbying. They could actually spend less time than other people who spend 10 per cent of their time lobbying. To leave significant in the definition leaves it open and there is no clarity. This has the added problem for those people who are involved in lobbying to know if they should lobby. Neither will the registrar know by the definition whether or not there is a breach of the law. We should fix that one up.

Turning to Motion No. 7, this amendment is also very important because it provides for disclosure of connections. This is one area where Canadians have taken the greatest offence. After a person has worked particularly in the higher echelons of government, and indeed in the higher echelons of the House as a cabinet minister, retires from the activity and becomes a lobbyist, there is a network which occasionally is very suspicious in the minds of the people. It could happen that what the people are thinking is not accurate. I admit that. However, if we provide for disclosure and openness, at least we can honestly say that we are not trying to hide anything: these are the facts and they stand for themselves.

In this motion we are simply asking that anybody who in their past has had employment with or been elected to office in the Government of Canada, a province or a municipality, because those are important networks as well, be required to disclose it. We are asking that people register by stating that they have held a position with a political party as an employee or have held an office with a political party. Let us not hide it.

Undoubtedly someone will say in debate that it is on the public record anyway. Yes, it is. Anybody who has been a cabinet minister is on the public record. However it should be clear and concise.

(1100)

When a person looks up the registration of a particular lobbyist it takes little effort for the person to simply delineate it in the registration. People can then see there is nothing being hidden.

We are asking that even those who have been heavily involved in contributing to political parties disclose that. If an individual donated more than $1,000 in aggregate to political parties during the preceding year, then the amount being donated to each party should be disclosed. Again, this is a matter of public record. During an election campaign major contributors are made public. The lists are available to anyone who asks. All we are saying is this should be readily accessible. It is very important for us to consider these different parts.

Another element in this group has to do with the tiers. As we know there are different levels of lobbyists. There are those who are simply professional lobbyists and work in a professional and client relationship. They get paid. There should no longer be a distinction among the different tiers. In other words, anybody who is there to influence government should be able to and should be required to give disclosure. We would like to say that whoever does it, whatever their level, it should be open. It should not be anything that is withheld from the people of the country.

Another element which I think annoys many Canadians and that we can fix in this bill is the disclosure by companies or groups that receive direct government funding. It is really an enigma that we are elected as members of the House of Commons.

During the campaign I certainly emphasized, and members on the government side said the same thing, that we were proud to represent our constituents. In reading the maiden speeches in *Hansard* by the 200 members here for the first time in this Parliament, almost every one said: ''I am proud to have been elected by the people in my constituency to represent them

here''. That is wonderful. That is the way democracy should work.

It annoys Canadians when the very people they send to represent them are not able to do the job, but their tax dollars go to fund lobby groups to influence high government officials to change government policy. Something is backward. They should use the MPs because they are paying a lot of money to run our offices and to have those people in place. Let them do their jobs or reduce the House of Commons to 20 people. They do not need us if we are not going to do our work.

If there are going to be lobbyists, why should the taxpayers be funding the MPs offices, salaries and pensions and at the same time funding the lobbyists? In our system it appears the lobbyists have a greater influence on government policy than do the members of Parliament.

Therefore, we are proposing as stage one that when funding is received from government it is going to be made public. If any lobbyist individually or through representation by an association or corporation receives direct government funding, that should be disclosed. That is step one.

Hopefully step two would be that when this was sufficiently known, the people of Canada would revolt, of course in a friendly manner, at election time. They will elect Reformers who will say it is the responsibility of the MPs and not the lobbyists to represent the constituents. Hopefully with this openness people will at least become aware and will be able to make a rational decision.

(1105)

I would have a lot to say about some of the other amendments as well since I have been working on this for a year. However, I realize my time is up and I will yield the floor now to other colleagues who will speak on some other matters.

The Deputy Speaker: The member is certainly welcome to ask for unanimous consent if he wishes a few more minutes to continue.

Mr. Epp: Mr. Speaker, may I then ask for unanimous consent to have a few more minutes?

The Deputy Speaker: How much longer does the member require?

Mr. Epp: Five minutes.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Mr. Epp: Mr. Speaker, I love this good sense of negotiating here.

An hon. member: Lobbying.

Mr. Epp: This was clear negotiation. No lobbying was involved here.

One of the things we need to do is to make sure that there is no means of hiding the lobbying process.

Right now what we are doing with the intent of this bill—the Lobbyists Registration Act started it, this bill amends it and its intent is to strengthen it. It is recognizing the reality of lobbying in our present system.

As I have said, if we are going to have it, we need to be totally open. We need to make sure that the people of the country understand this. What we want is for the rules for lobbyists to all be the same.

Presently the bill does not require the disclosure of who is lobbied. Therefore I come to another very important point. One of the amendments in this group—and I do not remember the exact number, perhaps it is Motion No. 17—indicates what we want to include in the registration of the lobbying process. It is not only which government department is being lobbied. That is what is being called for now. We also want to have specific individuals.

Again, how general is this going to become? We need to recognize that just because a person makes a phone call, that is not lobbying. A person who talks to someone to ask who is in charge of a department, is not lobbying.

We must go back again to the definition which says if you are influencing or attempting to influence government and you are being paid for it, that is the definition of a lobbyist. If that is occurring, then the people of Canada should know not only who the lobbyist is on this side but also who the government official is on the other side.

What is there to hide? Why should we hesitate for a moment to say who the deputy minister was in the meeting to present the information? Why should we hide that? There is absolutely no reason. Again, the more information we can get to the people, the greater their trust will be in the whole process.

Another one is, how much money passes the hands? Obviously this is a matter of great importance. In talking to my constituents I have found that they are very concerned about the total costs to run an MP's office. For example, there has been a lot of interest in my constituency about the fact that the average MP gets an additional present value of around $2,500 a month in order to provide for his pension benefits. They are interested in those things.

Our question is, how much is being paid to lobbyists? People should know this. If it is a small amount, probably there is no big deal but if we are dealing with millions of dollars, that should raise a flag. People should know that.

I would like to quote someone: ''I think fees and major disbursements should be registered''. Later in the same session, the same person said: ''What is wrong with a system that would disclose fees and major disbursements? After all, if the whole business of having a registration system is to identify who is doing what to whom so that the competing interest has a right to

know, how do we know who is doing what to whom unless there is a price tag, unless there is a caveat at the end? At what cost?''

(1110)

I am quoting the hon. member for Glengarry—Prescott—Russell who, when he sat on this side of the House, said that we need to disclose these things. We need to make sure that the people know not only who is doing what but at what price. This is a very important aspect of the bill.

I would also like to read another quote: ''One of the reasons I believe we must reform the act to declare lobbyists' fees is because at times''—and then he interrupted himself and said: ''Just take the referendum. Millions of dollars were put through the system by lobbying firms advocating a particular point of view and very little of that was known''. That too was spoken by a member of the Liberal Party, the hon. member for Broadview—Greenwood.

Obviously, I am speaking of things that members on that side of the House agreed with when they were on this side. So let us stay with our principles and let us support these amendments.

I appreciate the additional time, Mr. Speaker.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, it is a pleasure to intervene in this debate. It gives me the opportunity, not having been a member of the committee or the subcommittee charged with the matters before the House today, to look back on earlier professional work in another capacity.

Clearly this has been an excellent committee and a really outstanding subcommittee. This is a thoughtful, well–reasoned report. It reflects great credit on members from all parties who did the necessary research which led up to the conclusions. It says a great deal for the capacity of Parliament to evolve as a living institution and about the sort of new responsibilities that committees are being encouraged to take on. My compliments to the committee, to the subcommittee, its chair and its members for the work they have done.

I believe the debate to date has been helpful, constructive and useful. Members of the opposition will pardon me if I make some suggestions on the preliminary definitional question.

The life of the law, as Mr. Justice Oliver Wendell Holmes reminded us, has not been logic, it has been experience. It is an error and perhaps the labours of Sisyphus, an eternal task that never reaches a conclusion, to attempt an a priori definition of lobbying.

I think it is best, as the bill provides, to try to reach an operational definition, a definition in logical extensity, and to say what types of activities are to be subject to disclosure or registration, rather than to attempt an abstract definition in advance. It will be, in the end, up to the courts—the courts in the regular sense, the judicial sense, and the court in the original constitutional sense, the high court of Parliament—to decide what is permissible and impermissible lobbying activity. Again, the effort to define in an abstract way is perhaps better redirected to spelling out in more detail the sort of activities one wants to cover.

When I was first a student of constitutional law, lobbying was viewed as evil per se, a reprehensible, nefarious activity. The attitudes changed, however, with increasing sophistication as to what the legislative processes are about and what parliamentary decisions in contemporary democratic societies amount to. That is to say that one is balancing competing social interests.

To do that job effectively one must identify those competing social interests. One must attempt some sort of quantification of the social value of those interests and that requires a detailed empirical record. One must then attempt to establish some sort of hierarchy of importance of the interests before leading to an intelligent, rational decision. The philosopher would tell you this is William James' conception of pragmatism, the pragmatic conception of truth. In constitutional law terms it is simply Roscoe Pound's sociological jurisprudence, the balancing of interests which is at the core of any rational judicial decision making today but not less of decisions within Parliament itself.

(1115)

The United States pioneered legislation on lobbying many years ago. Its emphasis is on disclosure: the bringing out into the open of particular interest groups involved in any piece of legislation and trying to assess what the interest groups represent. Are the interests they represent substantial as distinct from merely vocal? Does the vocality or the degree of force with which they are expressed balance their representativeness in social terms and their claim to validity in the economic or other terms in which they are being debated? Therefore the emphasis on disclosure is the key element.

Every member of Parliament who does his or her job is subject to lobbying by various interest groups in the constituency or in the general region. Nothing is wrong with that. It really depends on the degree of control of the office and the degree of energy the member brings to putting the interest groups in proper perspective.

When companies or trade unions wish to meet with me I welcome them. If it is a company I want to read the balance sheet, the annual report. I want to meet with the officers. If it is important enough I want to visit the plant. I want to see potential competitors. All of us do this. We recognize the value involved and the good faith and integrity with which people approach this.

The only thing objectionable is covert lobbying, the covert exercise of pressure. I do not think for most of us this is what is involved.

Reference was made to the Pearson airport issue. I would have thought that was less an example of lobbying than an example of the public contracting process and how not to operate it. Very clearly one thing is that in the lame duck period of any government, as the concept has emerged in the United States, public contracting of a high level of community involvement should be avoided at all costs or exercised with extreme discretion.

I do not think it is an example of lobbying gone wrong. It is rather an example of the need to exercise extra control over public contracting when a government effectively has lost its mandate.

Putting it in proper perspective, the bill recognizes the reality that interest groups will bring forward their particular cause to parliamentarians; two, that they are entitled to do so; and three, provided they bring forward proper information, properly researched, and that members themselves exercise the necessary care of reading those reports, trying to make assessments, seeking further information from other independent sources before making any decision, it is a valid and necessary part of the gathering of information in aid of legislation.

Intelligent legislation demands that interest groups bring forward their claims and their causes. In that sense the committee has met the challenge and brought forward a thoughtful law that takes us a good deal along the way to solution of any problems that in the public domain might have been thought to exist.

As I have said, I have no problem with professional interest groups, with companies, with trade unions, with other groups that come to me. I have more problems with umbrella organizations that claim to represent whole segments of society. These are the hardest ones to catch in the scope of legislation such as this because their operation in the political processes comes not through this reasoned process of bringing information in aid of legislation but more in terms of social context. Maybe there is room for covering this. I do not see how we could do it in the present law without destroying the very careful work, the very precise set of ground rules the legislation has established.

(1120)

Mr. Williams: What is the member proposing?

Mr. McWhinney: I am proposing that we adopt the law as it stands. It is a good law. Let us see how it works. We can always try one year later to do something more.

However, do not attempt to make a law that has a precise role and mission into an omnibus bill to cover just about everything else. Stick with the integrity of the law. Rest with the fact that in definitional terms of describing and identifying categories of conduct that must be registered this does represent an advance. The search for the a priori definition, cute as it may seem in the privacy of a member's own office, is not realistic in terms of the dialectical and empirical process that will operate as courts, parliamentarians and parliamentary committees react to this.

Again, I congratulate the committee on an excellent piece of work, the subcommittee in particular. It is a good law. In terms of comparative legislation it is an advance compared with similar legislation in other parts of the world.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, faced with a block of 22 motions like the one before the House today, I find it rather difficult to comment on every single one. What we have is two or three substantial motions, around which other motions have been grouped to provide more transparency, plus additional elements to achieve what Parliament has set out to do with Bill C–43.

To appreciate these amendments, including Motion No. 2, I think some background information might be useful to see what led Parliament to make this statement on influence peddling and lobbying. The Parliament of Canada has examined this question twice before. We had the Cooper committee's report in 1986 and recently, in 1993, we had the report from the Holtmann committee.

These committees looked into exactly the same aspects of lobbying as the present committee did today, in 1995. It is interesting to note that the Holtmann report published a series of recommendations, the first few being the most significant. These recommendations said, more or less, that for legislation like the bill before the House today to be truly effective, it would be necessary to remove all distinctions between lobbyists.

As you know, in the existing legislation, there are three types of lobbyists: the so–called Tier I and Tier II and a third group. There are in–house lobbyists, professional lobbyists and the others, organizations that lobby the government. The Holtmann committee concluded that lobbying was lobbying.

Whether people want to influence the government to obtain a contract, lower the rates in certain regulations, get a permit or obtain government assistance for their organization, this is all lobbying. People try to influence the government for their own purposes, for the benefit of the company for which they work or for the benefit of an association or whatever. In its first three or four recommendations, the Holtmann report said that distinctions between lobbyists should be eliminated.

(1125)

I am sure you will remember this, Mr. Speaker. If I am not mistaken, the Liberals were to implement the Holtmann report from A to Z—this was a campaign promise made by the Liberals, by people acting in good faith, people who knew what they were doing in the enthusiasm of the moment—which means

that indirectly, and without exactly saying so, they made a commitment to eliminate all distinctions between lobbyists.

In committee, however, when I started to realize that Canadians had been fooled once again, I was very disappointed. I heard members who had been part of the committee that produced the Holtmann report say the exact opposite of what they signed when they tabled the report, with respect to these distinctions, for instance. There are a lot of other examples, particularly with regard to categories, which was the important element of the Holtmann report. It was not just anyone who was opposed. It was the people, who, today, hold fairly important positions in the government and who could influence it and talk it into meeting its campaign commitments.

But no. Throughout the whole time we heard witnesses in committee, some witnesses were in favour of eliminating categories, others were less so. The closer we got to the category of lobbyists capable of influencing government, in the back rooms of power, the greater the likelihood of their not really favouring the elimination of categories.

On the whole, however, the witnesses were in favour of greater transparency. We were sort of the guinea pigs in a new approach to examining bills and we were given a little more freedom. We were part of a pilot project, in a way, considering this bill under a new set of rules. We therefore did not adopt the principle of the bill at second reading, and, accordingly, we were able to broaden Bill C–43 from what the witnesses said and from the input of each of the parties. Members' work had to be given greater consideration, etc. It was all very fine.

Therefore, through a procedural swap and an exchange between members of the opposition and members of the government, we negotiated and we discussed, and I was ready to make a concession on the categories, so there would be only two instead of three. My first thought was to have a single category. However, it is better to bend a bit to achieve part of the desired objective than to risk missing it completely. So, I was ready to bend and to recommend to the members of the Bloc Quebecois that they support an amendment that would reduce the three categories to two. There would then be the category of in–house lobbyists (corporate) and professionals and the category of in–house lobbyists (organizations). All lobbyists would then be in two categories.

Before Christmas, this was accepted by just about everyone around the table. After Christmas, well, I do not know who had been making telephone calls, or what lobby had exerted influence or what, but everything was off. The amendments proposed to the committee were rejected by the government. Today, with Motion No. 2, the government could rectify the situation. Motion No. 2 now before us this morning is a carbon copy, or just about, of what I presented in committee in order to eliminate categories of lobbyists and have only one.

I do not imagine that anyone here has anything against lobbying per se. It does not matter whether organizations are non–profit or profit making, if they lobby in an attempt to influence the government, they have to abide by the rules.

(1130)

To get approval for a single tier of lobbyists for all organizations, including community agencies, that is the purpose of clause 4(2) of Bill C–43, which I discussed earlier with respect to government initiative, which would eliminate people who might not agree to being recognized as lobbyists on the same terms as professional lobbyists. However, the government accepted the first amendment but did not accept what would have been consequential on the amendment, which was to have a single tier of lobbyists.

I have a few examples that will show why it is important—and when I say lobby, I mean lobby—to make C–43 a bill that has clout, that has teeth, as they say. There were organizations like MATRAC, for instance. I do not know if you remember this, Mr. Speaker, but when cigarette smuggling was going on in January and February 1994, there was an organization called MATRAC, a non–profit organization that sought to have taxes lowered. I have no objection to that. We in the official opposition were in favour of reducing these taxes. However, MATRAC initially gave the impression of being a non–profit organization. In other words, it worked for the benefit of its members and did not enjoy any immediate benefit.

It could be called a non–profit organization, which would come under the third heading in the bill before the House today. However, if we look a little closer at MATRAC, we realize that it was 100 per cent financed by the cigarette manufacturers in order to get taxes down. This is a clear instance of trying to influence the government on an important matter, tax revenues. Why have a separate tier for such a group? I am of the opinion that the act should deal with that by allowing a single tier of lobbyists. But no. I believe we must conclude that lobbyists on Parliament Hill have manged to influence the government with respect to a bill that was supposed to limit their influence. That is the obvious conclusion.

They made certain commitments with respect to the tier system before the election. Now they are in government, they can implement what they promised to do, but they are not doing it. In addition, that would explain why we could create just one category to make the process more transparent and to give everybody in this country the impression that they are all being treated equally. But no, the government did not do this. The lobbyists got involved, phone calls were made, and the Liberals buckled. They buckled like the Conservatives did and like others before them have done since Confederation. And they will keep on buckling until they are doubled over. I cannot wait to see the day that happens in the House. I mean I will no longer be in the House when that day comes, but will watch the spectacle from the outside.

One motion in this set of motions is extremely important, and that is Motion No. 7 regarding political affiliation. This is another amendment I proposed to the committee, and it would make it easier for taxpayers to identify which lobbyists are politically affiliated with the government or with any other party. For example, I helped organize party X's election victory. I would have to mention in my return that I contributed to the election campaign and that I was the political organizer of Mr. X or Ms. Y. I think that is what transparency is all about. What does the government have against making the process more transparent? I do not know. But if they were not against the idea, they would have included it in Bill C–43 and they did not.

I will conclude my remarks, for I see that my time is up. This is yet another good example of this government's double talk: one tune before the election, another after. Once again, taxpayers will have to foot the bill for this, and they still will not know why Bill C–43 was introduced, which was to make the process more transparent in order to obtain answers to our questions.

This has some implications for the Pearson issue. With Bill C–43, we will still be in the dark and will not know any more than what the newspapers have already disclosed regarding the matter. And that is deplorable.

(1135)

[*English*]

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, it is a privilege for me to speak on Bill C–43 and to support my colleagues in the House.

Rebuild trust in government, is that not a familiar term? In Manitoba last month I heard these words repeated because it is having a provincial election today. Mr. Mulroney in 1983 when he defeated the Liberal government of the day said we have to do away with corruption, rebuild trust in government, lobbyists are overdoing it, ripping us off.

The hon. member for St. Albert mentioned a 747 flying through a loop. The ''Fifth Estate'' about a month ago showed how two lobbyists flew 34 airbuses through the loops the Conservatives had put out. A couple of lobbyists have received $20 million. They can be identified by their accounts in Swiss banks. When I heard that I assumed we were to have a government that would crack down on stuff like this and we would be debating it in the House the next day. I have heard nothing about it.

Why do we want to pass the bill if we never want to do something about it by cleaning up the corruption? In Manitoba over the last month I heard about the terrible mess the Conservatives made of the health care system. They paid $4 million to an American lobbyist to tell them how to fix their health care system and they do not have one.

Why are we debating this bill? Why do we not have some action? We have had rules and regulations before. One very good example took place about a year ago in the subcommittee on transport. Every member, Liberal, Bloc and Reform, said to stop the backtracking. The backtracking issue over the last two years has cost us $60 million. We had total support from the committee to stop it. Who was lobbying the agriculture minister and the transport minister to continue with this? I talked with the railways and they said there was no way they had lobbied for it because they would be shipping grain regardless.

I talked to the wheat board people. They said they did not export grain and that it was the registered grain companies that did that. I talked to the grain companies and they told me it was the wheat board that insisted they do it.

I looked at the facts and found that we do not sell grain delivered to a foreign country. It is Appleby, Thunder Bay or Appleby, Vancouver. This backtracking has cost us $60 million. Are the American lobbyists lobbying our government to give them money to backtrack the grain so they can have it a little cheaper? This concerns me.

We are passing bills. We are passing rules and regulations but nobody seems to want to enforce them. What good are we in Parliament when we all agree on doing something and then have lobbyists change the system? Now the WGTA will correct it. However, we have allowed it to go on for two years and we knew about it.

I am beginning to wonder whether we should all stay at home and leave these lobbyists instead of sitting in Parliament day after day trying to pass regulations. I am sure we have laws on the books that would prosecute these people for ripping off the taxpayers, the only lobbyists we should be listening to.

On the last day in the House on the gun legislation, what happened to the three members who finally listened to the lobbyists in their constituencies and had the guts to stand up in the House and vote no? They have been muzzled, shut up. When that hit Manitoba there was a backlash which I believe blew the election for the Liberals. Why would we elect people who are not even allowed to get up in the House to speak their minds and represent their constituents?

They are some of the best backbenchers the Liberals have. I have worked with them.

(1140)

It is very sad when we have to witness this day after day and our country is deeper and deeper in debt.

People who have the guts to get up and say something are not allowed to say it. It is time we realize that when there are amendments made that will be beneficial to taking corruption out of the system we should support them, not because they are made by the Reform Party or the Bloc, but because they are good for the country.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, no one on this side of the House fears recrimination for standing up and speaking out on issues.

Members have heard the Prime Minister say on many occasions that quite often we have a much better debate within our own party than we have in the House because sometimes the opposition does not get to the complexity and the depths of issues. The member who spoke previously really distorted this bill.

I was one of the most outspoken members in opposition on amending the Lobbyist Registration Act. There were three very specific areas we amended in this bill. I will talk about where I feel I did not get everything I wanted.

We have in the bill now things that make it much better. We now have in the loop all grassroots lobbying. That is important but was not a deal breaker for me. Another thing that really concerned me in opposition was communications techniques used by lobbyists. We knew lobbyists used polling and advertising. They sometimes spent millions of dollars in advertising and no one knew how the mood of the nation or the House was being affected.

This bill was amended to include a declaration of all those communication techniques so those in the House who have to deal with a lobby coming at them not just from a lobbyist but also from the way a market can be manipulated now know the techniques being used.

Mr. Hoeppner: What about if you used the lobbyists for input. What if the government wants the input from the lobbyists?

Mr. Mills (Broadview—Greenwood): I will come back to that. Let me state the three things in the bill which the member did not mention when he said this bill did not have any teeth.

Another thing in this bill has to do with contingency fees. The example the member used about the air bus situation, obviously it was not an hourly fee.

Mr. Hoeppner: Twenty million dollars, no matter what it is.

Mr. Mills (Broadview—Greenwood): That was obviously a contingency fee and in this bill there is a provision to look at contingency fees.

Mr. Hoeppner: Do something about it.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, the member keeps saying do something about it. We are saying that it is in the bill. He has to read the bill and he will see it is there.

I was a little disappointed with one area. I have been campaigning for six years on comprehensive tax reform. Five years later there is one little mention in the *Globe and Mail*. It is not easy to get things through the House and we do not always get everything we want.

There were some substantial amendments to this bill that I think go a long way in creating transparency. I felt uncomfortable about the declaration of fees. We did not get that one through, but it does not take away from this being a good bill.

I want to deal with Motion No. 7, which I am opposed to. It is a Reform amendment: ''Past political or government work and political contributions over $1,000 shall be disclosed''.

(1145)

I am totally opposed to the Reform amendment.

Mr. Hill (Prince George—Peace River): That does not surprise us.

Mr. Mills (Broadview—Greenwood): Let me tell you why I am opposed to this. What we need to do, and you are eventually going to discover this—

The Deputy Speaker: The hon. member has been here since 1988. For the 400th time, I imagine, would he please put his remarks to the Chair.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, my humble apologies. In fact, I have been in this town since 1980 so I should know better.

I am opposed to this motion because I believe that as members of Parliament our greatest challenge is trying to attract people to participate in the political process. I believe that our responsibility is to attract—

Mr. Hoeppner: Your greatest challenge is trying to attract constituents.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, how tough. We all know how tough it is to get businessmen and women to knock on doors and get involved in the political process. It is not—

Mr. Bellehumeur: Ce n'est pas cela.

Mr. Mills (Broadview—Greenwood): I can tell you right now, Mr. Speaker, that probably not more than 40 or 50 members in the House can claim that they have more than 100 or 200 businessmen and women knocking on doors and doing polls or getting involved in their campaigns. They might come along and go to a fundraiser but they will not actually go out to do the real slogging.

A motion like this only discourages people from getting involved in the political process. One of the reasons it discourages people from getting involved is because we have a situation, regrettably, where because of the concentration of power—and most of the real concentration of power tends to be with the Conservative Party—quite often large corporations do not encourage their employees to get involved in the political process.

We all know what happened during the 1988 election when large corporations not only took out full page ads saying: ''Vote for the free trade agreement'', they also wrote letters to their employees saying: ''Campaign for the free trade agreement''.

Mr. Hoeppner: I thought you were going to change that.

Mr. Mills (Broadview—Greenwood): We made some pretty good changes to the free trade agreement. Do not forget that.

Some hon. members: Oh, oh.

Mr. Hoeppner: It was the wrong bill.

Mr. Mills (Broadview—Greenwood): Do not ask me to get involved in the changes that were made vis–à–vis the environment or labour standards. The point is that we did make some amendments.

The Reform Party amendment calls for past political or government work or political contributions over $1,000 to be disclosed. That works against getting people involved in the democratic process, not to mention the fact that it creates all kinds of paperwork. Absolutely nothing is hidden because the extent to which lobbyists have to register right now is 1,000 miles of improvement in comparison to the previous bill.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I am pleased to speak in support of the reasoned, intelligent proposals and amendments being put forward by my hon. colleague from Elk Island.

Let us take a look at some of the situations being proposed by these amendments. First, we are talking about adding the names of everyone that the lobbyists attempt to influence to the list of the disclosure requirements. Quite simply, if a lobbyist is paid handsomely to achieve a desired goal, to win a contract, or whatever the case may be, we want to know whether that person has access to the minister, to the deputy minister or whether he is talking to the individual directors. We want to know to whom he is talking. Unfortunately the vast majority of Canadians do not have that kind of access to people at the decision making level.

(1150)

I cannot understand why the government is opposed to this type of motion. It seems perfectly clear to me and to the Reform caucus that we want to know who is being lobbied by these high priced lobbyists. They have unlimited expense accounts. They can wine, they can dine and they can go on trips. They have money to acquire information. That is what a lobbyist does. All Canadians want to know how the money is being spent to try to win influence from a particular person.

I spoke earlier about the book *On the Take*. I would hope that nobody else is on the take from that point forward but we can never be sure. One story after another in that book is of people on the take, from riding presidents, to political hacks, to past employees, to friends, to the Mafia, you name it. They were all in it and they were all running around Parliament Hill rubbing shoulders, buying favours and currying attention that they were getting on many occasions.

When Canadians read that book and realize what has been going on they are shocked to the core that these types of things can go on in a democratic system such as Canada's. We are proud of our system. The system has to be opened up so we can see what is going on, so we can ensure that when these backroom deals, which benefit nobody except one or two people, are ferreted out, these people are held to account. It has to be prevented from happening again.

If we are going to hold our heads high in government, one thing that we want to be able to ensure is that all Canadians have faith in the system. That is what we are trying to do with these motions.

How about the motion to which the member for Broadview—Greenwood is so adamantly opposed? We are asking that lobbyists be required to report previous government or political employment, executive positions with a political party and if they have made a political contribution over $1,000.

That does not seem to be an onerous requirement, yet he is totally and adamantly opposed. He says it will discourage people from getting involved in the political process. That is exactly what we want to say. When people are no longer sitting in the House, the day after they are defeated, we do not want them involved in the political process.

After they have been defeated or have retired from politics we do not want to see them back on Parliament Hill talking to their friends and other people they know, saying: ''I am now getting paid a large amount of money by some corporation to win influence from my friends with whom I used to work''.

I cannot understand why the member for Broadview—Greenwood would be so adamantly opposed to such a situation. He has been around since 1980. He just said that a few minutes ago. That is 15 years he has been in the House.

Mr. Boudria: No, no.

Mr. Epp: He has been around here for 15 years.

Mr. Williams: Has he been a member for 15 years?

Mr. Epp: No.

Mr. Williams: I apologize. He has been a member of the House since 1988. No doubt he knows a large number of people because that is the way Parliament Hill works.

We want to know that the day he is defeated or retired from the House is not the day we find him back on Parliament Hill collecting an even bigger salary, working behind the scenes and currying influence from his friends. That is what we are trying to say. We want to discourage people from getting involved in the political process when they are no longer participating in the House.

A riding president, a member of the party executive have access to cabinet ministers, to the Prime Minister. If they do their jobs properly they win elections for cabinet ministers and the Prime Minister and for all the members of Parliament. They are volunteers. They work hard. We know the people in our constituency. No doubt that applies to every member in the House. Therefore constituency presidents and constituency executives have the inside track in contacting the people in power and we want to know if they are doing it.

(1155)

Then of course there are those people who have money in their jeans and may feel that by giving a donation to a political party that brings their name to the attention of the member. No doubt the member is grateful for the contribution and some people may feel they can buy influence that way. All we are asking is that these things be brought out into the open.

Yet the Liberal government in its red book said it wanted to have an open and transparent policy on lobbyists. Now that the Liberals are on that side of the House they have changed their tune. We heard a quote earlier today by the member for Glengarry—Prescott—Russell who in 1991 said: ''What's wrong with a system that would disclose fees and major reimbursements?'' Now as the whip for the government side is he supporting our motion? No.

The Liberals have this double speak system. When on they were on this side of the House they said this is patently unfair. They held their hands up in horror and said that it had to be changed. Now when they are on the other side of House only mild, ineffectual, little changes are all that they propose.

We ask that the remuneration paid to lobbyists be part of the list of disclosure requirements. That is not a big thing. We have found out that there are millions of dollars changing hands to buy influence in this country. We would like to think that is the type of stuff that only goes on in other countries that have a much lower parliamentary tradition than we have. I do not want to make disparaging remarks about other countries so I will not name them. We know there are countries where bribery, money changing hands and currying influence is the order of the day and we want to ensure that in Canada that does not apply.

We want all Canadians to know that the system ensures that does not work. We ask that this bill require these contingency fees, if they are not a salary, which can be very large, be disclosed.

Again I go back to the Pearson International Airport fiasco where hundreds of millions of dollars are potentially being made or lost. Unfortunately it is the taxpayers who are going to lose and it is a small group of businessmen, including some Liberal people, who are going to win. All we want to know is who is getting paid what in this deal. It is not much to ask on behalf of the Canadian taxpayer who ends up paying, paying, paying and gets nothing, nothing, nothing.

We want to ensure openness, transparency, fairness. We want to ensure that the individual taxpayer who is paying the bill gets a fair shake. It is not much to ask but obviously beyond the capacity of this government to provide.

What else are we proposing? We are asking that anyone who receives funding from the government or a government agency discloses the fact, including the amount of that funding. Is the group itself doing the lobbying or has it hired a professional lobbyist? This is where we are paying government money to be lobbied to pay more government money. It has got to be the biggest insult of all to the taxpayer. The Liberal member from Wentworth has investigated some of these organizations and finds that by and large these groups exist to get more money out of government to pay their salaries so that they can come back and get more money out of government to pay their salaries. We are asking that this be made open.

(1200)

I think this type of motion, which suggests we want to know whether government is paying people to try to get more money from it, should be out in the open. I cannot think of any real reason the government would be paying under that scenario. If it is happening, we want to know about it. As I understand, according to the member for Hamilton—Wentworth it is already happening.

The taxpayers are not aware of it. I am sure they would be lining up to get that kind of job, which would become self–serving and a continuing situation. They could go to the government and ask to be paid another $100,000 a year because they claim to represent *x* number of people. After receiving the money they could come back and ask what about next year, the year after, and the year after that. We are trying to stop that. We want to get it out in the open. These are the situations we are talking about.

I could go on and on. Let this government know they made a commitment through the red book. We expect they would live up to that.

Mr. Paul Zed (Fundy—Royal, Lib.): Mr. Speaker, I had the great honour to report back to Parliament an amended Bill C–43. I think it represented a most historic moment in Canadian parliamentary democracy. I believe it has improved parliamentary democracy. The process we adopted in this particular bill improved democracy greatly.

Bill C–43, an act to amend the Lobbyists Registration Act, was tabled by the Minister of Industry on June 14, 1994. As members know, it was immediately referred to our subcommittee, before second reading. That is before agreement in the House on the principles of the bill. I believe it was one of the first bills in Canadian history that has taken advantage of this new parliamentary procedure.

These new procedures have allowed a committee of backbench members of Parliament, including opposition members, to take a government sponsored bill and amend it to its liking with basically no restrictions on how far members of Parliament could change the tabled legislation. All the members of Parliament really tested the new procedure.

As chairman of the committee, I am very proud of the report we used and the powers we were given. Some of my colleagues feel they want more power. They wanted a greater opportunity to make changes. We listened very carefully. We worked as a team. I believe we produced a very good report.

I was very impressed by the wide–ranging and open discussions of the various views expressed by all members of Parliament. We had over 75 witnesses who testified before our committee last fall and into the winter. We had some very lively debates. We had more than 50 individuals and organizations who also submitted briefs before our committee. At the end of the day, I believe a majority of the committee enthusiastically subscribed to some of the important amendments brought forward by some of our colleagues in the opposition ranks.

I also believe that some of the opposition members came to accept some important improvements proposed by the government side. That is precisely what democracy is about and that is precisely what the new procedures were intended to achieve.

In summary, I believe the experience was very valuable. I encourage the government to continue to use this new committee procedure as often as possible. I believe it can only result in better legislation. By giving members of Parliament a more proactive role in drafting legislation, it can only further the people's confidence in our democratic institutions. I think that fostering people's faith in their government is very much what this process is all about. But as the report was entitled, it is rebuilding trust in our institutions. It presumes that over the course of the last eight or ten years some cynicism has crept into the system by virtue of activities of certain members of Parliament over the course of the last Parliament.

(1205)

I see the members of our committee here today, and I am very impressed that all members are very committed to making those changes. We listened very carefully to members of both the official opposition and the third party when they put suggestions forward.

Let me summarize some of the key elements. In fact there were 13 specific amendments that I believe the government has accepted for this bill. Bill C–43 as it was originally tabled had improved certain amendments on the lobbyists registration. I believe that our committee made some additional improvements. We significantly enhanced the transparency, which is so crucial in breaking the cynicism that has been associated with the lobby industry. We have significantly strengthened the powers of the ethics counsellor. All lobbyists, for example, are going to have to indicate if they intend to use grassroots lobbying in their attempt to influence the government. This was not in Bill C–43 as it was originally proposed.

Consultant lobbyists will have to indicate if they are paid on a contingency fee basis. This is over and above the ban on contingency fees for lobbying on government contracts. Any organization that lobbies the government will have to reveal any amount they receive from any government. That is an important change.

The ethics counsellor, as part as of an investigation, will have the power to disclose information on fees and disbursements associated with any lobbying activity, not only on government contracts. I am particularly proud of this amendment because I think it gives a significantly enhanced new power to the important role of our ethics counsellor.

The ethics counsellor will not only have to report on the results of his investigations of a breach of the lobbyists code of conduct, but he will have to include the investigative findings, conclusions and reasons for the conclusions. That came out of the spirit of one of our colleagues from the opposition ranks.

Finally, the ethics counsellor will have to make a separate report once a year, which will be submitted to Parliament, on his activities with respect to lobbying.

Our committee has also amended Bill C–43 significantly as far as the lobbyists code of conduct—

[*Translation*]

Mr. Bellehumeur: Mr. Speaker, I rise on a point of order. I listened attentively to the hon. member who was chairman of the committee. However, I think that he should save his speech for third reading and I would ask him to deal more directly with the group of motions before us.

I am sure that he has interesting things to say, but I think that his speech today is totally out of context.

[*English*]

Mr. Manley: It is not a point of order.

[*Translation*]

The Deputy Speaker: Dear colleagues, I think that the hon. member for Berthier—Montcalm is right. We must focus on the amendments. I know that there are a lot but I think that, in the common interest, all hon. members should restrict their comments to the amendments before us. As the hon. member said, we will have an opportunity to go over all the issues at third reading.

(1210)

[*English*]

Mr. Zed: Mr. Speaker, I have to remind my colleagues from the third party and the official opposition that I believe my comments do direct the larger issue. The larger issue is that at committee our colleagues in the Bloc and in the Reform had an opportunity to propose their amendments during that process.

On balance, I have listened very carefully to the suggestions that have been made by my colleagues, and, with the greatest of respect, I believe our new process has worked very well. Also, while I understand the suggestions and amendments our colleagues proposed, I believe we listened very carefully and made some significant amendments, in fact 13 in total.

I would respectfully suggest that we decline supporting those Reform and Bloc suggestions for the reasons I outlined earlier.

Mr. Epp: Mr. Speaker, I rise on a point of order. There have been some consultations with all of the parties, and I think you may find unanimous consent for the following two motions. First, Motion No. 9 be amended, so that it would now read:

That clause 3 of Bill C–43 be amended by adding immediately after line 44 on page 3 the following:

''(e.1) where, to the knowledge of the individual, the client is funded in whole or in part by a government, the name of the government or government agency, as the case may be, and the amount of funding received by the client from that government or government agency;''

By way of explanation, this just adds the phrase ''to the knowledge of the individual''. That is the first motion to amend.

The second amendment has to to with Motion No. 16. It is an amendment to the wording in the French. I regret that I am totally inept in the French language. Therefore, I would like to table that and perhaps prevail upon you, Mr. Speaker, to do the reading for me. I think it would do greater service to the language.

[*Translation*]

Mr. Bellehumeur: Mr. Speaker, I believe the hon. member said that you would find unanimous consent. The Bloc Quebecois is not giving its consent to the two proposed amendments to motions, which deal more or less with the same matter. We are not giving our consent.

[*English*]

The Deputy Speaker: As we do not have unanimous consent, there is no point in reading the motion in French or in English. Accordingly, is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: A recorded division on the motion stands deferred. The recorded division will also apply to Motions Nos. 4, 5, 6, 8, 12, 13, 14, 24, 26, 27, 32 and 33.

Is the House ready for the question on Motion No. 7?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

(1215)

The Deputy Speaker: Under Standing Order 76(8), a recorded division on the motion stands deferred.

The next 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 Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

[*Translation*]

Mr. Bellehumeur: Mr. Speaker, I thought we were supposed to vote on a group of motions. I notice that you are presenting the motions one by one. If we are voting on the version of Motion No. 9 that I have before me, I will vote against this motion. I thought this had already been settled by grouping the motions. Are we dealing with each motion separately and deferring the division until the end of the day?

The Deputy Speaker: The hon. member has raised an important point. If he will refer to the very long and complex decision made earlier, he will see that Motions Nos. 7, 9 and 21 will be voted on separately. That is what we are doing now. I think that if our colleagues show enough flexibility, we could now proceed with the vote on Motion No. 9 by unanimous consent.

Mr. Bellehumeur: The official opposition is against Motion No. 9, but I thought that it had been voted on at the same time as Motion No. 7. I now understand that you are dealing with every motion separately. I would ask for the unanimous consent of the House to go back to this vote because we wish to say that we are against this motion, so that the vote can be deferred until the end of the day.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Yes.

The Deputy Speaker: Then it is settled.

[*English*]

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 Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

[*Translation*]

The Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

[*English*]

The next question is on Motion No. 21. Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

(Motion No. 21 agreed to.)

[*Translation*]

The Deputy Speaker: Motion No. 19 will be debated and voted on separately.

(1220)

[*English*]

Mr. Ken Epp (Elk Island, Ref.) moved:

That Bill C–43 be amended by adding after line 2, on page 13, the following new clause:

''4.1. Section 8 is replaced by the following:

''8. The governor in council may designate any person as the registrar for the purposes of this act''''.

He said: Mr. Speaker, it is a pleasure once again to rise to address the issues before us in Bill C–43 and this particular amendment.

I will respond briefly to the speech made by the chairman of our committee moments ago. We appreciated his leadership in the committee. It looked at first as if it were a good process. I now have some reservations about going to committee after first reading because in the end party discipline came to rule and we were unable to finish the way we had started.

So that all members have a clear understanding of the purpose of the amendment, it says the governor in council may designate any person as the registrar for the purposes of this act.

I want to make it very clear that what we are aiming at here is to have more accountability and less of the backroom politics which have plagued our parliamentary system. This distresses many voters and taxpayers. There are lobbyists who have in

some cases better access to the government decision making loop than the access enjoyed by members of Parliament. We need to take strong action in this matter.

Bill C–43, the act to amend the Lobbyists Registration Act, now with this amendment basically designates two individuals responsible for the administration of the act. One is the ethics counsellor. That discussion does not fit under this amendment so I will simply say he or she is one of the very important elements in the administration which has to do primarily with the ethics end of it. The other is the registrar. The registrar will be enforcing the compliance of the act with respect to registration and disclosure.

Once again, our goal is for the Canadian people to say they believe now those lobbying activities are transparent. They will be able to find out about them. They will be able to find out who is lobbying who, what they are being paid, what the conditions are, what their connections are.

There will be a good check and balance against the kind of corruption which can so easily enter the open government system. What is happening today is a public debate. People can hear it; not only members of Parliament but any member of the public who wants to hear what is happening in the House has the ability to do so. They can watch it on television, they can read *Hansard* or they can read media reports.

However, when it comes to lobbying, that is not public. Therefore we require a mechanism whereby lobbying is made open so that the taxpayers know what is happening just like they have the right to know what is happening here. In order to achieve that we need a system whereby the accountability of the registration system is also trustworthy. That is what we are addressing in this amendment. We are saying the appointment of the registrar should go far beyond being a civil service appointment. I am in no way casting any dispersions on any office holder here past or present when I say this.

(1225)

There may be perfect honesty and trustworthiness in that position but people are suspicious if they do not have real input into the appointment. Many of these public service positions are filled without even proper information being given to the Canadian people. I know that information is available but it is not publicized.

We are dealing, as the title of the report says, with rebuilding trust. This amendment will provide that this be a governor in council appointment rather than a civil service appointment. It means there will be proper notice. It means there will be an actual public debate about the individual, his credentials and his trustworthiness.

The process of giving the governor in council appointment to an individual also gives more credibility to the individual. In other words, it gives him a little more clout. He will be able to with good authority investigate where there seems to be a violation of the act. He will be more than just a person who has a job to fill. He will have a public role because a governor in council appointee will have to report and account for the way things are done.

I cannot talk about the process extensively in this debate. However, I am disappointed in one thing, getting back to the process. We were given the impression that in committee at first reading there would be no problem with bringing forward amendments at second reading and at report stage which is where we are at now. We would have liked to bring in greater strength and authenticity to the position of the registrar. Because of this process, and this is one of the things now causing me to have second thoughts about its viability, we are prevented from going as fully in this direction as we would like.

We would have liked to had the registrar make a public report and have the appointment in public and also that there would be a way for the registrar to really go after people who deliberately try to circumvent the system of registration.

I am not sure the bill as it now stands will provide enough accountability and enough authority in the hands of the registrar to do that. I really hope it will happen. The way the bill is being written and without this amendment which strengthens that position somewhat I think we are leaving it to a great extent to chance which is not sufficient for the process we are looking at here.

The whole registration system as administered by the registrar must be open. I am very pleased to see that in our committee the recommendation is that there will be electronic access to the information so that as individuals want to find out who is lobbying who, that information which is registered will have a wider accessibility. That is a very positive part of the bill and one which I am sure all members of the House would support.

I want members of the House to apply their good common sense, listen to reason and support this amendment because it strengthens the authority and the position of the registrar, the position which is really pivotal together with the ethics counsellor in making these changes work.

(1230)

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I was not going to repeat what I said at the beginning, in my introductory remarks on Motion No. 1, when I took a few minutes to explain why the Bloc Quebecois had taken the stand it took at the committee stage of this bill and describe the general attitude of the hon. members who sat on this committee. But in the light of the comments made by the hon. member for

Fundy—Royal, who also chaired the sub–committee on this bill, I will focus on the causes for my disappointment, since he is here to hear what I have to say, as will the minister opposite.

I repeat, I am disappointed with this new consultation process. The main reason for referring the bill to committee before second reading was to allow members to play a more prominent role and promote dialogue between the government and opposition parties to enhance the contribution of members to the development of legislation. The idea was to give opposition members the chance to express their views on the bill now before us.

Look at the changes to Bill C–43 as a result of this process and watch what will happen, at the end of the day, to the proposals made by opposition parties this afternoon. You will see that nothing changes. It comes to the same thing. So much so that when the minister appeared before the committee as our first witness, he told us that we had a free hand, that we were the best lobbyists there was to have the act amended, but he also gave us directions. While all his directions made it to Bill C–43, amendment proposals made at committee stage by the opposition, and the official opposition in particular, including twenty or so of my own fostering greater transparency, were all rejected. That is why I want to tone down this whole thing. I think we could revert to the old process, since this one is not much different anyway and comes to the same thing.

Regarding Motion No. 19, I must tell the sponsor of this amendment straight off that I agree in principle with his amendment. I think that Motion No. 19 serves the purpose of fostering greater transparency. This is a commendable goal and we, Bloc members, will work toward and support this goal. However, what stands in the way of this motion being adopted is much more a technical consideration. Let me explain.

Motion No. 19 seeks to amend section 8 of the existing legislation, the Lobbyists Registration Act. That act is in Chapter L–12.4 of the Revised Statutes of Canada. Section 8, which is under the heading ''Registry of lobbyists'', reads as follows: ''The Registrar General of Canada may designate any person employed in the office of the Registrar General of Canada as the registrar for the purposes of this Act''. Therefore, the section 8 currently in effect deals with the designation of the registrar. What does the registrar do? His role is to keep the registry of lobbyists. This is what the existing act provides. Based on its wording, section 8 designates the registrar.

Motion No. 19 reads as follows: ''8. The Governor in Council may designate any person as the registrar for the purposes of this Act.'' The motion therefore refers to the Registrar General of Canada. The amended section in Motion No. 19 designates the Registrar General of Canada. But who will designate the registrar? As I said earlier, the underlying principle is good. Things would be clearer if the Governor in Council were the one designating the Registrar General of Canada.

(1235)

This would ensure greater transparency. However, the amendment proposed by the member does not specify who will designate the registrar. Yet, this is extremely important, since the registrar is the one who maintains the registry of lobbyists. I believe the amendment proposed in Motion No. 19 is incomplete and thus we cannot support it, since it would create a vacuum regarding the implementation of the Lobbyists Registration Act.

There is a legal principle which says that the legislator does not intervene uselessly. The legislator does not make a law for no reason. This is even more true in this case, where the legislator is represented by all of us here. Parliament does not make legislation to poke holes in its implementation. I sincerely believe that, if we support Motion No. 19, we will poke a hole in the legislation regarding who will designate the registrars. If we are going to create problems by amending the current legislation, we should stick with the existing section 8 of the Lobbyists Registration Act.

As I said, the official opposition, the Bloc Quebecois, will oppose this motion, not because of its underlying principle, which we support and which has to do with ensuring greater fairness and transparency, but because it creates a vacuum in the bill. Consequently, we will vote against Motion No. 19.

[*English*]

Mr. Tony Valeri (Lincoln, Lib.): Mr. Speaker, it certainly is a pleasure to speak on Bill C–43.

I had the opportunity to sit on committee and participate in the discussions. The committee was very successful in putting forward a number of amendments that reflect what witnesses had communicated to it. The disclosure of grassroots lobbying and the disclosure of government funding for associations are just two of the many amendments which have been put forward with respect to Bill C–43.

Specifically on Motion No. 19, section 8 as it exists in our present legislation reads: ''The Registrar General of Canada may designate any person employed in the office of the Registrar General of Canada as the registrar for the purposes of this act''. Motion No. 19 attempts to amend that with the following: ''The governor in council may designate any person as the registrar for the purposes of this act''.

As the bill reads today, the registrar general is able to appoint a person that is employed in his office, a public servant. That public servant is bound by codes of conduct, Public Service Commission rules, Treasury Board, all of those provisions which ensure there is no political influence. There was no evidence in committee that political pressure had been exerted on this official, nor that the nature of the duties involved would make this likely. If these duties justify parliamentary ap-

pointment in order to ensure the independence of the registrar, then countless other government officials should also be made independent.

I wonder whether the hon. member with the intent put forward in this motion realizes that it already exists. There are provisions in the registration act where if we appoint a public servant, as is the present provision, that public servant is independent of any political pressure as the hon. member is alluding to because of the code of conduct that individual is bound by as a public servant. I am struggling with the intent of the motion. The opposition party did bring out a point which supported the fact that we would be unable to support this amendment.

(1240)

I will comment briefly, as other members have done, on how the committee functioned. The new structure in committee gives members of Parliament a great opportunity to affect legislation. We were able to do that with this bill by putting forward 13 amendments. We can make changes and provide input which reflects what the witnesses asked us to do.

There will now be a legal obligation for lobbyists to comply with the code of conduct and explicit authority for the registrar of lobbyists to issue interpretation bulletins. These are all things that improve the transparency and improve how the bill and its application will function.

Let us look at the comments made earlier on how the intent of the bill was to improve transparency and the statement by the opposition parties that we are not doing that, we are not going far enough. Let us just take a moment to look at what we have done thus far.

The ethics counsellor who has been appointed will develop the code of conduct for lobbyists. As I said earlier, there is a legal obligation to comply. In keeping with the spirit of increased powers for MPs, we will have the ability to review the code of conduct by the parliamentary committee.

The ethics counsellor can investigate breaches of that code and submit a detailed report of each investigation to Parliament. This report can now include fees and disbursements that were paid. These are all things that lend to the transparency of how government works. Bill C–43 goes a long way in improving the transparency.

With respect to Motion No. 19, the assumption behind the motion is that the registrar is vulnerable to political pressures. I find the arguments somewhat confused because the registrar, as stated by the Bloc in an earlier comment, is responsible for the administration of the lobbyists registry. As I said earlier, there is and was not any evidence in committee that political pressure had been exerted on this official.

If we defeat this motion, as I hope the House will do, we will maintain in the bill the ability of the Registrar General of Canada to designate that public servant who is bound by the public service code of conduct to perform the duties required.

What did the committee do? The committee did strengthen the powers of the registrar. The person will have the formal authority to audit the information contained in any return or document submitted and to issue interpretation bulletins and advisory opinions. We have strengthened that position. We have done so to allow the bill to work more effectively and to allow for that transparency.

In summary, the registrar will have the authority necessary to ensure the effective implementation of the act. I hope that we will defeat Motion No. 19.

[*Translation*]

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

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt Motion No. 19?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion, the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

(1245)

[*English*]

Motions Nos. 22, 23, 25, 28, 29, 30 and 31 will be grouped for debate but voted on as follows. An affirmative vote on Motion No. 22 obviates the necessity of the question being put on Motion No. 23. On the other hand, a negative vote on Motion No. 22 necessitates the question being put on Motion No. 23.

Motion No. 25 will be voted on separately.

A vote on Motion No. 28 applies to Motion No. 29. An affirmative vote on Motion No. 28 obviates the necessity to the question being put on Motion No. 30. On the other hand, a negative vote on Motion No. 28 necessitates the question being put on Motion No. 30.

Motion No. 31 will be voted on separately.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): moved:

Motion No. 22

That Bill C–43, in Clause 5, be amended by replacing lines 27 to 29, on page 13, with the following:

''10.1(1) There shall be an Ethics Counsellor who shall be appointed by commission under the Great Seal after approval of the appointment by resolution of the House of Commons.

(2) Subject to this section, the Ethics Counsellor holds office during good behaviour for a term of seven years, but may be removed by the Governor in Council at any time on address of the House of Commons.

(3) The Ethics Counsellor, on the expiration of a first or any subsequent term of office, is eligible to be re– appointed for a further term not exceeding seven years.''

The Deputy Speaker: We are debating a group of motions. I believe the Member for Elk Island had the floor to start.

[*English*]

I believe the member for Elk Island would like to ask for unanimous consent. Is that correct?

Mr. Epp: Mr. Speaker, I rise on a point of order. Though I would normally have the floor first, I seek unanimous consent of the House to have the floor granted to the member for Prince George—Bulkley Valley who would like to speak first on the motion.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Mr. Manley: Mr. Speaker, I rise on a point of order only to ask whether we will complete the moving of the motions grouped for debate in this case prior to commencing debate on one of the motions.

The Deputy Speaker: The Chair is obliged to read each of the motions in full because they have not been put on the public record before in the House. They are not very long.

(1250)

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 23

That Bill C–43, in Clause 5, be amended by replacing lines 27 to 29, on page 13, with the following:

''10.1. (1) The Governor in Council shall, by commission under the Great Seal, appoint the person who has been recommended by a resolution passed by the Senate and the House of Commons to be the Ethics Counsellor for the purposes of this Act, to hold office during good behaviour for a term of ten years, but the Ethics Counsellor may be removed by the Governor in Council on address of the Senate and House of Commons.

(2) Notwithstanding subsection (1) the Ethics Counsellor ceases to hold office on attaining the age of sixty–five years.''

Motion No. 25

That Bill C–43, in Clause 5, be amended by adding after line 37, on page 13, the following:

''(2.1) The Ethics Counsellor shall cause a copy of the proposed Code to be laid before each House of Parliament and shall not apply any proposed Code that has not been first approved by both Houses of Parliament.''

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): moved:

Motion No. 28

That Bill C–43, in Clause 5, be amended by replacing lines 45 and 46, on page 14, with the following:

''(3) The investigation shall be conducted publicly.''

Motion No. 29

That Bill C–43, in Clause 5, be amended by deleting lines 13 to 30, on page 15.

[*English*]

Hon. John Manley (Minister of Industry, Lib.) moved:

Motion No. 30

That Bill C–43, in Clause 5, be amended in the English version, by replacing line 23, on page 15, with the following:

''any findings or conclusions contained in a report under''.

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 31

That Bill C–43, in Clause 5, be amended by replacing lines 35 and 36, on page 15, with the following:

''lor's conclusions and shall cause a copy''.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I thank the House for allowing me to speak to the bill and the motions.

We have talked in previous debate about the three–tier registration system for lobbyists. We have talked about increasing the transparency of how lobbyists operate. We have talked about increasing the authority and the autonomy of the ethics counsellor. I should like to focus my input on Motions Nos. 23, 25 and 31.

Reformers were sent to Ottawa to try to influence the way government operates in the House of Commons, a return to ethics, integrity and honesty in the way the House of Commons and different government departments operate.

In the eyes of most Canadians, politicians and government people in this plastic city, as it is called in my riding, are very much in question. The average Canadians has lost trust in government, lost trust in the bureaucracy of the public service and lost trust in the way the people entrusted to operate on their behalf operate.

I will talk about integrity and trust, in particular the portion of the bill that deals with the ethics counsellor. The ethics counsellor, according to Bill C–43, will develop a lobbyists code of conduct. I do not share the same concerns about how lobbyists operate. Having been in the marketing business all my life—and I was a pretty good salesman—I look upon lobbyists as salesmen. They are selling concepts or ideas to the government on

behalf of companies or interest groups. They are there to do a job. If they do a good job I am not uncomfortable with that.

However, the part of the bill I am uncomfortable with is how the people in trusted positions react to lobbyists, whether they be the ethics counsellor, the registrar or employees. Guidelines must be put in place to ensure people in positions of trust are not privately influenced by lobbyists. In other words, it has to be an open and visible process so the people of Canada and parliamentarians are able to see clearly what is going on behind the closed doors of the people in trusted positions.

I refer to the infamous Liberal red book or the red ink book, as we prefer to call it. The red book said that integrity in our political institutions must be restored. That is a very honourable statement but the proof of the statement must be in the pudding. How is integrity in our political institutions to be restored? That is the question people ask. It is fine, in the heat of an election, to make statements and even put them in writing. However following through on the statements is the most important thing a government can do and the most important thing the people of Canada are looking for.

(1255)

When Canadians see a statement in the Liberal Party red book that it is going to restore integrity in the political institutions, they are looking for some proof of it. The proof is not there.

We have a situation where the Prime Minister can appoint an ethics counsellor. We beg to ask the question: Where is the integrity in that? It opens a door to many conflicts of interest. We in the Reform Party are firmly convinced that the appointment of an ethics counsellor, if integrity in our political institution is to be restored, must be approved by the Parliament of Canada. After all, every MP in this place represents the Canadian people. We were elected to come here and do a job. A position as important as the appointment of an ethics counsellor should be approved by Parliament as a whole.

There are some examples already in the 35th Parliament in support of the Reform Party's demand that an ethics counsellor must be approved after debate in the House of Commons. Let me go through a few.

Patronage is alive and well in the country and in the government. When the Prime Minister appoints another Liberal he says that he has to appoint Liberals. We question every day in question period the qualifications of some of the appointments made by the Prime Minister and his ministers. We say that they have the qualifications but we ask if they happen to be Liberal supporters, long time Liberal friends. That is a small example of patronage being alive and well. It is something the government said it was to do away with.

Let me quote some other examples such as the minister of heritage affair. In October 1994 it was revealed that the minister of heritage wrote a letter to the CRTC on ministerial letterhead in support of one of his constituent's applications. In our opinion it was a clear conflict of interest in as much as the minister of heritage is responsible for the CRTC. The Prime Minister in his wisdom called it an honest mistake. We questioned that. We asked how many more examples of perceived conflicts of interest can be written off by the Prime Minister as honest mistakes.

The Prime Minister refused to ask for the resignation of the minister of heritage as was demanded by many members in the House. He also refused to tell Canadians what the ethics counsellor had advised him to do.

On one occasion the Prime Minister said that he had talked to the ethics counsellor. Then he said he had not talked to him and then a staff member had talked to the ethics counsellor for the Prime Minister.

Under the present guidelines of the ethics counsellor we in the House will never know what happened in the minister of heritage affair. Canadians have seen a perceived conflict of interest swept aside with some talk about an honest mistake, that maybe he should not have done that but should have done this instead.

(1300)

If we had an ethics counsellor, truly independent and responsible to Parliament rather than the Prime Minister, there would be a clear obligation on the part of the ethics counsellor to report an incident such as I have described to Parliament and there would be no question as to what happened.

We can talk about the post office scandal and the perceived conflict of interest between a Liberal senator and president of Canada Post and a developer. We can talk about the direct to home satellite flip–flop just discussed in the House the other day.

What we want in Motion No. 23 is to force the ethics counsellor appointment to be approved by Parliament and that he or she would serve 10 years. In that case the ethics counsellor would no longer be at the whims of the Prime Minister as to his appointment and removal. Setting a term limit would ensure he does not become entrenched in a self–made empire, which happens all the time in this place.

The red book promises an independent ethics counsellor. Under Bill C–43 he is not independent. This amendment would truly make him independent.

Motions Nos. 25 and 31 would require the counsellor to table his code of conduct to Parliament for approval and for debate. The counsellor would report directly to Parliament, not to the Prime Minister.

Motions Nos. 25 and 31—this is very important—create accountability, legitimacy and autonomy within the ethics counsellor's department. I believe these last three words, accountability, legitimacy and autonomy, are very important to this bill and I urge members to give their support.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I believe the group of motions we are currently considering is the most important, because it focusses on the essence of the problem and of the goal of transparency. The amendments, the motions presented by the opposition relate directly to this.

This is why I am extremely happy to see all the Liberal members and ministers listening very attentively to what I have to say. Let them take notes and they will realize that the objective of the motions put forward by the Bloc Quebecois, Motions Nos. 22, 28 and 29, is indeed in line with the purpose of Bill C–43 with respect to transparency.

I believe that, if we are really to convince Canadians and Quebecers that Bill C–43 does indeed increase transparency and is not some dubious undertaking, it will be with the help of Motions Nos. 22, 28 and 29.

Motion No. 22 concerns the appointment of the ethics counsellor. I do not want to go over this whole issue, but I think and I believe everyone across from me will agree that the elected representatives are the people who sit here. If someone is to report to somebody or account for something to somebody, anywhere in the entire system, it is to the duly elected representatives.

But they still have to be able to choose this person—the ethics counsellor. Bill C–43 gives a lot of power to the ethics counsellor. Some witnesses even told us that the ethics counsellor should be someone extremely powerful. Powerful for whom or for what, if we, the elected representatives have no say in the choice or in the appointment of this individual and, more importantly, if he or she is not required to report to the House and is not accountable to the elected representatives?

(1305)

We are now being told that his job is to watch over parliamentarians' chastity. I would like to have a say on the kind of work to be done by this ethics counsellor. I would like to have a say on his appointment and his reports to the House.

As it now stands—and I think that most critics will agree on this—, Bill C–43 has no teeth. One of the reasons why this bill does not achieve the objectives set in terms of transparency is that the ethics counsellor will have to report only to the Prime Minister.

I see hon. members opposite shaking their heads in disagreement and indicating to me that Bill C–43 still provides for some safeguards. The ethics counsellor will release his findings. That is not enough. Not only do we have no say in his appointment, but the ethics counsellor will only justify his findings. That is the purpose of Bloc Quebecois Motions Nos. 28 and 29, which provide that the ethics counsellor must conduct his investigations publicly.

We must keep in mind that the ethics counsellor will act in matters involving public money. I would not say anything if the ethics counsellor could look at contracts involving two private individuals or companies. I do not need to know the circumstances, how much they paid for a given piece of land, or why the contract was signed. However, when one of the parties is the government, when one of the parties spends taxpayers' money and makes laws or regulations that will have an indirect impact on the population as a whole, I think it is a different matter.

When I sat on the committee, people told me that, even though I am a lawyer, I asked for things that even the Bar Association could not ask for. I reminded these people that, whenever the Quebec Bar Association investigates a lawyer, it is no longer a public but a private matter.

The ethics counsellor is responsible for reviewing an issue like the Pearson Airport deal, which everyone in this House is familiar with. This is not a matter between two private parties. The ethics counsellor will have to look go over the telephone calls, the letters, the contacts, the meetings. We could have had information. The people could have received information they do not have at this time.

I think that the Canadian people have a right to know what is being done with their tax money. We are paying enough taxes. I think we should know what our money is being used for. The only way to get to the bottom of this whole matter of lobbying would be through public inquiries. This way we would know which ministers and members of Parliament were involved and who contacted a particular civil servant. We need to know. It is not enough to go by findings on which the ethics councillor will base his conclusions.

Let me give you a very simple example. If the only part of court judgments to be released were the conclusions, whether at the Superior Court, the Quebec Court or another court, few people would be able to find grounds for an appeal. Basically, disagreement would be expressed regarding the conclusions. But why did the judge come to these conclusions? How does one know what the judge's decision is based on? To appeal a

decision, one needs to know who testified in the case, what they said, what evidence was introduced, what the charges were and so on. And where is all this information found? In the judgment.

(1310)

Why the judgment? Because most of the time, perhaps 99.9 per cent of the time, trials are public. While private parties are involved, 99.9 per cent of trials are public and we get to know on what basis the judge made his decision.

This is plainly a public matter involving public funds, and the government, which claims to be transparent and which came up with Bill C–43 to show its hands were clean and it was fulfilling an election promise, introduced a bill whereby we will have no say in the selection of the ethics councillor and, moreover, we will never know a thing about his activities.

That is what this government is about, a Liberal government that cannot even manage to fulfil the simplest of promises made in its red book concerning transparency and lobbyists, when it had promised to implement to the letter the recommendations of the Holtmann report on greater transparency. I can see that what we are saying here is painful to them because it is the truth. This government is good at hiding problems without ever solving them. It is hiding something. Bill C–43 is further evidence of this.

You will understand therefore why these motions are so important and why the government is reacting this way to my comments. The fact is that we have put our finger on the real problem and the problem is over there.

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I agree with my hon. colleague from the Bloc that this is undoubtedly the pivotal group of the items we are discussing today.

As I mentioned in my earlier intervention, the ethics counsellor and the registrar basically will be the people who administer this act and the revisions to the Lobbyist Registration Act. The ethics counsellor is undoubtedly the one who will make it work or allow it to fail. It will not be due to his or her work. Subsequently it could be anyone. It is possible their work could be undermined simply because this legislation is inadequate.

It is not really what the ethics counsellor does but the freedom he has which will determine whether his reports will be received with trust by the Canadian people or whether they will be suspect. This is what I am speaking about.

The word independence is mandatory here. Imagine a court in which a judge ruling on a matter is part of the family of one of the people in the dispute. I am not a lawyer but I think it is against the rules. A judge cannot sit on a case which involves a member of his family.

Liberals are in government but next time it will be the Reformers and then they will obviously have a need for an ethics counsellor. There should clearly be no connection to the Liberals. When Reformers are in power after the next election—I hear no objections so I take it the House approves of the idea—the ethics counsellor should have no connection to the Reform Party. There should be not only a perceived independence but an actual independence, or else the ethics counsellor will not be heard.

When is the ethics counsellor needed? Primarily when there is an item in dispute. If everything is tickety–boo, as we say, if everything is running smoothly, there is no need for an ethics counsellor. People are not suspicious and everything is fine.

The ethics counsellor comes into importance when there is a perception that something has gone awry.

(1315)

In this Parliament, even after the Liberals ran under the platform of more accountability, more openness, more trustworthiness, a number of questions have been raised. There are really only two possibilities. Either the suspicions and accusations are accurate and something has gone wrong, or the suspicions and accusations are not accurate, which means the people involved are innocent of the suspicions.

If we have an ethics counsellor who is basically answerable to the government of the day and not to Parliament as a whole, nor to the people, then we will have an ethics counsellor who is totally unable to put the matter to rest. If there is something untoward and he is answerable to the Prime Minister, he now has lost his freedom to be totally open and honest in describing the situation. He will not be able to make his friends or his family look bad, so there will be a restriction there. If the people are innocent and he so declares, the public will not believe him. It will be perceived by the people—probably incorrectly—that he is part of a cover–up, he is part of trying to put the matter to rest without necessarily disclosing the truth.

I would like to remind the members opposite that I am not trying to persuade them of something they do not believe in. At least their words are that they believe in this. I would simply quote from the Liberal red book, quoted often here. I do not think we have any reason to distrust the integrity of the people who wrote this in their book as part of their election platform: ''A Liberal government will appoint an independent''—I emphasize that word—''ethics counsellor to advise both public officials and lobbyists in the day to day application of the code of conduct''.

That is the Liberal aspiration. Frankly, it is our aspiration as well. It is what Canadian people are asking for. If we agree, then I am sure we will have consent to the motions before us, which will provide that independence.

There are several of these motions here. The first one is really a choice we have between accepting Motion No. 22 or Motion No. 23, because they are very similar. Both provide that the ethics counsellor be appointed by governor in council but subject to the approval of the House of Commons and to be removed by the same authority, rather than just being an appointee of the Prime Minister with all of the implications of that closeness, answerable to him—a necessity to make him look good, a necessity to try to cover up. Whether it is true or not, it has that appearance.

The ethics counsellor must have a method of appointment so that there is absolutely no connection. He must be totally independent.

I want to move on, because the time is limited and we have a number of items in this grouping that I want to address. I would next like to talk briefly about the code of conduct itself, which the ethics counsellor will be administering. He of course is responsible under this act for developing the code of conduct and then administering it. I would like to say something about that code of conduct.

It is almost impossible to legislate goodness. Sometimes governments try to do that. I have said in public meetings, especially when we talk about gun control, criminals, and the Young Offenders Act, that there is probably not a law we can pass that will make people good. I believe that. However, we do have to have laws that will restrain those who are not good. That is the objective of a law.

(1320)

When we think of the flaws in the human psyche we are trying to prevent here, it has to do with office holders and their relationship with lobbyists. If we are going to have a code of conduct that is going to be fair, that is going to satisfy the needs of the Canadian voters and taxpayers, that code of conduct also will have to have a certain degree of independence. There will have to be a development of that code that has a broad support.

I would like to recommend Motion No. 25, which says that the ethics counsellor as proposed now will be producing the code of conduct but that it will be approved by both Houses. Both the House of Commons and the other place will have approval of this code of conduct.

Indeed, I would even go further and say that it would be very judicious of us to give that code of conduct wide reading. It should be published in the papers so that the people know what level of expectations we have of ourselves. Then they can comment on it and we can get feedback from the people.

We need to provide for not only independence of the ethics counsellor but also independence of the code of conduct. That will come through open debate and free votes, as promised in the red book, on that issue in the House of Commons. So all members, if they see a flaw in the code of ethics, will have the freedom to move an amendment to it and to vote against it unless that amendment is made.

These are necessary things. They are absolutely mandatory. Without the acceptance of these amendments, the code of conduct, the ethics counsellor, the whole of Bill C–43 will essentially come to naught.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I would like to take a few minutes to respond to some of the things I have just heard.

I had something to do with the drafting of the 1987 report, the Cooper committee, the legislation that appeared afterward, and then of course the Holtmann committee, which reported to this House early in 1993.

The member across who just spoke is missing a few points. I know he is sincere in what he is doing and in what he is proposing. For that I commend him. I am sure he means very well. There is, however, something wrong with the logic of what is proposed by the member. The member is saying that only an officer appointed by this House and the other place could in fact be truly independent in terms of administering a code of conduct for lobbyists. There is something very flawed with that. Members will know that if that were the only test for independence of judgment then no judge in this country would truly be independent. If it were the only test for independence, then the director of competition policy would not be independent, and so on.

Of course members will say that one of the differences is that judges have tenure. That is obviously true, but it is not true of all positions where there are quasi–judicial bodies. Therefore the member is wrong when he says that only an officer of the House administers in an independent and non–partisan way. What he is doing, notwithstanding his obvious good intentions, and I credit him for those again, is creating and setting a stage whereby it will be difficult for anyone having this function to operate independently because of the aspersions that are cast perhaps even inadvertently today and in this debate.

There are a number of people who make rulings. I can think of the CRTC. I can think of the director of competition policy as one person who reports to the same minister. Does anyone say that these people operate in a way that is not independent? Does anyone suggest now that their judgment is tainted because they were appointed by the government?

(1325)

In this case, the person was appointed by the government in consultation with the opposition. There has been that consultation. I remember the Prime Minister specifically mentioning it on the floor of the House. The consultation was made with the two opposition parties.

Someone was just heckling who obviously—and I will try to be kind—not having had the benefit of hearing the whole debate in this House today is pretending to be outraged by—

The Deputy Speaker: If the whip of the government is suggesting that the member who heckled him was not present for the debate, he knows as well as I do that is an improper statement. I would ask him to be more careful about what he is saying in the House.

Mr. Boudria: No, Mr. Speaker, I was not suggesting that. I was implying that perhaps he was not listening to my comments previously, for whatever reason. I will let the House decide what the reasons were; I did not attribute them.

The member, who was not listening to my remarks previously, for whatever reason, would know that in fact the government's effort in this bill, including the acceptance of amendments from the opposition and amendments proposed by the parliamentary committee, is evidence that we have tried as a government to get the input of all members of the House and from people outside to produce a good report to present to this House in an effort to get something unanimous. We wanted to get something that Parliament as a whole could live with in terms of a piece of legislation.

As critical as I was of the previous government, Mr. Speaker, as you will no doubt recall, you will remember that when we produced the bill that is presently the law of the land in regard to lobbying, I supported the bill in the end at third reading and recommended, as the critic, to my colleagues to do so. I thought it was important that whatever law we had on the statute books dealing with lobbyists be supported by all of Parliament.

At that time the New Democrats did not support it, and I thought that was wrong, because it was sending the wrong message. The message would have been sent, had I not supported it and recommended that support to my colleagues, that the law was inherently flawed and those administering it could never do a proper job. I do not think that was true, notwithstanding the partisanship that was there at the time. I know a little bit about being partisan.

Today we have taken that law that existed, we have taken the Holtmann committee report, which was unanimous, adopted virtually the whole thing in the bill that we have before us, and we have added to it amendments proposed by members of the Reform Party, government members, and people who have come to testify before the parliamentary committee.

We have added from where we started off, which I do not think was even a bad law. Yes, we said that five years later we had to redraft it, taking into account new situations and how the bill had worked.

[*Translation*]

However, I believe that a bill on the registration of lobbyists can only work if the members of this House want it to work. I personally think that this is a good bill and that the proposed amendments are appropriate. If the members opposite think about it for a moment, they will certainly come to the same conclusion.

An hon. member: The bill was improved.

Mr. Boudria: Mr. Speaker, there is no doubt that it was improved. Again, the hon. member may not have been listening carefully when I said a little earlier that we accepted amendments from the parliamentary committee and from the government, and that today we will even accept some from one of the opposition parties. We incorporated these changes to an existing bill, and we also took into account a report tabled in this House by a parliamentary committee.

(1330)

That was a unanimous report. The member opposite may think that he has the monopoly on virtue. Good for him. However, those who were here during the previous Parliament also believed in what they were doing. Together, we proposed what we have today, and we even included all the amendments I mentioned earlier.

I believe this bill deserves the support of the House. When the bill comes back at third reading and when we vote on it, we will have to ensure that the ethics counsellor, who will be responsible for the application of all these rules, can rely on the support of all parliamentarians. Otherwise, it will mean that we sabotaged the bill ourselves. We have to make it work. This is about parliamentary integrity. This issue does not only concern the government: it concerns all of us in this House, as well as those in the other place.

[*English*]

We can make this bill work. The way to do it is to co–operate. We are not just dealing with an issue that involves government. It is Parliament, both houses of this institution. If we do not work together to support the bill, then I suggest it will not work and it will be the fault of those who have chosen not to give it their support.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, allow me to briefly comment on the chief government whip's comments before moving on to my comments on certain amendments or certain motions in amendment, in particular Nos. 22, 28 and 29 which were introduced by my colleague from Berthier—Montcalm.

The chief government whip has just talked about the co–operation, openmindedness, and responsibility that parliamentarians have regarding this bill. Let us put this into perspective.

First of all, we are talking about keeping better tabs on lobbyists. Let us not forget that the government manages and spends close to $160 billion annually. I think that it would be worthwhile to tighten the controls on those who influence the government's decisions.

He also told us that this is the responsibility of all parliamentarians and not just government members, the Cabinet and ministers. This is pretty well the spirit of the proposed amendments. The issue is having the House nominate the person who will be ethics counsellor, which is in line with what the whip was saying. In this case, we are told no; let us choose the person who will be answerable to the Prime Minister, not only to the government, but to the Prime Minister. And there, he went against what he was suggesting earlier.

The current debate seems in a way to be an attempt to get out of a commitment that they regret having made now that they are in power. One must understand party funding, for example Liberal Party funding, to understand that, once under the direct influence of lobbyists, it is less desirable to keep better tabs on lobbyists than it was when they were in opposition. A remarkable change in attitude.

An hon. member: And well noted.

Mr. Brien: And well noted, indeed. Regarding this issue, I would like to quote a few sentences from the red book. During our first months in this House, the first months of the election campaign—our ears were ringing with the contents of the red book, the famous red book. The book talks about the integrity of the government and the trust relationship between it and the population. The book says: ''The integrity of government is put into question when there is a perception that the public agenda is set by lobbyists exercising undue influence away from public view''.

I discussed this bill with some of my constituents and certain colleagues, and none of them feel that the bill changes this perception. On the contrary, because in the meanwhile, we noticed—some of us did our homework—that lobbyists had even influenced this bill in order to reduce its impact as much as possible.

And now, if I may, I intend to quote the Canadian Press which said that, according to information obtained under the Access to Information Act, it would show that lobbyists had stepped up the number of meetings during the months preceding the tabling of this bill and that some had vowed to start legal proceedings if the new legislation obliged them to disclose their political connections.

(1335)

This was information obtained under the Access to Information Act, so it is not pure conjecture. In *La Presse*, there was a revealing headline: Lobbyists manage to get rid of constraints Ottawa would impose on them. The lobbyists came out as winners in the struggle around a bill that was supposed to regulate their dealings with the government. Now people opposite talk about restoring the people's trust. There is a serious problem.

Motion No. 22, standing in the name of the hon. member for Berthier—Montcalm, proposes to have the ethics counsellor appointed by the House and to make him accountable to the House. I think that is perfectly normal. After all, we are elected by the people, who put their trust in institutions, not only in the person of the Prime Minister, and they expect Parliament to have a say in these matters. The government is doing everything it can to avoid this, although the government whip was no doubt entirely sincere in his desire to empower parliamentarians and ensure that everyone feels bound by this bill.

The House has before it a number of proposals to improve a bill that is not bad but could certainly stand some improvements, but the government is reluctant to make genuine improvements. Why? Perhaps we should start wondering whom it may have met in the past few days, weeks and months. There may have been people who convinced it to change its mind and who had every interest in doing so.

Since this government came to power, we have had several cases that remain to be clarified. There is the Pearson airport affair. There was also the case involving the Minister of Canadian Heritage, and here we had a telling example of the powers of the ethics counsellor. Three weeks after the Prime Minister asked him for an opinion, he very discreetly took steps to cover the minister's tracks.

When all is said and done, the role of the ethics counsellor would appear to be to cover for the government in matters that raise some controversy. The ethics counsellor is used to make the government look good. They say: Look, the ethics counsellor said there was no wrong doing. The fact is, the ethics counsellor is accountable to the Prime Minister and his job depends on the good will of the Prime Minister. There is a serious problem here.

The motion moved by the Bloc Quebecois suggests appointing this person for a period of seven years. As a result, he will not always have connections with the party in power. There will be changes in governments, and that will give him a certain amount of independence. That will mean more power, particularly because he will not be accountable to anyone who could decide from one day to the next to dismiss him on the basis of the opinion.

Some information should be made more public and not simply left as conclusions of a report. He is asked to report on his investigations, but only the conclusions are made public. In some cases, it would very interesting to know more than just the conclusions, to know how they were reached. This is another important step in response to the wishes to the whip and the entire Liberal government, which has been saying since its election that it wants more transparency, that it wants political action to be as transparent as possible. The waters look pretty

cloudy to me, as if an effort is being made to create some confusion and prevent people from seeing the real picture.

I will not get into the whole question of the scandal surrounding the deductibility of lobbying costs. In the end, the public is indirectly paying the lobbyists to influence decisions according to certain specific interests. This warrants serious consideration.

It seems to me it would be in everyone's interest to make Parliament credible. It is also what the Reform Party would like to some extent and I think what the government whip would like, but his hands are tied—I think everyone is basically good, but on this, his hands are tied somewhat. People put their trust in individuals and in political groups and expect Parliament to play a role.

In this regard, I hope with all my heart that the government will support this amendment, which will give us a better bill in the interest of all taxpayers.

(1340)

It must be remembered that the government spends $160 billion a year. This is a lot of money. We must make sure that this money is not spent in the interests of a few privileged individuals with good connections with previous, present or future governments, or even with corporations the government is closely connected to through their funding of political parties. These are the reasons why we must make sure we succeed.

I would like to quote Mr. Reisman, a committee witness who supports the recommendation made by my colleague from Berthier—Montcalm. He said: ''If we get into the business of a code of ethics to govern the behaviour of the members of this industry, it ought to be kept out of partisan politics as far as you possibly can. I think one good way of doing that is to make the appointment an appointment by Parliament, rather than by the government of the day''. There it is. The Bloc members are not the only ones to think that way.

This may not be a guarantee in itself, but it certainly helps, as he more or less suggested when he said: ''You are more likely to get someone more objective. If he is appointed by Parliament, I think he should report to Parliament—which is the recommendation in any event—and be accountable to Parliament''. There are other reasons why he should be accountable to Parliament.

So this seems to be a fundamental point on which everyone, including the government, should agree.

In conclusion, I expect this government will abide by its commitments. I hope they will not bring in a legislation simply to mask their change of heart when moving to the other side of the House. I hope they will meet the initial commitments made at the beginning of the election campaign and written in the red book, bible of the Liberal Party, and that they will support the recommendations of my colleague, the member for Berthier—Montcalm. These give the government an opportunity to respect its own commitments and restore the bond of confidence that existed between the Canadians and their institutions so that the ethics counsellor will not simply be a coverup for the Prime Minister, his ministers or government members when they get into difficult situations.

[*English*]

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I want to begin by talking about just how this code of conduct is developed, why and what happens to it.

Currently the code of conduct is developed in the same manner as it has been, but it is approved by the House of Commons. The ethics counsellor tables his report with the Registrar General. The Registrar General who receives this report is currently the Minister of Public Works and Government Services.

I have some problem with the ethics of that in itself because of a lot of the dealings I have had in this House with the particular minister who receives that report. I dealt with an issue just yesterday in question period with that minister. I question very much the avenues that were taken to disburse federal funds through a provincial road program. Even a member opposite called the disbursement of those funds misappropriation. I have a real concern with these kinds of reports going directly to a minister rather than to the House. After all it is the House of Commons that has to deal with the ethics, is it not, and not the Prime Minister or not a minister?

I want to raise another issue and that is an individual who is a member but is not a minister who I have long said should come under the auspices of an investigation by the ethics counsellor. Again I question. If you cannot be entirely ethical as a party or a minister how in the name of heaven does one get to receive reports from an ethnics counsellor and deal with them?

(1345)

It is just not the right way to do it. All members of this House have the right to receive the reports directly. They have the right to make the appointments. They have the right to set the standards. I cannot comprehend why this government, after all the talk about ethics during the election, has turned around to table something which says that the appointments should be made by the Prime Minister and the report should be given to a minister. It is hogwash.

Why is it that the Liberals do not want the ethics counsellor to report to the House of Commons? What is wrong that we cannot understand that it should come to the members? If we can understand the longstanding traditions of a traditional party, the difficulty it has is that it does not trust itself or its own members.

It does not want to be put into a position of being embarrassed down the road.

I would like to say one more thing about the minister with whom I was dealing yesterday. I found out that there is a federal–provincial agreement on roads in Nova Scotia. I found out that the minister and the Minister of Transport deliberately made a deal to transfer moneys from a federal highway program to a provincial highway program. They made a deal on it.

Why did they make the deal? It happens that the money they wanted to take from the federal program is going to the minister's riding. The federal road they had the money for is considered one of the most dangerous roads in this country. The road the minister had the money transferred to in his own riding happens to be a road for tourists. It is a make work program. I have a great deal of difficulty understanding the ethics of that manoeuvre. So do the people of Wentworth Valley in Nova Scotia.

How on earth can I comprehend this government taking the very same reports from an ethics commissioner and giving it to the very same minister who made the transfer? Talk about ethics.

What happens if an ethics counsellor or an ethics commissioner in this person's government makes a report which chastises somebody from the government? The Prime Minister takes that report and downplays it. We in the House probably will not even get the report. The public will never see the report. On it goes. If he makes the mistake of divulging what is in the report, he gets canned. That is why this counsellor must report to the House of Commons and not the Prime Minister.

We can look back at all of the processes we have gone through on ethics in this House. For instance, there is the ethics having to do with patronage appointments. Time and time again the government talks about ethics and patronage appointments. What does it do day after day? It gives all its hacks, everyone it can, patronage jobs. The Liberal I defeated in my riding just got his plum. That is ethics over there.

(1350)

Mr. Cannis: Wait until you see what is coming.

An hon. member: It has nothing to do with ethics. He is qualified.

Mr. White (Fraser Valley West): Mr. Speaker, the member says: ''It has nothing to do with ethics. He is qualified''. These folk only have to know the individual I defeated to find out if he is qualified. They should have had a good look at him. The difficulty with them is that they do not know what ethics are. How can an ethnics counsellor report to the Prime Minister when they have no idea what ethics are?

Suffice it to say one of the most important issues for Canadians today is ethics. Another important issue for Canadians is integrity. Politicians across the country suffer in the eyes of Canadians because they do not believe they have integrity.

There is an easy way to try to help the situation. The counsellor should be appointed by the whole House of Commons, not just that group. I question the ethics of some of its members and will continue to do so.

It is not good enough to legislate integrity. We have to believe in it. Will the government look at the amendments on the table and vote for them in favour of objectivity, in favour of integrity and in favour of informing the people of Canada in the proper way? Or, will it be business as usual from a traditional party and in some cases a traditional party that has already proven it has questionable activities, particularly the ones I mentioned before.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I would like to make a couple of comments.

An hon. member: Not her again.

Ms. Clancy: I am sorry my hon. friends are so disturbed and that my intervention might upset them. Given that the hon. member made comments about route 104, I thought it might be an idea to set the record straight about Nova Scotia. Being born there is not quite as good as growing up there and living there, although it is good to be born there and we are glad he was.

The Nova Scotia solution offers the quickest, safest and most cost effective redevelopment of highway 104 possible. The important issue is safety. I know the highway. We cannot lose sight of the necessity of safety because of those who engage in petty and partisan bickering.

By working in co–operation with the private sector the Nova Scotia government is protecting and promoting the interests of the taxpayers by levering private sector funds, by creating jobs and by providing for a safe and competitive transportation system. I think the people of Nova Scotia—I do not know about my hon. friend—deserve nothing less.

It is not about $26 million. It is about a $110 million project that runs right through Cumberland—Colchester. That is not bad from any standard.

(1355)

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, Bill C–43 gives us the opportunity to ask ourselves: Who exactly is running this government? Is it the people through its elected representatives or is it private interests, corporate interests? The people of Canada are concerned. For a long time they called for a law governing lobbying activities on Parliament Hill, even before the arrival of Conservatives and Liberals, because they know that lobbyists exercise undue pressure. They know that patronage exists within the government, as well as waste and corruption. They know it, although they do not have

any concrete proof, but there are signs, gestures, and recent events that show without any doubt that lobbyists manage to extract favours from the government by undue pressure. For example, there is the Pearson airport case which involved millions of dollars, and even today the people of Canada do not know what the players, the lobbyists and the various interests actually did.

The case of the Minister of Canadian Heritage was mentioned. Although he is the minister responsible, he interfered with the CRTC and this, of course, raised the question of the role played by the ethics counsellor within the government, a person who was not even consulted by the Prime Minister in this case.

In the case of BST, a hormone developed by Monsanto, we read in the papers that this company had people, lobbyists, who met with officials of Health and Welfare Canada and offered some 2 million dollars to convince them to approve BST for use in Canada. These are but three recent cases among the very many which prove the abusive role of lobbyists in Canada.

I will come back to this with an even more distressing case.

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

The hon. member will have the floor after question period.

STATEMENTS BY MEMBERS

[*English*]

BROOKE–ALVINSTON–INWOOD COMMUNITY CENTRE

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, I would like to relate a success story in my riding of Lambton—Middlesex based not on government handouts but on true community spirit and the refusal to let a dream die.

On March 11 pledges from a variety of local service clubs for about $125,000 were announced toward the construction of additional facilities at the Brooke–Alvinston–Inwood Community Centre complex.

After no government grant money was available, organizers decided that the project would not go ahead if it meant an increase in tax dollars for local ratepayers. Instead, based solely on the generous contribution of thousands of dollars from a variety of service clubs in the riding, plus the donation of material, products and volunteer assistance, ground breaking will begin this spring.

This project exemplifies the rural community spirit that is alive and well in the riding of Lambton—Middlesex.

My congratulations to all participants in this very worthwhile community project, and a special mention to Doug Redick, chairman of the building committee, and Ian Lehrbass, the arena manager.

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[*Translation*]

NATIONAL VOLUNTEER WEEK

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, in this National Volunteer Week, I am pleased to pay tribute to the 13 million devoted and dynamic men and women who have chosen to get involved in our society, particularly by helping those less fortunate.

However, it seems that the federal government has a whole other view of volunteer work. Whereas a brochure from the Department of Heritage highlights the importance of their action, the government has no qualms about drastically reducing assistance to volunteer agencies. Indeed, their budget is dropping from $1,066,000 in 1993–94 to $65,000 in 1995–96.

We, in the Bloc Quebecois, condemn this shameful decision. Not only did the federal government miss an opportunity to really support these groups, but it has also been indifferent to the have–nots in our society.

* * *

[*English*]

LEE BELLOWS

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, this past weekend I had the opportunity to meet a friend of mine, Mr. Lee Bellows of Moose Jaw. Mr. Bellows has been involved in the sport of rodeo for many years.

Lee Bellows is highly respected in Saskatchewan for his common sense and great wit. Mr. Bellows is also a cowboy poet. On his behalf I would like to quote a few of his thoughts:

What's your thoughts on gun control?
They ask, but they don't hear.
They run 'round ''chicken little style''
and share with us their fear.
I've done a bunch of ponderin',
and its become plain to see
the controlling of my old rifle
would be the best if left to me.
Your logic misses the point, my friends.
Don't inflict your values on to me.
Life's different where the pavement ends
and you know what's bothering me
Well, I'll tell you with this rhyme,
You've went and gone and convicted me,
befor' I done the crime.

GUN CONTROL

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, at the Reform Party policy convention in October, 1994 the delegates passed two resolutions. First, if elected the Reform Party will introduce legislation by which the criminal use of firearms will be severely punished and the right of law–abiding citizens to own and use firearms will be protected. The amendments introduced to the Young Offenders Act by our party include stricter penalties for crimes using firearms.

The second resolution stated the Reform Party supports the rights of citizens to protect themselves and their property against criminal acts using all reasonable means and that the right to do so has priority over offenders' rights.

This resolution has been marketed to the gun lobby as the Reform Party's answer to gun control. It is a motherhood and apple pie statement that could only confuse the people who would believe this is a Reform Party position against the gun control act, yet another example of Reform Party pretence.

* * *

ARMENIAN GENOCIDE

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, yesterday, April 24, over 2,000 protesters rallied on Parliament Hill for the 25th time to remember and pay tribute to 1.5 million Armenian victims of the first major genocide of the 20th century. This genocide was planned and executed by the Ottoman Empire on April 24, 1915 as a brutal and final solution to the Armenian question.

The Permanent People's Tribunal in Sorbonne, France considered the Armenian genocide in April 1984 and ruled that it was an international crime for which the Turkish state must assume responsibility.

We must not allow the international community to simply dismiss Ottoman Empire crimes against the Armenian people. Benjamin Whitaker, a British writer, said if we cannot face yesterday's truth how can we ensure tomorrow's justice?

* * *

HUNGARY–SLOVAKIA TREATY

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, on March 20 of this year the Republic of Hungary and the Slovak Republic signed an historic treaty in Paris. One highlight of the treaty is an agreement between Hungary and Slovakia to refrain from the threat or use of force against one another's territorial integrity and political independence.

Another highlight of the treaty is the confirmation that the protection of national minorities and the rights and freedoms of individuals belonging to a national minority are a matter of international human rights. In this sense the problems of minorities are not exclusively an internal affair of states but rather a matter of legitimate interest for the international community.

This treaty sets an example for all the world. From African nations to the former Yugoslavia the world is witnessing a dangerous rise of ethnic conflicts. This treaty provides an example of what nations can achieve with negotiations, not guns; with discussion, not destruction.

* * *

[*Translation*]

GOVERNMENT SPENDING

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, five months after taking office, the federal Minister of Fisheries and Oceans won the award for claiming the highest travel expenses of all federal ministers. This piece of news had already angered taxpayers, who expected the Liberal government to keep its promises and stop wasting taxpayers' money.

Well, the Minister of Fisheries and Oceans has done it again, spending over $200,000 on redecorating and refurnishing his headquarters in Ottawa.

How can we let a minister spend so much money on fancy furniture, when his own government is cutting billions of dollars from social programs?

(1405)

The Liberal government is asking the middle class and the most disadvantaged to make sacrifices in the name of deficit reduction, but is unable to eliminate the advantages enjoyed by the lucky few who are squandering taxpayers' money.

By acquiring this furniture, the fisheries minister is taking taxpayers for a ride.

* * *

[*English*]

CRIMINAL CODE

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, Canadian parents and families are being threatened by a movement to repeal section 43 of the Criminal Code.

Section 43 presently permits parents and teachers to use reasonable discipline on children should the circumstances warrant. Repeal would reduce parental authority and replace it with state authority.

This government interference would undermine the integrity and viability of Canadian families.

Today in the news there is a case in London, Ontario of an American tourist charged with assault for spanking his 5–year old daughter. In Calgary a triple amputee mother was similarly charged.

The justice and health departments have been reviewing section 43. The government has to come clean with Canadians as to its intentions. Polls tell us Canadians do not want more government interference in their homes and families. It is the parents who know what is best for their children, not interest groups, bureaucrats or so–called experts.

I call on the justice minister to reaffirm parents' rights to reasonably discipline their own children.

* * *

PAUL BERNARDO

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, I am sure all members of the House will join with me in opposing attempts by various media organizations to allow public viewing of the Paul Bernardo video tapes.

The public showing of these tapes would not serve the public interest. This is not, as the media claims, a matter of free speech. The Bernardo trial will be open to the media and to the public.

Attempts by the media to gain access to the video tapes are simply an effort to boost ratings at the expense of the victims' families. The families of the victims have suffered enough without having these videos broadcast. This is a prime example of tabloid journalism at its worst.

I hope the courts turn down the media's request. I call on the media to show some restraint and consideration for the feelings of the French and Mahaffey families. They have suffered enough.

* * *

ITALY

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, on April 25, 1945 there was no more bombing in Italy. People turned to the streets to celebrate the end of a cruel war which killed many people and destroyed many cities, villages and lives.

[*Translation*]

All wars are cruel and we always lose whatever the outcome.

In 1943, the Canadians landed in Sicily. Old Sicilians living in Vancouver still remember with gratitude the summer day when they were liberated by the Canadians.

On this 50th anniversary of the end of the war in Italy, I wish to thank the thousands of Canadians who liberated families like mine, ensuring the freedom we enjoy today. Many died but their sacrifice will not be forgotten.

[*English*]

Without the great sacrifice of our Canadian friends, European history would have had a different course. It is due to many young Canadians if today European countries can get united and try a united destiny in the name of freedom.

* * *

RWANDA

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, the world has just witnessed yet another horrific massacre of innocent people in Rwanda.

I believe I express the sentiments of most people when I say this situation is profoundly disturbing.

[*Translation*]

It is difficult to imagine societal circumstances that would lead individuals to commit such atrocities. The massacres in Rwanda are the perfect example of what can occur when we let a society develop in a climate of hatred and intolerance.

These killers show a flagrant lack of respect for human life. We should all draw important lessons from this massacre and think about our society's values.

[*English*]

No society is immune to intolerance or hatred. However, it can be measured by the treatment it confers to its minorities. Canada does not have an unblemished record but we do have before the House a bill which will help suppress an ugly side of our society. Bill C–41 will not protect the innocent people of Rwanda but it will stem odious acts affecting Canadians.

* * *

[*Translation*]

RWANDA

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, the massacre of thousands of Hutu refugees by the Rwandan army on Saturday raises many questions regarding the use of Canadian aid to Rwanda, which amounts to a hundreds of millions of dollars over the past 30 years.

There is a growing rumour that these funds may have been diverted and, in the light of disturbing revelations relating to the murder of Brother Cardinal, the government must reconsider its support and assistance to the regime currently in place in Rwanda.

(1410)

Instead of being lax and complacent, the government must immediately check into this matter and release the findings of the special envoy it dispatched to the scene. Otherwise, one could wonder if the government is not backing, through its international assistance, a regime which has no qualms slaughtering its own refugees.

[*English*]

DOUGLAS CAMPBELL

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I rise to pay tribute to Douglas Campbell, a great Canadian and great Reformer, who passed away this week at the age of 99.

Mr. Campbell was elected to the Manitoba legislature in 1922 as a Farmers' candidate. He was later a cabinet minister in the Liberal Progressive government of John Bracken and served as premier of Manitoba from 1948 to 1958.

Douglas Campbell liked to quote from an old poem called *The Bridge Builder*. In his honour the Reform Party instituted the Bridge Builder Award. It recognizes special people who have pioneered the way to a new and better Canada and have built bridges to make the journey easier for those who follow.

Douglas Campbell was truly a great Canadian bridge builder. We pay tribute today to his wisdom, his public service, his faith and his memory.

Some hon. members: Hear, hear.

* * *

PENSION REFORM

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Mr. Speaker, a study just released by the Canadian Advisory Council on the Status of Women indicates that many of our country's middle aged women will be poor when they retire from the workforce.

These women, between 45 and 54, stayed at home to raise children, care for their spouses and in many cases their elderly parents, and volunteered countless hours in their communities. Because they did not enter or re–enter the workforce until their mid–thirties or early forties, their retirement benefits are very low. For these women the future is particularly bleak.

This study comes at a time when the federal government is about to reform the retirement income system. Ironically it is one of the last documents released by the council, its mandate having been ended with the last federal budget. As we well know, the social security reform process is really the Liberals' definition of slash and burn just like the Tories.

It is vital the government seriously take into consideration this very important information when it reviews options for changing Canada's pension system. The women who dedicated a good portion of their lives in caring for others deserve to live their retirement years in comfort and dignity. They do not deserve to be repaid for their service with a ticket to the poorhouse.

S. O. 31

MARINE CONSERVATION

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, I would like to take this opportunity to convey to all members of Parliament who donated flags for the Cornish fishermen the sincere thanks and appreciation of Canada's High Commissioner to Britain, the hon. Royce Frith.

According to the High Commission office there was wall to wall press coverage in England: ''In all our memory Canada has never had such a positive profile''.

Through the combination of a minister of fisheries who was relentless in his defence of Canadian sovereignty and conservation, a Prime Minister with the diplomatic skills to strengthen that position and the cross party support of members of Parliament and Senators, Canada has taken a leadership role in the international community to preserve marine resources.

This was the message that Royce Frith received as he handed out the flags donated by parliamentarians to British fishermen and their families. He told each recipient where the particular MP was from and why they had donated the flag.

On behalf of the High Commission office I have been asked to tell all MPs who donated their flags they would have been extremely proud of the outpouring of affection and support for Canada. It was a moving experience and all who received the flags—

The Speaker: The hon. member for Vaudreuil.

* * *

[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, like many Quebecers, I am getting more and more confused about the sovereignist option. With the Quebec Premier's pussyfooting and the Bloc Quebecois leader's countless about–turns, it is easy to lose one's bearings.

No one was fooled by the latest shift toward association. The common political and economic structures proposed by the Yes side already exist. What is the use of burning bridges only to rebuild them? Would it not be more effective, and especially cheaper, to upgrade and reinforce them instead?

Indeed, this about–face is just one more trick to win support for a separation plan opposed by a majority of Quebecers. Fortunately, while this infighting is going on among separatists, the federal government is tackling the real priorities: employment and economic growth.

ORAL QUESTION PERIOD

(1415)

[*Translation*]

TELECOMMUNICATIONS

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, this morning the federal cabinet postponed its decision on direct–to–home satellite services. For the time being, it preferred not to go ahead with directives that would benefit Power DirecTV by reversing a decision by the CRTC.

My question is directed to the Prime Minister. Why did his government intervene directly in this matter, supporting the interests of Power DirecTV, which is owned by Power Corporation, when Power DirecTV should have gone to the CRTC, the same as its competitor Expressvu did and, in fact, was obliged to do?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the CRTC's decision has been widely discussed, even in the media. For the benefit of the Leader of the Opposition, I may add that newspapers as diverse as the *Globe and Mail* and the Toronto *Star* gave substantially the same advice.

[*English*]

The Toronto *Star* reads: ''Ottawa should endorse the panel's report without hesitation and instruct the CRTC to move quickly to let the competition begin''. In the *Globe and Mail* we have similar advice: ''The government acted in the public interest by creating the review panel, which did its work well''.

[*Translation*]

Mr. Speaker, considering the position taken by daily newspapers as diverse as the Toronto *Star* and the *Globe and Mail*, perhaps the Leader of the Opposition would consider agreeing with the government's policy.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, am I to understand that the Leader of the Government refuses to answer himself because his son in law's interests are at stake?

I will nevertheless address my question to the Prime Minister. After all, he is the Prime Minister, Mr. Speaker. And this is a fundamental issue which concerns Canadian content and the future of international communications, am I right?

So now my question for the Prime Minister, if there is still one in this government. Would he agree that the retroactive impact of his proposed directives would have the effect of penalizing Expressvu which, unlike Power DirecTV, is able to provide all the guarantees for Canadian content prescribed by the CRTC?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is very unfortunate that the Leader of the Opposition seems to think that he has to get down to the level of personal attacks on the Prime Minister in order to deal with an issue of policy.

It is very clear on this issue that in the face of concerns expressed in the broadcasting sector by groups such as the Friends of Canadian Broadcasting, ACTRA, the Canadian Conference of the Arts and many newspaper editorials, they are all urging the government to act.

It would appear that in the mind of the Leader of the Opposition the government should not fulfil its responsibility to bring about good public policy because someone happens to have some relationship to a relative of the Prime Minister. Although that seems to be what is in the mind of the Leader of the Opposition, this government was elected with the responsibility for public policy. We are prepared to answer on the basis of good public policy and that is what we are doing. It is consistent with what the public is urging us to do.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, when a government is about to commit a violation of this magnitude of its arm's length relationship with the authorities that award licences involving millions and millions of dollars and one of the beneficiaries is related to the Prime Minister, it is perfectly normal that we should talk about it in the House.

Again, I want to ask the person who is supposed to act as Prime Minister and answer for the government's actions to say what excuse he has for the fact that his government is so ready and willing to interfere in a matter over which the CRTC has jurisdiction, when the same government refused to intervene at the request of the Commissioner of Official Languages to make RDI, the French news service, available to all francophones in Canada?

(1420)

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, again the problem is with the preamble to the question. Let me remind the Leader of the Opposition of some of the things that have been written concerning this issue by parties which he should agree are disinterested.

The Friends of Canadian Broadcasting: ''I want to inform you of our strong support of the analysis and recommendations of your DTH review panel. We endorse their findings without qualification''.

The Canadian Conference of the Arts: ''The Canadian Conference of the Arts was quite supportive of the creation of this panel to deal with the issue of DTH in the Canadian broadcasting

system in a fair and timely manner. The panel has now discharged its responsibilities and it is our hope that you and your colleagues will move with dispatch to direct the CRTC to proceed on an urgent basis with licensing hearings for DTH undertakings''.

Some hon. members: Order.

Mr. Manley: I am sorry if the Leader of the Opposition is frustrated but this is what the world is saying out there.

ACTRA: ''We have requested multiple copies of the report—''

* * *

[*Translation*]

OFFICIAL LANGUAGES

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Prime Minister. In his report, the Official Languages Commissioner deplores the difficulty that the federal government has providing services in both official languages. He says that this year's review of various offices shows that the situation leaves much to be desired, except in Quebec. All too often, service in the minority official language is mediocre if not non–existent.

How can the Prime Minister, who claims that francophones can live anywhere in this country and prosper, explain that year after year the federal government continues to fail to provide French–language service to francophones outside Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we received a copy of the Official Languages Commissioner's report today, and it says that the situation improved in 1994. I do not deny that we must constantly strive to improve the situation and that we must continue to monitor it. We have made staggering progress over the past 20 years in this area, and I am happy to see that the commissioner stated that 1994 was the best year yet.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, those who saw the commissioner at the press conference would say that, actually, he looked rather depressed.

Mr. Bouchard: He had every reason to be.

Mrs. Tremblay: How can the Prime Minister not be embarrassed by the fact that even in Ottawa, the nation's capital, 26 years after the Official Languages Act was passed, one out of three times a francophone requests a service, he or she cannot get it in French?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I said earlier that the situation is not ideal and that it has considerably improved. The government's policy is to put pressure on all federal government bodies and offices to use both official languages when providing services to the public and to public servants in the national capital region.

* * *

[*English*]

QUEBEC

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, for months the Parti Quebecois and the Bloc Quebecois have insisted that they would settle for nothing less than the outright separation of Quebec from Canada, but a majority of Quebecers continue to reject that option. Now the PQ Government of Quebec says that it wants to explore the possibility of an economic and political association between Canada and an independent Quebec.

Will the Prime Minister tell this House and all Canadians what the Government of Canada's position is on so–called sovereignty association?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I said earlier and I repeat that if there is separation some day, to have Canadian citizenship, a Canadian passport, Canadian currency, a Canadian economic union and Canadian political union it is going to be the Parliament of Canada and the provinces that will decide. I am glad the leader of the third party mentioned that the real goal of the Bloc Quebecois is separation. They do not have the guts to say they are separating.

(1425)

Some hon. members: Hear, hear.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I thank the Prime Minister for his answer.

Obviously, it is important that Quebecers know how the rest of Canada feels about so–called sovereignty association before any Quebec referendum this fall. It is also quite evident that Quebecers will not get a clear view of Canadian public opinion on that subject through the BQ or the PQ.

How does the Prime Minister plan to ensure that Canadian public opinion on sovereignty association is clearly registered and communicated to Quebecers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the only thing we have to tell Quebecers at this time is that the project being proposed is the separation of Quebec from Canada. Everybody in Quebec knows that Quebecers do not want to quit Canada. Even the Leader of the Opposition said that two weeks ago.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, as the Prime Minister knows, one of the most effective democratic mechanisms for registering and communicating Canadian public opinion on a constitutional question is a formally conducted referendum.

Does the Prime Minister see any place for a national clear the air referendum on these issues, particularly if the Government of Quebec continues to delay its referendum and to shift away from outright separation toward some fuzzier option?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not have to speculate on that. I just hope that the Parti Quebecois and the Bloc Quebecois will have the courage to ask the very clear question: Do you want to separate from Canada? The answer is going to be no, and there will be no need for any other referendum.

* * *

[*Translation*]

FIREARMS

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Minister of Justice.

Yesterday, the Minister of Justice said that those who use firearms for sustenance purposes, particularly aboriginal people, will be exempted from the registration fees for their firearms, thus creating a double standard?

How can the Minister of Justice claim to be in a position to check if those who own firearms use them for recreation purposes or for sustenance purposes, particularly among aboriginal people?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, my statement yesterday was that the existing exemptions from the payment of fees for those who use firearms for sustenance will be continued in the new legislation. That statement is accurate.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, does the Minister of Justice recognize that, by exempting certain firearm owners from paying the owner's permit, he creates two categories of citizens and totally contradicts his statement to the effect that the law must be the same for everyone and must be implemented everywhere?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I find the premise of the question puzzling. We make categories in law all the time. We distinguish between kinds of firearms. We make exceptions for people who use firearms in their occupations, for example.

For many years in the criminal law we have provided that for those who use firearms for sustenance purposes. It does not talk about aboriginals. It talks about Canadians. Canadians who use firearms for sustenance purposes are exempted from the payment of fees. That, of course, is a common sense approach and one which we will continue in the new legislation.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the Minister of Justice is attempting to link the horrific situation in Oklahoma City with the firearms situation in Canada in a pathetic attempt to gain support for Bill C–68. I am appalled that the Minister of Justice would try to capitalize on such a heinous crime in order to drum up emotional support for his gun regulations.

(1430)

In interviews yesterday, the minister defended the proposed firearms registry by saying that registration will provide information to police about whether someone is stockpiling firearms. Will the minister explain to the House how the firearms stockpiling in Oka occurred, how these prohibited firearms were acquired and how registration would have prevented this?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it was while meeting with representatives of the Canadian Police Association last month that the advantages of registration in identifying stockpiling of firearms was first brought to my notice. I referred to it yesterday because of its power as a compelling example of the advantages of registration.

As I said yesterday and as I firmly believe, if people are stockpiling firearms to create their own arsenal that is something the authorities should know about. We permit firearms in this country for good and legitimate purposes, whether it be hunting or farming. If someone has a collateral purpose and is stockpiling firearms that is something the authorities should know about.

Registration will enable the authorities to have access to that information. The police want it. I want to know why the hon. member will not support the police in the work they are trying to do to achieve a safer country.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, surely the Minister of Justice is not so naive as to believe that the registration of firearms will stop terrorist attacks the magnitude of Oklahoma City or the illegal importation of prohibited firearms.

I ask the justice minister why his government does not use the millions of dollars planned for the gun registry and reinstate the RCMP counterterrorist unit which was abolished three years ago if he has any information that firearms or weapons of any kind are being stockpiled in our country?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we have succeeded at some measure already in this debate. We now have the hon. member referring to registration costing millions instead of billions. We are going in the right direction. Some of the facts are seeping through.

It is terribly important to deal with this issue on the facts. That is why I decry the efforts of the hon. member and his colleagues to distort the discussion with disinformation among the Canadian people.

The Canadian Police Association, representing 35,000 front line police officers across the country, has now joined with the Canadian Association of Chiefs of Police in asking the government to enact legislation including the registration of all firearms. They know what is in the public interest. They know it is consistent with public safety. Let us get behind the police.

* * *

[*Translation*]

DEPARTMENT OF JUSTICE

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, my question is also for the Minister of Justice.

Twice this year, on February 10 and on April 5, the Minister of Justice was not able to explain why Quebec individuals and companies get barely 5 per cent of the total value of contracts for professional and special services awarded by his department since the Liberal government took office.

Will the Minister of Justice finally tell us why his department is only granting five per cent of the value of service contracts to individuals and companies from Quebec?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member is quite right to remind me of my undertaking to furnish that information. It is under review. The material will be forthcoming.

In order to satisfy the hon. member, I will determine overnight when I might expect to have the information. I will let him know in writing tomorrow when I will have it for him.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I appreciate the Minister of Justice's answer. While we are at it, could he also tell us why 99 per cent of the research contracts financed by his department are drafted in English only? Is this a demonstration that French speaking employees cannot work in French in his department?

(1435)

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I am not certain of the numbers to which the hon. member refers.

Mrs. Venne: We are.

Mr. Rock: I will add that to the list of assignments I will take from the hon. member to complete.

I am certain of the falsity of the conclusion he offers. The Department of Justice is very proud of its continuing tradition of offering services in both official languages and of the strength of the staff, both professional and otherwise, that we have in the department to serve Canadians in both official languages.

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GOVERNMENT SPENDING

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, access to information has just revealed that the Minister of Fisheries and Oceans has spent over $200,000 for renovations and luxurious items for his Kent Street office in Ottawa, including over $7,000 for art work, $1,800 for a love seat, and some $254 for a brass nameplate.

My question is for the Prime Minister. In view of the economic hardship and belt tightening that most Canadians have to undergo and the Liberal red book promise to cut spending, will the Prime Minister justify the rationale for this outrageous spending by the Minister of Fisheries and Oceans?

[*Translation*]

Hon. Fernand Robichaud (Secretary of State (Agriculture and Agri–Food, Fisheries and Oceans), Lib.): Mr. Speaker, the expenditure for the renovations to the office of the Minister of Fisheries was not unreasonable, due to the simple fact that the office had not been renovated for a number of years.

The current minister of fisheries wanted to use this office at 200 Kent Street to conduct the department's business, unlike previous ministers who used their office on the Hill. What was done was reasonable. We also wanted to take advantage of the fact that the building owner wanted to do some repairs on the floor in order to do the repairs to the minister's office at the same time.

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I am sure the average working Canadian will be very happy with that reply.

While the Minister of Fisheries and Oceans surrounds himself in luxury in Ottawa, he also finds it necessary to move and to upscale his ministerial office in St. John's, Newfoundland. Considering the fact that most Newfoundlanders are being forced to live somewhere near the subsistence level, will the Prime Minister explain to them and all Canadians the rationale in the costs involved in moving the minister of fisheries' office in St. John's to a fully renovated and more opulent surrounding?

[*Translation*]

Hon. Fernand Robichaud (Secretary of State (Agriculture and Agri–Food, Fisheries and Oceans), Lib.): Mr. Speaker, I have a hard time believing that the members of the Reform Party would use this as an opportunity to attack the minister and undermine his credibility. After all the minister has done to defend the interests of Canadian fisherman of late, I would think the members of the Reform Party should applaud him.

Some hon. members: Hear, hear.

Mr. Robichaud: The St. John's offices were moved to another building according to standard procedure, which requires a call for tenders and selection on the basis of the best service at the best price.

* * *

FRANCOPHONES IN KINGSTON

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Prime Minister. Last year, we learned with dismay about the setbacks experienced by francophone parents and students in Kingston, who were prevented from building a French language high school. Because he wanted to make Kingston the showcase of Canadian bilingualism, the Prime Minister personally promised in May 1994 that a high school would be built as soon as possible.

Given his promise to Kingston francophones, how can the Prime Minister explain that, one year later, nothing has been settled in this matter?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we said at the time that the situation in Kingston would get straightened out and that a high school would be built.

(1440)

Decisions were made in this regard and, according to the information available to us, there is no problem at this time. A piece of land has been agreed on but the school must be built. It cannot be done in just one week, it will take some time. However, all the administrative problems have been solved thanks to the close co–operation among the federal, provincial and municipal governments.

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, the reason there are no problems is that there is no school yet.

There was such close co–operation with Kingston that new problems surfaced again yesterday, in that children of French speaking members of the military would now be required to go outside the military base to attend a French language school.

Does the Prime Minister intend to come to the defence of the young people who would be required to go to a different school, thus preventing another act of discrimination against francophones in Kingston?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, education on Canadian military bases was the responsibility of the Department of National Defence until 1987 when agreement was reached to discontinue that. There have been accords with various provinces to phase out DND's role of being responsible for education.

It is the province of Ontario that is responsible for the school boards. It has made a decision which it considers to be practical. It is one which we do not agree with, in light of the discussions that have gone on in the House. To make the military college in Kingston a welcoming place for francophones is something I intend to take up with the educational authorities in the province of Ontario.

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TRADE

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, my question is for the Minister for International Trade.

A United States congressman has proposed legislation which would impose sanctions against countries trading with Cuba. This could threaten approximately $.5 billion in Canadian exports to the United States.

What is the government doing to protect Canadian trade interests with both Cuba and the United States?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, clearly Canadian interests would be adversely affected if the bill were to be implemented as it is currently drafted. For example, if enacted the provisions of the bill would violate the obligations on the United States in both the NAFTA and the new World Trade Organization. We have, therefore, protested most strongly to the United States.

As my colleague, the Minister of Foreign Affairs, has made abundantly clear, we have no intention of accepting the United States' attempts to impose on third countries its embargo on Cuba.

Finally, Canada, along with countries of the European Union and in the western hemisphere, have protested most strongly to the United States, to the state department, to the administration, and in my own case to the U.S. trade representative, to register our strong opposition to the present bill.

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ATLANTIC GROUNDFISH STRATEGY

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, 12 months ago the government introduced the $1.9 billion Atlantic groundfish strategy. First the government underestimated the groundfish stock and the number of people who would be thrown out of work. Next it underestimated the staff needed to process the claims and counsel the unemployed. Now

I understand that the government has underestimated the amount of money required for TAGS by some $385 million.

Could the Minister of Human Resources Development assure the House that this program will stay within its already hugely inflated budget?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the question comes at a very appropriate time. It gives me the opportunity to point out to the hon. member and other members of the House that up to this point, with the program in place a little less than a year, we have already been able to process over 38,000 applications for assistance from the groundfishery.

Over 25,000 of those people have received direct counselling to look for alternative options. We have over 14,000 people placed in training programs, of which 4,000 are taking direct literacy programs. Several hundred have started their own businesses. Several hundred are now working on a number of green resource conservation projects. Several hundred have been able to get work in other areas.

(1445)

In other words we are demonstrating that while we are facing a major tragedy, the collapse of the fishery, the federal government through the support of unions, business and certainly the people of the Atlantic provinces and Quebec is showing that Canada can respond by giving people some real hope when they face that kind of calamity.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the question is whether or not it is going to stay within its budget.

Failure to identify a sustainable fishery has created great uncertainty for the same TAGS recipients. Everyone hopes they will be among the lucky few to get work if and when the fishery recovers, but it is cruel of the government to hold out false hope. At the same time as Atlantic fishermen struggle to feed their families we see the minister of fisheries spending over $200,000 on office furnishings.

I have a supplementary question. Everyone knows fish stocks will not have recovered within five years. What is the government's plan for the fishermen following the end of TAGS?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member had quite a mouthful to get out. I will try to answer very simply.

First, the program will stay within budget. Second, fishermen who are facing the end of the fishery are now successfully making a transition to new jobs, new opportunities, through the help of their federal government. Third, we are helping to create a new economy in the Atlantic provinces and eastern Quebec to demonstrate that while fish is a very important staple the country can go beyond that and add new products, new services and new opportunities for Atlantic Canadians.

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[*Translation*]

NATIONAL DEFENCE

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, my question is for the Minister of Defence.

We know that Quebec is being shortchanged by $650 million each year in the distribution of defence funds. In a recently televised report on this unfair distribution of military spending, which appeared on Radio–Canada's *Enjeux*, the minister indicated that total fairness was a luxury his government could not afford.

How can the minister be so ill–advised as to consider treating Quebec fairly to be a luxury?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): As often happens, the hon. member did not quote the full remarks I made on the television program, Mr. Speaker.

Obviously defence expenditures are not balanced equally across the country because of the staging areas that we used in the second world war and the fact that certain areas lent themselves to the building of infrastructure.

However I pointed out in the same program that the province of Quebec generally leads the country in its share of defence capital acquisition expenditures and probably will do so in the future when the new defence acquisitions are announced.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, you will agree with me that as long as Quebec remains part of Canada, it is entitled to its fair share.

Are we to understand that the minister is perfectly content with this custom of penalizing Quebec both in terms of representation at senior military levels and in terms of military spending and does he recognize that it would have been fairer to Quebec not to close the Royal Military College in Saint–Jean?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, what I have said, and I said it on that program, is that defence expenditures are not an instrument of equalization. There are other programs of the Government of Canada to attain those objectives.

I did say that in any capital program we do our best to ensure there are regional benefits, that all regions of the country benefit proportionately.

I underline for the hon. member that much of the defence industry is located in the province of Quebec. If he checks the records he will see that much of the capital spending that has been engaged in by ministers of defence in the past has been on industries located in his province.

I do not expect that to change.

* * *

(1450)

TOBACCO EXPORTS

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, we have learned that a trade mission to the Far East last year led by the Governor General and the agriculture and international trade ministers also included representatives from the Tobacco Industry Marketing Board and was designed in part to promote the sale of Canadian tobacco products in that market.

Will the minister of agriculture confirm that he believes the Canadian government has no problem promoting the export of tobacco?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, the Government of Canada has significant programs in place in conjunction with the provinces, most particularly the province of Ontario, to encourage agricultural production away from tobacco through our tobacco diversification program.

Since the implementation of the tobacco diversification program in 1987, the number of flue cured tobacco producers in Canada has decreased by some 44 per cent and the number of producers of burley, pipe and and cigar tobacco has decreased by about 80 per cent. It is obvious the program is working.

Nevertheless it must be noted that tobacco production is legal in Canada and tobacco producers must be treated fairly along with all other Canadian farmers. If the hon. gentleman holds a different point of view, I suggest he go to Delhi, Ontario, in the constituency represented by the chairman of the House of Commons Standing Committee on Agriculture and explain to the farmers of Delhi his views with respect to tobacco production and what he would do to compensate the farmers for the kinds of losses he is proposing.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, calling a spade a spade, tobacco companies go overseas to find other markets to sell tobacco, not something else.

The Minister of Health has said in the House that she would do anything to prevent even one person from taking up smoking. As the minister knows, representatives of tobacco companies freely distribute their products to nightclubs overseas in an attempt to get young people addicted.

Does the Minister of Health support the practice of the government in aiding tobacco companies to promote smoking overseas?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we are doing everything in our power to help people overseas, as well as people in Canada, to sensitize them to the dangers of tobacco.

Next week I will be in Geneva at a World Health Organization conference where we have put on the agenda the problem of smoking in the world. It is very important for the member to realize the effort the country is making in sensitizing people around the world.

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CHILD SUPPORT

Ms. Judy Bethel (Edmonton East, Lib.): Mr. Speaker, my question is for the Minister of Justice.

Last week a Conservative MLA in Alberta criticized the child support system for producing deadbeat dads and vindictive leech moms. Statistics show that single custodial mothers and their children are the most likely group of Canadians to live in poverty.

How will our government ensure parents properly support their children no matter where they live in Canada and no matter who is the custodial parent?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, within coming weeks the government will introduce measures that will deal with child support to improve the present system in three important ways.

The first will have to do with the method by which the amounts of child support are determined. At present that is left to the uncertain and expensive process of litigation. We will propose that such amounts be fixed by regulation on a statutory guideline or formula geared to income.

The second element has to do with the tax treatment of child support both in respect of the consequence for the payor and for the recipient. Since the budget of 1994, and indeed since the judgment of the Federal Court of Appeal in Thibaudeau a year ago, that has been a matter of both public consultation and careful consideration. We will be making the position of the government clear on the issue in the weeks ahead.

The third has to do with enforcement because the proper amount with the appropriate tax calculation is meaningless unless the order is actually paid.

(1455)

I am working with my colleagues, the Minister of Human Resources Development, the Minister of Finance, the Minister of National Revenue and the Secretary of State for the Status of

Women. We will include in our proposals a national strategy for the enforcement of child support orders to ensure that those who are required to pay, support their children.

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[*Translation*]

IMMIGRATION

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, the Canadian embassy in Paris refused to deliver a visitor's visa to Hafsa Zinaï Koudil, an Algerian film producer who was scheduled to present her film, ''Le démon au féminin'', this week at the Festival Vues d'Afrique, in Montreal.

How can the Minister of Citizenship and Immigration justify rejecting the application of this Algerian filmmaker who already received a death sentence from fundamentalist groups because of her film, which precisely denounces the rise of religious fundamentalism in Algeria?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, we received one million applications from people all over the world who want to visit our country and we accepted 85 per cent of them.

[*English*]

It is nearly impossible for anyone to be responsible for all the applications. They number almost one million and 85 per cent of them get approved. Obviously one needs some degree of flexibility with respect to visa officers.

If there is something special or particular about the case I do not mind looking into it, but I do not want to make it a habit so that all visa applications are automatically reviewed by a minister.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, I still do not understand why the application was rejected. I wonder how the minister can justify his officials' decision not to grant a visitor's visa to this filmmaker, considering that, last week, he himself deemed appropriate to deliver a minister's permit to Randall Terry, the leader of Human Life International, who just served a five–month jail sentence in the United States, which clearly makes him ineligible to enter Canada. Is there a double standard?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, in the case of the refused applicant in Algeria I asked the member if there was anything special or particular about the case that he wanted me to look into.

The person in question has not granted permission for people to look into her file. Therefore I am very mindful and respectful of the privacy she wishes applied to her case.

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ENVIRONMENT

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, my question is for the Minister of the Environment.

Over the Easter recess a United States appeals court overturned its 18–year ban on the lead replacement MMT in automobile gasoline. It is understood that in the next short while the minister plans to do the exact opposite and ban the octane enhancer.

What impartial evidence does the minister have that clearly indicates MMT is harmful to the environment?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the U.S. court of appeal did not deal with the substance of MMT; it dealt with the process.

The Environmental Protection Agency of the United States has no intention of licensing MMT for use. We do not want to see Canada and Bulgaria being the only two countries in the world that continue to allow the particular additive, unless the Reform Party member would like to see the cost of Canadian automobiles increase by approximately $3,000, which is what will happen if we do not get MMT out of the Canadian gasoline industry.

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, my supplementary question is for the Minister of Industry.

The industry minister clearly knows that the oil and gas industry and the Motor Vehicle Manufacturers Association are on opposite sides with respect to MMT. He knows that the only wise course is to bring in a neutral third party evaluator.

How can the minister justify to the oil and gas industry that banning MMT without any impartial evidence is indeed harmful to the environment, the health of Canadians or any of the new cars?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I am delighted the member is aware of the importance of the automotive industry to Canada. He will know, for example, that Canadian producers account for about 17 per cent of automotive production in North America, whereas we only consume about 10 per cent.

(1500)

Key to that is uniformity of standards between the U.S. and Canada. The member will know that MMT is not permitted in the United States by legislation. It is crucial that we have

uniformity of standards. The effort we put into trying to ensure there was a voluntary agreement between the two sectors has been well placed, but finally governments have to decide.

* * *

HEALTH CARE

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Prime Minister.

The Prime Minister will know there is great concern across the country about the transfer of health and social programs, the transfer legislation. There is no doubt, given that federal funding under this legislation will end in 2005, that people are rightly concerned it is the end of a national health care system.

Would the Prime Minister put a moratorium on this transfer and ensure that public hearings are held across the country on this issue?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I think the hon. member's question does not really put forward the fact that the new transfer payment gives the federal government a much greater and stronger ability to continue to ensure the basic principles of the Canada Health Act are maintained by consolidating the cash transfers under the three programs into one solid fund. It used to be given separately for health, education and welfare. We now have the continuing ability to ensure that leverage is exercised and to make sure the accountability under those five principles of the Canada Health Act and the residency requirements of the Canada assistance plan are maintained.

Contrary to what the hon. member is imputing in her question, the transfer payment strengthens the federal ability to ensure the responsibility of the provinces to live up to those national principles.

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FISHERIES

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, the Reform member for Prince George—Peace River seems to think the government should just abandon the fishing families of Atlantic Canada. Can the minister please explain to this member and the third party what the TAGS program is doing to help the people of Newfoundland and the maritimes survive this difficult time and improve their chances for a much better future?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would like to thank the hon. member for the question.

In my previous answer I cited statistics that showed over 25,000 Atlantic Canadians are now engaged in programs. Let me now talk specifically about real issues.

There is a family in Newfoundland I receive correspondence from who have left the fishery. The father has now established himself through a nautical training program as a mate on the Irving Oil line. The grandson and their daughter, through training in electronics, have now become active workers in the local television company.

In North Sydney there is a group working on beachfront development under the green project.

Perhaps most directly, I received a letter from a gentleman in his mid–forties who has been illiterate since he started working in the fishery 20 years ago. For the first time he is able to write letters directly to his sons and daughters across Canada and communicate with them.

That shows the people in the Atlantic region are taking up the challenge and have the motivation to change their way of life and change their occupations.

* * *

[*Translation*]

PRESENCE IN GALLERY

The Speaker: I wish to draw the attention of members to the presence in our gallery of a parliamentary delegation from Cambodia.

Some hon. members: Hear, hear.

[*English*]

The Speaker: Colleagues, I would also like to draw your attention to the presence in the gallery of Dr. Veysel Atasoy, Minister of Energy and Natural Resources of the Republic of Turkey.

Some hon. members: Hear, hear.

* * *

(1505)

WAYS AND MEANS

NOTICE OF MOTION

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, pursuant to Standing Order 83(1), I wish to table a notice of a ways and means motion to amend the Excise Tax Act and the Excise Act, and I ask that an order of the day be designated for consideration of this motion.

GOVERNMENT ORDERS

[*Translation*]

LOBBYISTS REGISTRATION ACT

The House resumed consideration of Bill C–43, an act to amend the Lobbyists Registration Act and to make related

amendments to other Acts, as reported with amendments, and of Motions Nos. 22, 23, 25, 28, 29, 30, and 31.

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, I said there were some very recent cases that have proved beyond a doubt that in Canada lobbying can be excessive, dangerous and costly and can have an impact that is rather disturbing to Canadians who, for some time, have been demanding a bill that would regulate the activities of lobbyists on Parliament Hill.

In fact, in its red book, this government promised, as we all know and as many have said repeatedly, to introduce a bill with teeth. Of course we realize that, when the bill was being examined, lobbyists themselves managed to get certain proposals eliminated from the bill, to the extent that the bill before the House today has no real impact on the power of lobbyists. There has been no real increase in transparency. That is what we want and what the people want. Canadians want assurances that lobbyists will not operate in a way that constitutes abuse of power or undue favouritism.

The Bloc Quebecois was the party that suggested a series of amendments, that made recommendations for the purpose of improving this bill. Motion No. 22 proposes that we should have an ethics counsellor who is not appointed by the Prime Minister, as is the case now, but elected by the House of Commons. We suggest that the ethics counsellor should be independent and only accountable to the House of Commons. This is one of the suggestions for improving Bill C–43 and giving it some credibility. It was also suggested that this bill be enforceable by the courts, that there be disclosure of fees and meetings with senior officials and ministers. These are all measures to strengthen Bill C–43, to encourage transparency in this area which is, as I said, quite troublesome in Canada.

(1510)

There was the Pearson scandal. There was the case of the Minister of Canadian Heritage interfering in a matter handled by the CRTC, an agency for which he is responsible. These are all cases which make the public suspicious. In addition, there was the BST case, where representatives of the Monsanto company offered Health Canada officials $2 million to approve BST.

But, in my opinion, these are just drops in the bucket, despite the fact that they are already very serious incidents involving large sums of money. But the most flagrant abuse of power was when the federal cabinet decided last week to intervene in a decision which the CRTC made, according to its own standards in the usual fashion, in order to favour a company owned by Power Corp. We know that Power Corp. has a considerable influence over cabinet. We know that Paul Desmarais, chairman of Power Corp., has close family ties with the Prime Minister of Canada. To me, the fact that Paul Desmarais' son André is married to the Prime Minister's daughter is indication enough that there is such potential for abuse of power that cabinet could even intervene in the CRTC's decisions.

If one adds to that the fact that the Minister of Finance used to work for Power Corporation, that he was vice–president of Power Corporation, it is obvious that this company has exerted a powerful influence on cabinet. These are cases of abuse. It is reported that André Desmarais, Paul Desmarais's son, was the main organizer of the Prime Minister's trip to Asia last year—a trip which was therefore organized by representatives of Power Corporation, who were so influential that it is during that trip that the Prime Minister changed his policy toward China. Just imagine, lobbyists like Power Corporation can have such an influence that they can make the Canadian government change its foreign policy.

Unfortunately, I see that my time has expired. Thank you.

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, once again I appreciate the opportunity to speak on this legislation.

I believe that the members of the Bloc are not being fair, in the sense that they are not explaining to Canadians some of the real amendments that have been made to this bill, which have increased transparency way beyond the previous piece of legislation. The member says there are no increases in transparency. He obviously has not read the bill.

(1515)

I would like to take a moment on this whole notion of the Power Corporation. Let us talk about Mr. Desmarais. I cannot understand why the opposition casts aspersions on people who have had previous experience with leaders from the business sector, the entrepreneurial sector.

I have a great difficulty with that. I was in the business realm before I came here. I worked for a large multinational corporation, Magna International. As members of the House know, when we take a position in cabinet or as a parliamentary secretary and we sit down with the ethics counsellor we are asked about our previous lives, about our relationships. It is all on the public record.

The position members of Parliament take when they are on the government side, when they have had a previous experience with an industry or a corporation that deals with government from time to time, is that one absents oneself from decisions taken that directly affect that corporation.

If transparency and accountability are the objective of this bill it would seem to me that in the case of the Power Corporation, which the opposition has mentioned several times today, or the Desmarais connection, to use the member's words, there is

probably more scrutiny on that relationship than any other relationship in the House because it involves the Prime Minister.

Members of the opposition are trying to insinuate that in some way, shape or form this bill inhibits transparency or would diminish the exposure or the analysis or the relationship between members of Parliament and their previous lives or their continued relationship with previous organizations. I cannot figure out where they are coming from. As an MP who comes from that background, I do not want to hide my relationship with my previous employer.

Mr. Hanger: Why should there be any worry if you have not done anything wrong.

Mr. Mills (Broadview—Greenwood): There is no worry. It is on the record. It is publicly known if one goes to the registrar. As long as I am not in here trying to lobby the cabinet or officials on behalf of my previous employer, I do not see where the difficulty is.

I do not understand where the members on the opposite side are coming from. What I find distressful about the tone and the approach from the members opposite is that it seems to me they are suggesting if we had some kind of a relationship with the private sector or a high profile organization we are putting ourselves in a position where we cannot be a member of Parliament where we can be above reproach.

I expect that all of my actions in relation to my previous employer to be scrutinized. I expect if I have received a campaign fund or received moneys from my previous employer to promote a particular cause or whatever, I do not have any problem with that being analysed. The opposition is really missing the point. It is saying that when one has a relationship with a major corporation that person's ability to do work as an MP is questioned.

(1520)

That is a sad state. I do not want my friends in the House who are lawyers, doctors or from other professions to take this the wrong way, but we need more men and more women who have had entrepreneurial experience, who have had business backgrounds.

With that type of experience we might be able to re–energize that part of our responsibility which has to do with the economy. When opposition members single out relationships that existed either in the past or in the present with corporations or multinationals because I either worked for them or had a relationship with them, it casts aspersions on that relationship in a way that is counterproductive to why we are all here.

The essence of this bill has to do with increasing the transparency, making sure all the activities of lobbyists and their relationship with the government are enhanced, documented, that we have an ability to get a sense of how we as members of Parliament are being lobbied and sometimes even manipulated. Does this bill meet that test? I believe it does.

We have the appointment of the ethics counsellor, a new creation of this government, and as time moves on that position will evolve and be refined. The code of conduct for MPs we as a committee will work on, refine and improve. We have committed ourselves to that process and if we continue this type of debate eventually the final product will be something all Canadians and all members of Parliament can be proud of.

The bill goes a long way in taking us in that direction.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, there is a principle in law which says that one should always be presumed to be in good faith. I do not wish to use the tabling of Bill C–43 and its amendments as an excuse to go against that principle.

Yet, I find it somewhat strange that a government which used any means it could during the 1993 election, namely in the famous Toronto airport case, and swore left and right that once elected it would impose an ethics code and put some order in the scheming of lobbyists on Parliament Hill, I find it strange that this government now puts forward those concrete proposals. I also found that strange when the bill was introduced. I was among the privileged who received a short briefing the morning the bill was introduced. I was there with the leader of my party when counsellors from Justice, Industry or Commerce—I forget which—gave us a crash course on the bill.

I could already see that with the title of ethics counsellor the government had toned down those nice principles it defended in its red Bible, which was probably red with shame since the electoral campaign. The title ethics counsellor reminds me of a style of politics ''à la'' Pol Martin: you have recipes for favouritism and political influence. As the hon. member for Glengarry—Prescott—Russell said earlier, the success of that law depends on all members and ministers. Therefore, why not acknowledge their wishes and appoint an ethics counsellor by means of a motion in this House?

(1525)

You know, it is quite something to have judicial independence. This ethics counsellor will have to make rulings on quasi–judicial issues. He will have to make value judgments about the actions of members of Parliament. He will really perform a quasi–judicial function. The independence of the courts has always been recognized, whether they are judicial or administrative tribunals or, as we call them, quasi–judicial courts.

But the party that is now in office does not want to get involved in this sort of thing. It seems peculiar to me that the Prime Minister is the only one to whom the ethics counsellor is accountable, even if I do not want to assume that he would act in bad faith. The judicial courts judges who were supposed to be

charged higher parking fees in the Justice Department buildings, in Quebec, rose up against this practice, not long ago, giving as an excuse their need for independence, their need to cut all links with the administration or the executive, that is, the legislative power.

I did not really understand their reaction at that time, but in this case, it is crystal clear. The only one who will be entitled to appoint the ethics counsellor is the Prime Minister. The only one to be able to call him to account is also the Prime Minister. Again, he can only be dismissed by the Prime Minister. Now, I am told that this counsellor will be impartial, that he will not feel that the Prime Minister is trying to appeal to his emotions, depending on whether his opinions are negative or positive.

Really, all this is nothing more than a dog's dinner. Why not let Parliament, the House of Commons, all of us here make the decision through legislation about the appointment of this official. There is another side to these things. During the campaign, the Prime Minister talked about how this scheme would be nice, great, pure and neat. Now he comes up with a piece of legislation that is not clear and is stifled by its own interpretation. Bill C–43 and other bills, particularly Bills C–61 and C–62 with their infamous clauses opening the doors to lobbyists as never before, look like an invitation to lobbyists saying: ''From now on the place is wide open, come and make your representations''.

Let us consider clause 9 of Bill C–62: ''The designated regulatory authority—'' Now we have regulatory authorities. Who are they? They are public servants. ''—must evaluate and decide whether to approve the proposed compliance plan—'' Let us take, for example, the candy maker who decides to replace white sugar with brown sugar. He comes here and talks to the official who buys that idea, saying it is all right. Do you think that a provision like this one in clause 9 of Bill C–62 does not represent an invitation to abuse? With those compliance plans, one will be able to replace anything with anything, anytime, anywhere.

If that is not an invitation to lobbyists to come to the Hill and do their job, I do not know what it is. Bill C–61, now, is even worse.

An hon. member: With a donation to the party.

Mr. Lebel: With a donation to the party, of course. Bill C–61 is awful. For a given violation or offence, a penalty of $2,000, $1,000 or $500 can be meted out, or it can be waived entirely, at the discretion of a public servant who will decide if we are guilty or not and who will assess the degree of guilt depending on whether we belong to the right party or have contributed or not to the election fund. What are we to understand? Where are those great values of openness which the Prime Minister and his colleagues advocated in 1993? Why invite criticism so blatantly? The government could have simply recognized that the amendment makes sense and realized that it was about to make a big mistake. Why not be open to openness? Why not demonstrate openly that they are what they pretend to be? No, that was not meant to be.

(1530)

Liberals will fight tooth and nail and stop at nothing to reject the amendment moved by the opposition parties concerning the ethics counsellor. It is already bad enough that there is only one counsellor. But if he is going to advise us, it would be perfectly normal that we appoint the counsellor or at least suggest or refuse nominations. All those powers are taken from us, but we are told the ethics counsellor will be our counsellor. Do you not find all this very strange? I wonder where such an attitude is leading us.

When the Pearson airport issue was raised, I told the House that cancelling the contract would cost at least $250 million. The transport minister, in the House at the time, jumped from his seat and said: ''That cannot be. It will cost $25, $30 or $35 million at the very most. It is unthinkable that it could cost more than that''. Legal proceedings have already cost us $444 million and the matter is not settled yet.

No, they are always the only ones in step, like in the army, they are always the only ones to know the truth and to understand everything, especially the hon. member for Glengarry—Prescott—Russell with all his phone numbers. They are the only ones who are right. Do you not find this frustrating in the long run?

We are simply asking them—since I do not want to call them hypocrites because apparently it is not a parliamentary expression—to stop burying their heads in the sand. They are all for women when we debate women's issues, but they are against women when we talk about the budget. It is always the same thing. The left hand does not know what the right hand is doing. While the right hand was saving money, the left hand was putting us $600 billion in the red. That is what the Liberal Party is all about. We talk about the old approach and a renewed approach, but it is one and the same.

Mr. Bellehumeur: It is a good thing they only have two hands.

Mr. Lebel: Yes, it is a good thing they only have two hands, but they do not seem to know what to do with their two ears. Even if they had no ears at all, it would not change anything, because as much as we try to make them understand and see the evidence for themselves, they do not understand anything. Give them more hands to replace their ears and they would be happy.

This is our tongue in cheek way of saying that this debate is pointless, because they have already made their beds, they already know where they are heading and they are not listening

to what we are saying here, even though it makes sense and even though the public's perception of the government is at stake.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I am very happy to speak to this motion, which is to amend the Lobbyists Registration Act.

Unfortunately, I deplore the fact that this bill does not go far enough in controlling the activities of lobbyists and reinforcing the openness of public activities. Yet the Liberal Party made many promises in its red book. I ask members to take a look at my copy of the red book. This is what is left of it because every time the Liberals introduce a bill, I tear a few pages out. Since they never keep their promises, my copy does not have many pages left.

What did the Liberals say on lobbying in the red book? They said: ''The lobbying industry has expanded enormously in Canada during the nine years of Conservative government. The integrity of government is put into question when there is a perception that the public agenda is set by lobbyists exercising undue influence away from public view''.

This is obviously the case with the DirecTV project which is presently being debated in this House in another context. There are still lobbies at work. However, we do not know much about them; they are not registered and we did not do everything we should have to ensure the desired transparency.

According to the red book, ''the cosy relationship between lobbyists and the Conservative regime has contributed not only to public cynicism about politics but also to the sense of americanization of Canadian government''. So they also insulted our neighbours. ''Serious concerns have been raised in the minds of Canadians about some of their political representatives and some of the companies and individuals who lobby''.

(1535)

And it goes on like that. What are the Liberals doing now that they are in power? They said that they would make a law on lobbying. So, we are checking up on them. If we look at the famous committee report and at the bill now before us, we can see that the Liberals did not take any account of what they said when they were in the opposition, they dismissed that completely and, today, they introduce a bill that, except for a few minor points, could have been introduced by the Conservatives if they had been elected instead of the Liberals.

And yet, the hon. member for Glengarry—Prescott—Russell, who sat on the committee, said some very interesting things. The government did not retain a single element of the report. The promises have evaporated. What did our friend across the way, the hon. member for Glengarry—Prescott—Russell, tell us? ''I do not agree with you when you say that all that is unimportant, that the question of knowing how much money has been spent on lobbying interests neither the concerned parties nor the public''. So, he was in favour of the disclosure of revenues. But is there anything about that in the bill? No. The Liberal Party has forgotten about all that. But it keeps saying that the mushrooming of lobbyists is a cause for concern. The public has a right to know who does what and to whom. And must we add, at what cost? All that was included in the unanimous report of our committee. And it came from the mouth of the aforementioned member.

Another Liberal promise concerned the appointment of an ethics counsellor. They promised to appoint an independent counsellor in consultation with all parties in the House and they said that he or she would report to Parliament. What do we have in this regard in the bill before us? Again, absolutely nothing.

That is why we are proposing amendments so that things can be done exactly the same way as the member for Glengarry—Prescott—Russell was pointing out in the committee report when he was a member of the opposition. Section 10.1 of the act says that the Governor in Council may designate any person as the ethics counsellor for the purposes of this act. So we want to change that. We want to amend clause 5 of the bill, which amends sections 9 and 10 of the act. We want to replace section 10.1 by the following:

> ''10.1(1) There shall be an Ethics Counsellor who shall be appointed by commission under the Great Seal after approval of the appointment by resolution of the House of Commons.
>
> (2) Subject to this section, the Ethics Counsellor holds office during good behaviour for a term of seven years, but may be removed by the Governor in Council at any time on address of the House of Commons.
>
> (3) The Ethics Counsellor, on the expiration of a first or any subsequent term of office, is eligible to be re–appointed for a further term not exceeding seven years''.

That is the way to fulfil a promise. That is the way to correct the very things that the previous government was criticized for. That is the way to give Canadians more confidence in the lobbying system, which is probably impossible in today's politics. Bureaucracy has become so cumbersome that it may be necessary to have lobbyists who are able to tell us on which door to knock, how to knock, how to open the door, how to dress, how to talk, etc. That is basically what lobbyists do when they lobby on our behalf so that we can obtain more easily what we ask for as a legitimate right and not as a privilege. People must not think that we are against lobbying. We know it is necessary, but we want the rules of the game to be clear. We want the rules of the game to be transparent. We want the credibility and the ethics of this person to be solid so that people put their trust completely or renews their trust in the men and women in politics.

(1540)

The government had the fine idea of fulfilling its promise and having someone appointed by the House, who would report to Parliament. Unfortunately, the Liberals never carried it out. Mitchell Sharp was initially appointed to advise the Prime Minister. They ended up hiring a personal adviser. Everytime we asked the Prime Minister or a member of the government about the famous role of the counsellor, we were told that he was

consulted after the fact, and it was not entirely clear that the advice was actually given to the Prime Minister. Finally, we have no idea whether this helps the Prime Minister, except that it costs us a fairly substantial salary, which raises questions about the role of this counsellor, when we give him a particular role. It has not, however, raised the credibility of someone who was the Prime Minister's counsellor.

This is why the Bloc Quebecois is proposing this amendment. Despite the remarks of my colleague, which I fully support, we have the impression of playing opposition here. People must not think we are playing games. We are trying to show the government that points in their legislation are unacceptable and could be taken further. We really have to amend the policy somewhat in order to improve things. We are not being paid to do nothing. We are being paid to express the viewpoint of people outside government, who do not have the same focus on things.

The government could easily agree to change certain amendments and even carry out some of its promises. Can you believe it, we in opposition want to help the government? We tell the government to be as good as it promised, to keep its promises. What more could the public want from a government and an opposition that work for the collective good in order to protect the interests of the people?

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, I think it is important, in considering the motions proposed at the report stage of Bill C–43 on lobbyists' registration, to go back to the definition of lobbyist. Without reading the definition in the dictionary, I can say that a lobbyist is a person who gets paid to influence government decisions to the benefit of his employer, who can be a person or a company. For example, lobbyists are hired by the Canadian Bankers' Association to ensure that Canadian banks do not pay more taxes. Employers rely on public relations experts who make these kinds of representations. Another example is the courier companies that would like to break the monopoly enjoyed by Canada Post and make representations to that effect to members of Parliament.

We can see right away that this has a very long history. It involves what I would call the dark side of a politician's life. That is why it is very important, in dealing with this issue, to preserve openness so that ordinary citizens can see very clearly that elected officials responsible for running the government are free of any dishonest or undue influence. Legislation in this area must be very clear and there must be specific rules to ensure openness. The key principle is that decisions must not only be proper, they must also be made openly and legally without any undue influence.

(1545)

This has an impact not only on the quality of decisions but also on the quality of democratic life in any society because citizens who believe that parliamentarians are influenced by all kinds of hidden forces on which they have little control may feel that their role as citizens is less important than it should be and that they may not take part in democratic life to the extent that they should.

Yet it is very important, and that is the message conveyed by several of the motions before us. They are designed to improve on this bill because, as it stands, it contains very interesting principles, but the wording does not go as far as it should to ensure the kind of transparency to be expected regarding lobbying.

Take Motion No. 22 for example. It specifies that the ethics counsellor should be appointed by the House. The difference between being appointed by the House or by Cabinet may elude laymen. But there is a very definite difference: Cabinet appointees are actually appointed by people they will have to evaluate later on. This is totally unacceptable.

People know full well that, in their everyday life, if they hire someone to keep an eye on their property and their own activities, they control the way this person perceives them and does his job because they are the ones paying him. That is why a high degree of transparency is required, and it is recognized in every parliamentary system that individuals appointed by the House of elected representatives have greater credibility.

Here is a case in point: the returning officer responsible for the entire electoral system of a country or province. If appointed by the government instead of the House of Commons as a whole, he will certainly have less credibility. The same problem arises here. That is why an amendment was moved to ensure that appointees will truly be serving the people of Canada, not the government, let alone the Prime Minister. This is not a chief of staff or a political adviser we are hiring, but a person who will be able to ensure that things are done within acceptable ethical limits.

Similarly, to ensure transparency, the number one criteria in my view when it comes to lobbying activity, we must be able to hold public inquiries. We all recall the example provided by the Prime Minister, with his personal ethics counsellor briefing him on such and such situation in a confidential report. We could not even have access to the document per se. In such case, even if what the Prime Minister says and the report says is true and accurate, because there is not a strong enough colour of fairness, equality and transparency, the medium becomes the message and, since the medium as such is not believable due to its lack of flexibility, no effort is made to check that the content is sufficiently objective.

I think that it would be in the government's best interests in the future to recognize the need for this kind of courageous action. Of course, we may find out that there is abuse—nobody is perfect on this earth—and we will deal with this in due course. But in the long run, this will improve the system by ensuring that the public in general can assess the situation, have access to facts and conclusions and, therefore, be truly in control of the system. It is important to have an amendment to that effect and that it be passed.

Another amendment deals with the tabling of the ethics code. Let the rules of the game finally be laid on the table. What are the rules and regulations? What game is this? What constitutes acceptable behaviour and what does not?

In this area, this democratic society of ours, one of the most developed democratic societies in the world, still has a long way to go. It needs to get out of the dark and the slightly ambiguous situations we sometimes encounter, such as the whole issue of Pearson International Airport.

(1550)

An act on lobbyists which would clearly define the various situations would have two positive effects. First, it would deter those who might be tempted to line their pockets when they are not supposed to, or who might be tempted to do things more or less legally. Second, it would give a clear picture to everyone.

For these reasons, the opposition must ensure that the bill will be the best possible piece of legislation and that it will reflect the objective pursued. The government seems to have forgotten the principles which underlie its election promises. It now has an opportunity to amend the bill and ensure that it accurately reflects the commitment made during the election campaign.

Let us consider the ethics counsellor, for example. If the counsellor is appointed by cabinet, then he is actually designated by those whom he must monitor. This creates a strange situation. The person responsible for saying that a minister acted inappropriately in a certain situation will have been hired by cabinet, which includes the minister in question. This puts the incumbent in an impossible situation. I am prepared to predict that, if the bill is passed in its present form, problems will surface in two, three or five years, and the next government will have to make changes and improve the legislation to make it more acceptable.

I do wonder about this bill. Why does the government not put more distance between itself and lobbyists? Why does it perpetuate the impression that governments are more or less puppets controlled by secret groups? What is the purpose of acting like that? Since becoming a member of Parliament, I have come to realize that lobbyists can take up my whole day. They can ask to meet regularly with me. They can act so as to get a lot of my time, through visits and meetings, sometimes at the expense of my constituents. Why does the government not clarify the whole situation and make our lives as members of Parliament easier and simpler by promoting direct contact with the public?

I think the answer has to do with the way that federal political parties are financed, and particularly the contributions made by corporations, including Canadian banks. Indeed, banks are known to make large contributions to several political parties. The Bloc Quebecois does not accept money from corporations, but the law currently authorizes such contributions.

If our elections act allows such donations, we are sure to find it difficult to pass a law to enforce tighter rules on lobbying because the people who contribute to election funds are the ones who hire lobbyists. Both acts would be at cross purposes. It is easy to understand why this Liberal government, after making terrific promises in its red book, is not able to deliver the goods, and comes up with such a toothless bill.

To conclude, I urge government members to examine carefully the proposed amendments and more particularly Motions Nos. 22, 25, and 19. Passing those amendments would give us a bill that would allow once and for all adequate control of lobbyists and make it clear to Quebecers and Canadians alike that politicians are here primarily to serve them.

(1555)

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

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question in on Motion No. 22. 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 yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76(8), the recorded division on the proposed motion stands deferred.

[*English*]

The next question is on Motion No. 25. 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 yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

[*Translation*]

The question is on Motion No. 28. 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(8), the recorded division on the proposed motion stands deferred.

[*English*]

The next question is on Motion No. 31. 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.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

The House will now proceed to the taking of the deferred divisions at report stage of the bill now before the House.

Call in the members.

And the bells having rung:

(1600)

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, I have been requested by the chief deputy whip to defer the divisions until 5.30 p.m. today.

Accordingly, pursuant to Standing Order 45, the division on the question now before the House stands deferred until later this day at 5.30 p.m. at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

INCOME TAX ACT

The House resumed from April 24 consideration of the motion that Bill C–70, an act to amend the Income Tax Act, the Income Tax Application Rules and related acts, be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): The hon. parliamentary secretary had approximately 10 minutes remaining. He might choose to elaborate on his previous intervention.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I appreciate having the opportunity to continue to talk about the debate on tax reform.

Something that I believe concerns all members of the House of Commons today is the fact that the world monetary system does not seem to be functioning properly. In all the major financial institutions, the banks, are sections where they are dealing with derivative funds, working around the clock seven days a week. The flow of capital being perpetrated right now affects all countries, managed by a very few men and women in my judgment in an unaccountable way, is one of the major reasons why we have these major fluctuations in interest rates and in exchange rates.

When we look at all the activity around the derivatives, around all the speculation on the stock market, we discover that the amount of productivity related directly to the manufacturing of a product or service is very small in relation to the amount of speculative movement within those markets. Somebody writing

in the New York *Times* the other day said that for every $1,000 exchanged on the stock market only about $1 is related directly to productivity.

The more we get into this flow of capital, the more we come back to the fact that our basic tax act is in need of major reform. This is an area where all members of the House have to come together to address the problem in a comprehensive way.

This is not a partisan issue. This is an issue that affects every person who generates income in this country. As we all know the current tax system is a disincentive to productivity. The harder one works and the more one makes on the gross income, it seems that the less one has left in one's pocket.

What we see now, whether it be an individual or a corporation, is the flight of capital, the flight of talent out of our country. It is easy today to move capital around, move companies around by pushing buttons but we cannot move people around.

We are a nation. We have built one of the greatest infrastructures in the world in terms of promoting our quality of life, whether it be our health care system, our educational system or our social safety net. All of a sudden, these things are in jeopardy. They are in jeopardy not because of waste and not because people are abusing the system. We must eliminate the abuse of the system, waste and overlap. No one is debating that.

(1605)

However, we face a more fundamental problem. Because we are now legislators who are on our knees to the capitalist markets, in my judgment we are becoming less liberal in the way we look after some of the disadvantaged people in our community. We are becoming less sensitive to the whole purpose of why we are here.

We come to this Chamber not to dot *i*'s and cross *t*'s, we come to debate ideas that will either maintain or improve the quality of life in the country. Right now we are not controlling the agenda. The people who are controlling capital flows outside of sovereign states are the ones who are having the most effect on the decisions we make.

Our whole thrust as the House of Commons for the last 10 or 12 years has been deficit and debt. A lot of the deficit and debt is exacerbated by a world monetary policy which is not working and ultimately by a tax system which is not working. That is why I feel it is very important, as I previously mentioned, that we change the basic tax act.

One of the things we must be aware of is the fact that our neighbours to the south are starting to look at comprehensive tax reform in a very serious way. In fact, just before question period today I was handed an article which was written in the New York *Times* by William Safire—

* * *

[*Translation*]

BUDGET IMPLEMENTATION ACT, 1995

BILL C–76. NOTICE OF TIME ALLOCATION

The Acting Speaker (Mr. Kilger): The Secretary of State for Parliamentary Affairs on a point of order.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, it has been impossible to reach an agreement pursuant to Standing Orders 78(1) or 78(2) with respect to second reading of Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995.

Therefore, pursuant to Standing Order 78(3), I give notice that I will be moving a time allocation motion at the next sitting of the House for the purpose of allotting a specific number of days or hours for further consideration of the bill at this stage and every question necessary in order to dispose of this stage of the bill.

* * *

[*English*]

INCOME TAX ACT

The House resumed consideration of the motion that Bill C–70, an act to amend the Income Tax Act, the Income Tax Application Rules and related acts, be read the second time and referred to a committee.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, the article in the New York *Times* talked about the new bipartisan spirit that is sweeping the United States Congress right now on comprehensive tax reform. It talks about Republicans Dole and Kemp and Democrats Bradley and Gephardt all working together on this issue. I note the last sentence of the article, which reads: ''This 25 per cent solution builds on the reform that Bradley and Senate finance chairman Bob Packwood, Republican, worked out in the mid–eighties and it need not wait for a Republican president''.

What concerns me about the fact that the United States is seized with this issue is that if it implements this before we do, then once again we will not only be following, we will lose a tremendous amount of investment. Some of our larger corporations, high achievers, income earners and entrepreneurs are naturally going to flow to that market where they can achieve more in the way they earn their incomes. Therefore, we should somehow figure out a way to get involved in this debate in a very aggressive way.

(1610)

I read a paper just before Christmas written by an economist from the province of Quebec by the name of Pierre Fortin. He is now one of the most respected economists in the province and one of the advisers to the Bloc Quebecois. Obviously, he would give strategy on its future. He may not be a close adviser but he is someone who is listened to by certain members of the Bloc. He too is advocating this type of a system.

The best way to handle the tax act of Canada is to go right back to basics and flush out all the special privileges, preferences and loopholes. If we added up the value of all the preferences and tax loopholes in the last 15 years that were given to foreign multinationals and the top 150 companies in Canada, we would see that those preferences or, as some would call them, tax grants, would add up to close to $500 billion which is equivalent to almost the national debt.

I believe it is time for us, as a country, to get involved in this debate in an aggressive way.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I listened carefully to the hon. member for Broadview—Greenwood and I must say that I was quite surprised because he made a very sensible and thoughtful speech. The problem is that he stated exactly what we have been saying to the finance minister and the government for the past 15 months. As we said before, we need to review the whole Canadian tax system, because it is full of holes and is preventing us from reaching our goals and ensuring social equity throughout Canada, in the East as well as in the West, and a fair balance between what individual taxpayers and private corporations pay.

So, I want to ask my colleague from Broadview—Greenwood why the members of his own government do not understand his message, which I find quite sensible? Why can he not convince his colleague, the Minister of Finance, of the need, indeed the urgency to remedy the obvious deficiencies in the Canadian tax system, which allow high income earners as well as big corporations to benefit from loopholes such as the tax conventions signed with some tax havens?

Why can we not abolish these loopholes? Could it be because his colleague, the Minister of Finance, is both judge and judged? It is a well known fact that he has a fleet of vessels flying the Panamanian flag, a flag of convenience, and may not have the same interests as his colleague from Broadview—Greenwood.

[*English*]

Mr. Mills (Broadview—Greenwood): Mr. Speaker, I thank the finance critic for the Bloc Quebecois for the question. It is a question I have been asking myself for the last two years.

I have been campaigning on the single tax system for the past five years. When I started the debate I did not understand the complexity of the tax act and its sensitivity toward progressivity for seniors and families with children. We designed and redesigned the tax form over 30 different times in order to try and have something that was doable. Having said all of that I really do believe our last effort on this project was very close to something that was doable and worked for everyone.

(1615)

I like to think I have a little bit of experience in selling to my colleagues in this House of Commons. I have worked hard for the party for 15 years now. I have discovered regrettably that the lobby system which exists around the tax act and the Department of Finance is the strongest lobby which exists in Canada. The men and women who have lobbied for a particular tax preference within the 1,400 pages of the tax act are all people who believe in their cause. I am not saying they are doing anything subversive or illegal, but their ability to lobby their cause and add their preference to the tax act is certainly more powerful than mine.

I am not alone. Other members on this side of the House believe in comprehensive tax reform as well. I believe that only when we as elected members of Parliament come together as a fist, rather than going in 10 different directions, will we have the ability to move the officials in the Department of Finance. This is something the elected members of Parliament put here by the people can do, not the unaccountable bureaucrats in finance. That is the challenge.

I do not mind saying to members opposite that there are some days when I wonder whether I am spinning my wheels. However, I want members to know that I really believe if we all work together on this, that it is achievable. Why will it be achievable now? It is no different from the music industry. How did some of the best talent in our country make it? They went to the United States, made a hit and came back as superstars.

Now both the Republicans and Democrats in the United States of America are looking very closely at reforming the whole system. We will be consistent, traditional Canadians. If they implement it, we will follow rather than having the guts to take the lead.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I would like to applaud the member for the work he has done over the years on the single tax. I know he certainly understands that we on this side of the House support it.

He said there are days when he feels as if he is spinning his wheels. I would like to ask him specifically how he felt a few moments ago when someone from his caucus walked into this Chamber in the middle of his speech and said that time allocation was going to be brought in on this piece of legislation.

The hon. member and I sat together on this side of the House in the last Parliament. It was deplorable then for the Tory government to bring in time allocation.

Could he explain to me if he feels like he is spinning his wheels right now because someone just cut him off with time allocation? This is debate, openness and democracy? Bunk. Could he address that please.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, that is a very tough question for me to answer. There is only one answer and that is the answer one believes in. I have been in opposition where we have had the guillotine of closure put on us. I would say that we did not like it.

Let me say first that the administration of this House because of the legislative agenda and because we do not sit as much requires this from time to time. We have brought in time allocation or closure on bills about 10 per cent compared to the previous government. I think you will find, Mr. Speaker, that any time we have brought in closure it was in the interests of making sure that the administration of certain pieces of legislation got through the system for a very specific purpose, but never in terms of shutting down debate.

(1620)

We on this side of the House, and I have said this repeatedly, would welcome good, tough, solid debate from the opposition. Quite frankly sometimes we feel that the best debate we have in this Parliament is among ourselves. We have actually talked of having a good intersquad game among ourselves in the House of Commons.

The bottom line is that we have brought in closure less than 10 per cent in comparison to the Tories.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I welcome this opportunity to speak to Bill C–70. I listened to the hon. member for Broadview—Greenwood, and I was both amazed and impressed.

I was amazed to hear a Liberal member, an experienced member of the House of Commons who did a very thorough study of the tax system in Canada, say that the tax lobby is the most powerful lobby in this country and that there is no tax reform in this country because there are powerful interests that do whatever is necessary to influence governments.

I am also impressed, because I see a Liberal member who is swimming against the tide as he tries to advance the cause of fair taxation in this country. I am impressed because, considering his experience, he must realize that his chances of succeeding are very slight. Nevertheless, he belongs to a group that is submitting a proposal for tax reform.

I suppose that five, ten or twenty years from now, he will probably still represent the riding he represents today in the House of Commons and will probably be making the same speech and say: I have these wonderful ideas. I want to reform the tax system, but the big business lobby, the lobby of the haves in this country is so powerful that I cannot do a thing. But I will persevere.

So again, I have nothing but praise for the hon. member, and I would urge him to keep up the good work, because it is a very slow process, as the hon. member for the Reform Party said earlier.

The purpose of Bill C–70 is to implement certain measures announced in the budget of 1994, not the budget tabled a month and a half or two months ago but the one that was tabled 14 months ago. Now this is a good example of an institution that just ambles along, without realizing that some people in Canada are in a hurry for tax reform.

There are people who look at our tax system, and right now, they are probably finishing their income tax returns. They will probably file them at the last minute because, like a lot of people here, they owe money to the government. Taxpayers do their tax returns, saying to themselves: ''It seems that Canada's tax system is not quite what it should be''. They look at their tax returns, saying to themselves: ''I get very few exemptions and tax credits''. The people filling out their returns perhaps work for someone else, so evasion is not an option.

At the same time, the same people will see in the papers or on certain television programs that some people in this country are fortunate enough to have tidy fortunes, and to, it would seem, not have to pay taxes or to be able to take advantage of some form of tax evasion scheme, like family trusts, like tax credits such as the research and development credit, which in some cases may be used for praiseworthy pursuits but in reality boil down to a means of not paying a fair share of taxes.

(1625)

The citizens in question who are in the process of filling in their tax returns may still recall the Auditor General's report last year, which said it was astounding that we continue to tolerate that Canadian income tax laws still contain certain tax haven provisions.

The Auditor General asked the government to review some tax conventions with certain countries, which permit businesses that we believe to be Canadian but are registered in foreign countries with laxer tax laws than Canada, to avoid paying taxes. I hope to be able to prove, in my speech, that Canada's Income Tax Act is very kind to the rich, but that there are other countries where it is even worse, where the tax legislation is even more lenient for those who make profits.

It should be noted that usually these countries are not rich ones, but rather countries which are struggling and belong to the third world. They probably benefit in some way from having such tax provisions. But on second thought, one realizes that they probably do not derive huge profits from signing these

conventions. According to the Auditor General, Canada probably loses vast sums of money in these transactions.

How is it that, in the bill before us today, which enacts certain provisions contained in last year's budget, there is no definite provision concerning tax havens, and tax conventions? Why?

I believe that the speaker who addressed the House before me, the member for Broadview—Greenwood, answered this question. It is because the lobby for rich Canadians is so powerful that the efforts of those who strive for greater and clearer fairness in the tax system are being defeated by people with huge interests.

The member for Broadview—Greenwood, speaking of eliminating privileges, loopholes, and grants in the form of tax breaks, even gave the figure of $500 billion. This is a huge amount of money. I did not do the same research as he did. I trust him.

That figure tells us that maybe there is a good part of the federal debt that we are trying to pay off, or rather that some people in Canada want to pay off by going after the middle class and even the less fortunate, through cuts in tax credits such as the age credit which has been slowly decreased year after year, for example.

Let us say I am happy to see that, on the Liberal side, the social conscience of some members is still strong enough to make them denounce the present situation, although the Liberal Party has done so before.

In the red book, the bible of the last election campaign, they proposed certain measures to increase the fairness of the tax system, certain steps which, according to the Bloc Quebecois, would revive trust in the taxation system, and would make Canadians believe there is justice in taxes after all. But once in office they no longer seem to be interested in such measures.

(1630)

The speech that the hon. member for Broadview—Greenwood gave today, he could have given it with the same result when he was in opposition and the Conservatives were in office.

An hon. member: He probably did.

Mr. Caron: Yes, he probably did, maybe at that time we did not care so much about federal politics, but I believe that we might have supported it at the time, supported his efforts of clarification regarding the tax privileges some social classes enjoy in Canada. The speech he made today, he could have made it at the time of the Conservatives and he would have had the same result.

People might consider his proposition favourably, like many of us did when we heard about it. They might look at it and say: ''There might be something there, maybe we could do something''. But next year, when we are going to talk about new amendments to the Income Tax Act, we will probably say the same thing again. There are privileges in Canada. There are people who do not pay the taxes they should be paying. We deplore it, everybody talks about it, newspapers mention it, TV commentators mention it, and tax experts say so too.

The other day, a tax expert was saying that the Income Tax Act is so dense and contains so many exceptions that it takes an expert to find one's way through it. A provincial finance minister is even known to have said that, with our tax system, if a big company pays taxes, it is probably because its accountant is not very good.

So, when we are faced with these kinds of situations, I think that we cannot limit ourselves to proposals like those in Bill C–70, which deals with all kinds of things that are, in fact, secondary. As far as the exemption is concerned, I think that it might be the only provision which would be somewhat sensible for the working class. In the case of funeral arrangements, people would not have to pay taxes on the interest earned on amounts prepaid for these arrangements.

This is not serious. I believe that Canada is in a very difficult fiscal and budgetary situation. Minor improvements such as the ones proposed in Bill C–70 are not going to solve anything. We have to look once and for all at the Canadian tax system that we have had for the last 20 to 25 years and which has not undergone the reform everyone expected. Canadians are waiting for some kind of reform. Taxpayers, Canadians who contribute to social, health and education programs are ready to continue to do so, but they want everyone to do his or her fair share and to realize that taxes due must be paid. But that is not the case nowadays.

When we consider the case of banks and big business and, as I said a moment ago, the whole issue of tax shelters, we see how outrageous the whole situation is. Some would say: ''Well, you are not an economist''. If, for example, we increase corporate taxes, we are going to lose investments. That might well be but very often this is a point used to scare us, to prevent us from taking measures which would be significant, which would be necessary if we want Canada to have a sound tax system, if we want everyone to pay taxes according to their income and to prevent people from being in a situation where they can avoid paying taxes since this is essential to the survival of this country.

It is not just a question of saving money for all taxpayers. A country where taxes are not considered fair and equitable is on the road to ruin. A country has obligations and must have sufficient revenues to meet them. It has the responsibility to see that the revenues are there and that they come from the population as a whole, not only the middle class and the least fortunate members of our society, but also from big corporations and well–off families. The more fortunate members of our society must also pay their share of taxes because they benefit from the central government and from its services.

(1635)

No business in Canada would survive if we were in a situation where people are opposed to a certain extent to the tax measures because if they are not sure that justice is the same for everyone, that responsibilities are the same for everyone, people will be less and less interested in paying taxes. They will turn more and more to moonlighting, thus taking away the money needed by government. This would lead us to disaster. That is why I call upon the minister—I do not know if many members did, although all the members of the Bloc who spoke on tax issues did do so—, I call upon the Minister of Finance to show more social understanding and to initiate a genuine tax reform. I hope that we, the members of the Bloc, will see such a reform while we are still in the federal Parliament.

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, I listened carefully to the account the hon. member for Jonquiere has just given. I believe he has clearly taken into account the fact that since its election in this House the Bloc has never missed an opportunity to ask for a review of the Canadian tax system.

We asked for the abolition of family trusts and tax havens. We asked for some figures that were never made available to us. We talked about transparency every time we had a chance to do so, but without great success it seems. There even were some cases where members on the other side and even government members came to the same conclusion and rose in the House on that issue. My hon. colleague did the same thing today, apparently not for the first time but once more without great success. The member for Gander—Grand Falls himself denounces regularly, because he goes to Taxation, outrageous things that occur in taxation, among other things people who do not pay their income tax, which can be huge amounts.

I would like to ask my hon. friend if the crux of the problem is not the fact that we cannot discuss those problems in this House. The crux of the problem is the fact that people who finance political parties are those who decide how the government will act. We know that some people give astronomical amounts of money here. There even was a bill introduced by a member of the Bloc in this House, although maybe not for the first time, on the necessity to have a popular financing of political parties. The bill was rejected.

I wonder if my hon. colleague does not believe that the saying according to which he who pays the fiddler picks the tune is relevant to political parties who, receiving huge financial support from banks and other important institutions, are forced to pass tax laws which serve the interests of these contributors rather than fair laws for all? I would like to know where my hon. colleague stands on this.

Mr. Caron: Mr. Speaker, I always wondered why, according to the Chief Electoral Officer's reports that I often read in newspapers, some corporations or major banks were giving $50,000, $100,000 or even $150,000 to the Liberal Party's or the Conservative Party's election fund. It has always been a mystery for me since, as an ex–member of a provincial party that promoted and adopted a bill on political party financing, I was used to contribute $50, $100, or maybe $300 in the good years, or the election years. No one of those who acted as I did were getting any particular benefit for their contribution.

In particular, I have often been surprised to see that some corporations were giving $100,000 or $200,000. My colleague, the member for Anjou—Rivière–des–Prairies, is telling me why. In fact, when those people give to some party's election fund, they are probably expecting some benefit in exchange. But it may be more subtle than that. I do not think it is necessarily a give and take process.

(1640)

I hope that I will never see a minister of the Crown award contracts or give favours for money. I think that would be too disgusting, and it is probably not done these days, at least I hope not. But I think that things are done in subtle way, because the big corporations, the ones that contribute significantly to campaign funds, affirm their position in a particular milieu, that is the haves, the people who, in all good faith, and I do not in any way condemn wealth, belong to a certain social class, to a certain milieu, and who want that milieu to continue.

When we hear the statement made by the hon. member for Broadview—Greenwood, we realize that this milieu organized a lobby for itself, to make representations to the government on its behalf and to have members of the milieu elected to government. Earlier, my colleague from Saint–Hyacinthe mentioned that the present Minister of Finance used to own—I hope that it is not the case any more—a fleet of ships sailing under flag of convenience. That does not surprise me. The Minister of Finance knows the system very well, but he must feel in all good faith that it is a good system. If it is good for him, it surely must be good for every one else. So, he is perpetuating it.

So, be it through election funds, through having people elected, or through lobbying, I think it is the same system that is being perpetuated, and Canadians and Quebecers have had enough.

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, it was with much amusement that I listened to my colleagues in the opposition, who repeated to a large extent what I said in my remarks in the first days of the first session of this Parliament. I had said that any measure of social justice must also take into account the tool the government has, that is the tax system, and review it to increase the system's fairness.

The proof of this government's commitment to review the tax system to ensure that Canadians, at least the least fortunate of our fellow citizens, can benefit from measures that are fairer and more equitable, is the reform announced by the Prime Minister during and after the election campaign. He promised the removal or the reformulation of the GST, a tax that is paid not once a year but every day, and a rather heavy burden for Canadians with low and even middle incomes.

I think this government shows on a daily and continuing basis its will to ensure greater fairness at the national level and particularly for people living in Quebec.

As for Bloc members, I hope they will support the government when we bring forward measures to ensure greater fairness in the tax system, and to abolish the GST, a daily form of taxation imposed on the population and a heavy administrative burden both at the federal and provincial levels.

Mr. Caron: Mr. Speaker, the candor of my colleague for Madawaska—Victoria amazes me. She spoke of an announced fiscal reform.

I do not know if it has already been announced, but it has not been announced very loudly since the present Liberal government came to power. Maybe it was announced in the red book, but there has been nothing more than promises since then.

(1645)

But I am happy to learn, for example, that the GST will be abolished. I heard it would be on January 1, 1996; according to a few items in the papers just before Easter, the government announced it would not be on January 1, 1996, but maybe sometime in 1997, 1998 or 1999. This promised reform is probably similar to the promise made when the tax on income was introduced during the war. It was supposed to be only temporary. That is what they said. Since the reform was announced, I hope my colleague for Madawaska—Victoria's wish, which is shared by all Canadians, will be fulfilled and that the much abhorred GST will be abolished one day. But I am not sure that we will still be around to see it happen.

[*English*]

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, I support the main provisions of Bill C–70. They have obviously been written in response to difficulties that have arisen out of initial legislation. They are designed to make life easier for taxpayers, eliminate ambiguities and remove inequities. As such, the provisions are laudable.

A careful study of each provision in the bill was undertaken by Reform research. I spent some time looking at the findings. It turns out the laudable attempts to make the Income Tax Act more equitable and efficient do not offer a perfect solution.

Some of the new provisions conflict with principles developed by Reform Party assemblies where grassroots Reformers have the opportunity to express their views and bind members of caucus. Most involve technical issues and it is not easy to apply simple principles.

My colleague from St. Albert yesterday in his speech on this bill expressed Reform's objection to specific clauses of it. I will not repeat his analysis. Instead, I wish to take this opportunity to do two things. First, I will make the case for the revision of some income tax changes contained in the February budget. Second, I will take up the challenge by the hon. member for Broadview—Greenwood and discuss an alternative system for taxation which would eliminate the need for complicated income tax provisions of the sort contained in Bill C–70.

On the first topic let me read the contents of a letter written to the Minister of Finance by Carol Loughrey, chair of the Canadian Institute of Chartered Accountants of Canada. A copy was sent to me as a result of my involvement in the issue. This involvement started when I asked the Minister of Finance a question in the House and he gave me a very unsatisfactory answer.

I have received several letters from other affected parties such as professionals, tax lawyers and accountants. They agree with the points made in the letter by Miss Loughrey and simply elaborate on some of the issues she raised.

(1650)

Let me now read this letter:

> I am writing to convey the CA profession's disappointment and concern regarding the announcement in the budget that individuals with business or professional income will be required to have a December 31 year–end. We have three primary concerns: the removal of the ability to use natural year–ends, an even more compressed workload for our members and the lack of fairness in the changes.
>
> Natural year–ends
>
> Many businesses have year–ends other than December 31 because of the nature of their business rather than for tax planning purposes. The tax system should not impose a year–end that for these businesses make no business sense. For example, forcing a retail business to have a calendar year–end would impose a significant workload increase during their busiest season and would impede effective measurement and evaluation of their business performance.
>
> Where a business wished to preserve a natural year end it could do so only by incorporating. For businesses which can incorporate this would mean additional legal and accounting costs. Many professionals, including chartered accountants, are prevented by law from incorporating. However, even where the professionals are permitted to incorporate, the budget will require them to maintain a December 31 year–end.
>
> The workload of many of our members is by far the greatest during the first four months of the year. Our members are already strained coping with the demand for audit and accounting services, tax return preparation, including personal tax returns information returns such as T4s, T5s, workers' compensation returns, payroll tax returns and PST and GST returns. Moving all professional and unincorporated

business year–ends, and some incorporated business year–ends, to December 31 will add considerably to that already compressed workload. We are concerned that the changes will seriously limit the ability of our members to properly serve their clients and could turn smaller practices into seasonable businesses.

Fairness

The budget refers to the need to improve the fairness of the tax system by treating professional and business income the same as employment income. However, there are important ways in which income from a profession or business is not the same as income from employment. Professionals and business people assume risk by gathering business capital and investing in their business, a task that will be more difficult without the tax deferral; they lease or purchase a business location and business equipment; they employ others; they must protect against liability; they must carry on their business without benefit of unemployment insurance or protection against disability or severance. A fair tax system should recognize that the self–employed are not the same as employees and that they should not be treated the same.

We are also concerned about the fairness of the transitional provisions. We believe they are too restrictive and will impose an unfair tax burden. It would appear that the ten–year reserve will not be available in certain situations, such as where an individual changes firms or changes from being a partner to sole proprietor or vice versa. The loss of this reserve in such circumstances would be inequitable and would create a barrier to the natural movement of individuals, interfering with their ability to carry on their business or practice as they see fit or as conditions require. Furthermore, it is unfair that the income to be included over the transition period is to be taxed at the individual's highest marginal tax rate rather than the average rate and that individuals could lose one year of eligibility to make RRSP contributions. We believe that the fairness of these measures could be improved through additional transitional measures.

Finally, it is very troubling that the changes are retrospective. We are already within the 1995 fiscal calendar year—the changes will have a real and harmful impact on taxpayers who had arranged their affairs in accordance with the law as it stood before the budget.

In the last few minutes I have been reading a letter which had been sent to the Minister of Finance by the institute of chartered accountants.

I fully agree with the technical assessment of the problems with the budget provisions identified in this letter and urge the Minister of Finance to make the changes in the Budget Implementation Act to correct the inequities and the inefficiencies created by this action.

I want to add the following political judgment which people like the writers of this letter cannot express but probably agree with.

The Minister of Finance justified his budget measures as a step for greater equity. We all know equity is in the eyes of the beholder. The letter I read referred to the difficulties that arise from the arbitrary lumping together of employment and self–employment income which is used to make this equity argument. I agree this is rather arbitrary.

However, my main additional argument is this provision is simply a one time tax grab motivated by the desire to raise revenue, lower the deficit and avoid the need for spending cuts. The people of Canada in their taxpayer rallies and even in their presentations to the finance committee of the House made it abundantly clear they preferred spending cuts over tax increases to eliminate the deficit. Reformers agreed.

The Minister of Finance thought he could raise taxes on what he considered to be a relatively small group of professionals by justifying the tax grab to the general public as a measure of increasing equity.

(1655)

The minister may have underestimated both the strength of the opposition from the affected professionals and their accountants and tax advisers. I hope he takes note of the legitimate objections I have raised.

As an economist I see these objections as quantifiable costs that need to be examined in relation to the value of the one time tax revenue increase. I am convinced the ratio of social costs to benefits makes this tax provision one of the least efficient alternatives for raising revenue and more broadly eliminating the deficit.

As I noted already, Bill C–70 stands in support of the widely accepted view that Canada's tax system is too complicated. The readjustment of accounting years for professionals just discussed is only another example.

Every country's tax code becomes more complex every year. Inequities and inefficiencies of the existing code have to be corrected. Dynamic new developments in the economy and financial intermediations require adjustment. There are developments abroad that need to be reflected.

Every country periodically faces the need for a major overhaul of its tax code when the complexity has become so large that it threatens to strangle incentive, drown the private sector in red tape and divert too many of the country's best and brightest accountants and lawyers into activities which essentially are socially unproductive.

I believe, much like the member for Broadview—Greenwood, Canada has reached this stage. There are several members of the Reform caucus, in particular my colleague from Calgary Centre, who strongly support such efforts.

The proposed overhaul of Canada's tax code should be aimed at the creation of what alternatively has been called a flat or proportional tax, a single tax. An intensive study of such a new tax system should start now, not just because of the excessive complexity of Canada's tax code but, more important, because of new developments in the United States.

To make this point I cannot do better than read from a *Globe and Mail* editorial from April 24, 1995, unsigned:

There is a time bomb ticking under the Canadian welfare state. It is not the debt, nor the aging of the population, though these are threats enough. It is the coming revolution in the U.S. tax system.

Already, several large northeastern states have embarked on radical tax cutting programs. Now leading federal politicians in Congress and on the presidential campaign trail are promising not just to overhaul the federal income tax but to abolish it.

Dick Armey, leader of the Republican majority in the House of Representatives, is pushing the most moderate—relatively speaking—reform plan, a flat tax that would eliminate most deductions and credits in favour of a single low tax rate for everybody. Mr. Armey figures it is possible to get the rate down to 20 or even 17 per cent this way without running up the deficit. The tax form would be the size of a postcard.

The immediate objection to this is that it would kill progressivity: that is, the principle that richer people should pay a larger share of their income in tax. But rising marginal tax rates are not the only way to make the system progressive; you can also do it through the tax base. Mr. Armey's plan would exempt roughly the first $20,000 of individual income from tax. Someone earning $25,000 would pay Mr. Armey's 20 per cent flat tax on only one–fifth of his income, for an effective tax rate of 4 per cent. At $40,000, he would pay tax on half his income, for an effective tax rate of 10 per cent. At $100,000, the effective rate would be 16 per cent.

I have enough time to conclude with another excerpt:

Too radical? Dreamsville? Think again. Not only do the Republicans control both houses of Congress, but all of the GOP candidates for president have endorsed one or other of these proposals. This has enormous significance for Canada. We do not have to slash tax rates to U.S. levels. But we do have to stay within hailing distance. At 17 per cent, U.S. personal income tax rates would be a half to a third of the top combined rate in Canada. Indeed, a flatter, simpler tax system would be desirable in its own right. At the least, it would free some of the brightest minds in the country, now employed as tax lawyers and accountants, for more productive work.

(1700)

I would like to end my quotations here, except to mention that the hon. member for Broadview—Greenwood is mentioned by name in this editorial, and I congratulate him.

I would like to make a couple of comments in closing. Please note that in my short remarks I do not endorse the particular version of a flat tax described in the *Globe and Mail* editorial or advanced by the hon. member for Broadview—Greenwood or by my colleague from Calgary Centre. The reason is, as is the case with many appealingly simple ideas, there are devils in the details and there is a danger that advocates of policies end up not telling quite all. For this reason, I urge the immediate start of a major study of the proposals for a simplified flat tax system.

During the study and public hearings on the subject I think it will become immediately obvious that the widespread support for such a measure is based on false assumptions. Few people, if asked, will object to a new system that promises to lower their tax rate from the present high one. Often quoted are the marginal tax rates on incomes in British Columbia, which are now around 53 per cent for the federal and provincial rates combined. The most important false assumption is that the lower flat rate, normally discussed in this context, is deceptively low. In the Canadian system every federal rate will automatically be increased by about 50 per cent due to the provincial income tax laws, even if the provinces also adopt a flat tax system.

The second and perhaps most fundamental point is that Canada's fiscal problems stem from overspending. Based on reliable estimates, the combined spending of all governmental jurisdictions equals about one–half of our national income. That is why tax freedom day falls in July.

The government has to raise the revenue to pay for this spending. As it does, by definition, the average tax burden on the average Canadian will remain about 50 per cent of his or her income. No tax reform can alter this basic fact. People who are seduced into believing otherwise by the promise of a flat rate, much lower than the current marginal rate they pay, have to face the fact that the government has to get its revenue somewhere. Most likely, it will get it from exactly the same people and in the same amounts as it does now. There are no large hidden incomes that will be tapped by the flat tax and there are no magic solutions to the problem of overspending.

Finally, I would like to note that the idea of a flat tax has been around for a long time. It once served as a basic model for reform in the United States and in Canada in the 1980s. As it turned out, by the time all of the trade–offs between efficiency and equity were studied thoroughly, both countries ended up with modified flat tax rates; that is, three broad tiers and relatively small marginal increases rather than the previous scale with many incremental steps and very high ultimate marginal rates. The idea that basic personal exemptions result in progressive average rates, as noted in the *Globe and Mail* editorial, did not carry the day during the deliberations in these two countries. I am worried that it may also not do so in the future if we have hearings again.

These and the other concerns I have about the merit of a flat tax do not mean that the system should not be studied. The hope of eliminating the kinds of complex tax codes contained in Bill C–70 make it very worth while. In the meantime, I urge the proponents of the tax to be cautious in their advocacy, much as I have done in the past and in my brief discussion today.

The Acting Speaker (Mr. Kilger): Before proceeding to questions and comments to the hon. member for Capilano—Howe Sound, it is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for The Battlefords—Meadow Lake—the environment; the hon. member for Don Valley North—human rights.

(1705)

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I want to commend the member for Capilano—Howe Sound for entering the debate on comprehensive tax reform.

I accept his note of caution when he spoke about overstating the accomplishments of a single tax. I think the member forgot to mention three very important fundamentals that would be achieved by a simple, fair, and efficient tax system. We always stated that the provincial rate would be added on to the federal rate, but I think there are three additional advantages the member did not cite.

First, I believe that a simplified fair tax system where everybody is in the loop would reduce the underground economy. I think one reason we have an underground economy in such an exacerbated state right now is because our tax system has driven people underground. A simplified and fair tax system would reduce the underground economy, which would add more revenue to the treasury.

The second issue that is fundamental to the system of a single tax system deals with what is happening in Hong Kong. They have a form of a single tax system over there, and it creates large pools of capital. When large pools of capital come into a country it puts downward pressure on interest rates. That downward pressure on interest rates means that capital is less costly for governments when they borrow it, which deals with the revenue or expenditure problem. It is also less costly for entrepreneurship. I believe that one thing entrepreneurship needs right now is cheaper capital and lots of it. That in turn would create an environment for investment and job creation. So the single tax has a direct impact on flows of capital, which would put downward pressure on interest rates.

The third thing the member did not touch on in his address on tax reform has to do with productivity. With a fair tax system I believe people would work harder and smarter and therefore the cost of goods would go down, which would help our exports tremendously, which would increase the bottom line, not only in business but in corporate tax revenues to the treasury also.

The member did not deal with those three specific features, which are part and parcel of the single tax system. Since the member is an economist, I wonder if he would consider they would be valid premises to work on.

Mr. Grubel: Mr. Speaker, I am happy to respond to those ideas. Clearly, I did not have enough time to go into all the advantages.

I have attended several conferences on the subject of the underground economy. The high marginal tax rate certainly has an effect on it, but the emphasis recently has been on the role of the GST. Clearly, they interact, but it would help.

On the other hand, I have been quite convinced by evidence that was educed about the size of the underground economy and especially by some simulations made by the Ministry of Finance. It turns out that while it looks like it is very big, it really probably is no more than about 5 per cent of national income. However, this is not the time to discuss that. Maybe we could do it some other time.

On larger pools of capital, I can give a personal view, which is not a Reform Party position. Long before I was a member of Parliament I used the idea in my lectures that if I were in charge I would lower the capital gains rate and the rate on corporations in Canada to 5 per cent and I would make Canada the Switzerland of North America. I have speculated that probably we could have had so much capital flowing in, especially during the period of the cold war, when we were under the protection of the Americans, that the revenue raised at 5 per cent would have been grater than the revenue we raise at our high rates at the moment. I think Americans are thinking about that as well. I am sure that if the Americans are going to lower their tax rate on corporations and we do not follow we will have exactly the opposite problem of what the hon. member is talking about.

(1710)

The issue in a strictly economic seminar is an oversimplification, in a way, in today's world of integrated capital markets. Money is flowing in at essentially a risk adjusted rate where we can borrow as much as we want to. Our problem is that we are not saving enough.

To the extent that the lower tax rates on income would lower the incentive to consume and would encourage savings, we would probably lower the interest rate marginally. However, that would not be the main effect. Nevertheless, I appreciate that the member has called my attention to the idea that there is this effect on capital markets.

Finally, he noted that productivity would increase. Indeed, most people agree that the high marginal tax rates on income and on capital have led to distortions in the decisions of individuals in the allocation of their time between effort and work, between savings and investment, which overall have resulted in a lowering of productivity. It is therefore agreed widely about the direction in which the incentives would go by lowering the marginal tax rates. There is little doubt about this encouraging more work, discouraging leisure, encouraging more savings and discouraging consumption. That would be all to the good.

The problem is that econometric estimates of those effects are extremely difficult. Nobody really has been able to prove that there would be such a very large effort. I think the conclusion has been that the main effect of the high marginal tax rates on income and capital in the past has been to change the allocation of resources, which leads to distortions, which are essentially costly to society.

Being a little bit cautious about this point does not mean that I reject the hon. member's suggestion. I think it should be considered as another plus of us studying and perhaps ultimately adopting a simplified, open, and cheap new flat tax system.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I am happy to have this opportunity to participate in the debate on Bill C–70, an act to amend the Income Tax Act.

The bill seeks to implement a number of measures that were introduced in 1994 budget, along with certain measures that have been announced by the government at other times over the last year.

The fiscal challenge facing this country has been a topic of considerable debate, both in the House and across the country. Few dispute the scope of the challenge. Few dispute that difficult choices must be made. Few dispute that we must act decisively. As well, few dispute that fairness and effectiveness must be essential guiding principles of any and all steps that are taken to overcome our deficit challenge.

These principles have guided the government as we have worked to restrain our spending. They guided the minister in crafting the budget that was presented in February. However, for the moment and for a discussion of this legislation, let me take hon. members back to the budget of last year.

Spending cuts alone could not deliver the deficit reductions that were set out at that time. Spending constraints had to be complemented with some measures on the tax side. Doing so was simply a question of fairness. It was our vision of fairness that guided us as we looked at the tax system, addressing unsustainable tax preferences instead of imposing general tax increases on Canadian taxpayers.

In looking at the corporate tax regime, we sought to ensure that corporations paid their fair share of the tax revenues needed to fund government programs and to prevent certain businesses or sectors from taking undue advantage of certain tax provisions.

(1715)

With this in mind the budget last year proposed a number of measures to the rules governing the taxation of business income. Let me stress our goal was not to penalize the business sector, nor to impede the competitiveness of Canadian corporations. We believe it is essential to maintain a competitive tax system in today's global economy.

We cannot disregard and we do not disregard the role of business in creating and sustaining employment; nor do we ignore the pressures faced by Canadian companies as they operate in fiercely competitive markets both at home and abroad.

One fairness issue the budget addressed was the tax rules dealing with debt forgiveness and foreclosures. Under the old provisions of the income tax, many transactions involving the settlement of debt were not recognized in any meaningful way for tax purposes. The new rules provide a comprehensive basis to deal with debt settlement. In general they provide that forgiven debt amounts will be applied to loss carry forwards and expenses or partially included in the debtor's income. However, there are special relieving rules to minimize undue hardship from these new rules.

Let me turn now to the tax treatment of securities held by financial institutions. Until now the Income Tax Act has not provided specific rules regarding the tax treatment of such securities. The measures proposed in this bill seek to reduce uncertainty in this regard and also to ensure the income derived from such securities is measured appropriately.

The amendments provide that certain securities be marked to market; that is, the appreciation or depreciation in their value each year must be recognized in that year. In keeping with our goal of fairness, the amendments include a transitional rule that allows increases in income resulting from the new rules to be spread over five years. These new measures are generally effective after February 21, 1994.

In addition, new rules are provided for debt securities not required to be marked to market. These rules deal with the measurement of income while the securities are held and the treatment of gains and losses on disposition.

Bill C–70 also amends the rules for the taxation of resident shareholders of foreign affiliates. This action is being taken as a result of the government's ongoing monitoring of developments in this area. The changes expand the categories of income of foreign affiliates which must be reported as income of their Canadian affiliates.

Another modification prevents the use of an affiliate's foreign active business losses to reduce Canadian shareholders' income. This change protects the shareholders but also protects the Canadian tax base. The amendments are generally effective for taxation years commencing after 1994.

Let me turn now to six other tax measures announced during the months after the 1994 budget. First, this bill addresses the issue of eligible prepaid funeral and cemetery arrangements. That is I have heard from my constituents about. Under this legislation individuals making such arrangements will not have to declare interest on the deposits up to a $15,000 maximum

contribution as income provided the deposit is not withdrawn for other purposes. The provider of eligible funeral and cemetery arrangements is, however, required to include in income the total amount received from the eligible arrangement.

Turning to the next measure, the bill proposes real estate trusts with publicly traded units be allowed to qualify as mutual fund trusts. This measure responds to representations from the real estate sector, which is interested in expanding the available methods of financing real estate. We believe the proposed change will facilitate the restructuring and refinancing of this sector.

(1720)

The third of these post–budget measures is the measure that will help mutual funds reduce overhead costs and improve service to investors. These amendments allow mutual fund corporations to convert to mutual fund trusts on a tax free basis and also allow tax free mergers of mutual fund trusts.

The bill also proposes new rules to speed the resolution of objections and appeals, particularly by large corporations. Large corporations will now have to specify the issues under dispute, the amount of relief sought and the facts and reasons for objecting.

Those of us who speak on the public accounts committee are well aware of the tremendous losses that can be incurred to the Canadian taxpayers by cases that go on far too long without enough rules to constrain the matters that can be brought into those cases.

The rules also limit the ability of large corporations to raise new issues in the notice of objection where the objection relates to a reconsideration of an assessment. However, new issues raised by Revenue Canada on such reconsiderations may still give rise to notice of objection.

We are trying to be fair on both sides without unduly exposing the Canadian taxpayers to risks through prolonged court cases on interpretation of tax legislation.

In addition, this legislation will ensure the new requirements relating to notices of objection will not apply to assessments appealed to court before this legislation receives royal assent. In other words, we are not changing the rules retroactively which I think everyone would agree is only fair.

The final measure I want to highlight deals with the tax treatment of dividend compensation payments and other amounts connected with securities lending. The Income Tax Act currently provides that the lender of securities not be treated as having disposed of the security under these arrangements. As well, payments to the lender as compensation for dividends are treated as dividends in the lender's hands.

While these dividend compensation payments are generally not tax deductible, a special rule established in 1989 allows security dealers to deduct two–thirds of such payments. This legislation extends the use of the two–thirds rule, ensuring our securities industry remains competitive.

However, the deduction of these payments will be somewhat limited and I can assure hon. members the government will continue monitoring these measures to make certain they operate effectively.

Other changes clarify the effects of certain dividend rental arrangements and the means of securities dealers registered or licensed to trade in securities for purposes of the Income Tax Act.

In closing, Bill C–70 amends the Income Tax Act equitably and fairly. It seeks to better target tax assistance delivered to certain business sectors while at the same time broadening the tax base and thus protecting government revenues and, as we all know, that means the revenues of Canadians. The legislation contained in this bill also clarifies a number of important issues related to the act.

In considering the measures before us I have no hesitation in encouraging all hon. members to support the bill at this stage so that measures announced by the government during the last year can become effective to the benefit of the tax system and to the benefit of Canadians.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, before I get into this subject any further, in the limited time at my disposal, I must take a moment to situate this bill. Bill C–70 implements measures from the budget, last year's budget, that is. It was tabled at first reading before this year's budget. It is a series of fairly technical measures, highly complex ones true to the image of today's tax system. We will be examining these measures further in committee, so I will spare you all the details.

(1725)

One measure was the focus of discussions before and after the elections and within the Liberal Party and has been raised by the Bloc Quebecois as well since the elections. It is the whole issue of foreign affiliates, commonly known as tax havens, raised by the Auditor General. This fairly voluminous bill contains various measures. A number are indeed positive. However, it does not go very far and it skirts a number of issues. This could be called a timid reform, which enables the government to say that it has satisfied some of the Auditor General's requests, but it does not go far enough. There is no mention of the list of countries with which we have tax agreements. Sixteen countries are listed as having agreements deemed to be sources of problems.

The aim of tax agreements is to avoid or enable businesses to avoid double taxation. This is laudable and understandable. The problem arises when different countries have different tax rates. At this point we start talking about fickle businesses. They produce in various countries, sell their products from one business to another and with the cost transfers, manage to switch profits and losses between countries. This causes problems because profits are transferred to places with the highest rate of taxation and losses can be deducted in others.

And then you have countries like Canada, where interest charges are allowable expenses. This makes matters worse and it is an extremely complex task to tackle corporations with operations in several countries. Slightly higher, stricter standards are set for them, to determine whether they are really producing, but the fact remains that it is not easy to figure out, particularly when rates vary widely. So, there is a need to look seriously into this and not in a piecemeal fashion as it has been the case for a while now.

This brings to mind the whole Liberal approach to taxation. When they were in opposition and during the election campaign, the Liberals used to say that the way to deal with taxation was not piecemeal but comprehensively. So far, not much has been done in this respect. A piecemeal approach continues to be applied to very technical, complex issues. Sometimes positive measures are taken. Still, they miss the main point, that is to say streamline the whole system, make the tax system less complex and easier to understand, which furthers the goal of transparency and restores people's confidence in their institutions and elected representatives, particularly as regards this trust that was lost.

I wish to take this opportunity to draw a parallel with a tax matter on which the government made a rather clear commitment, namely to do away with the goods and services tax. If you think back a little, originally, when this legislation was first passed, it was fiercely opposed by the Liberals in this place, the other place and everywhere. They opposed it even more strongly in the days and months that followed, going as far as promising, during the election campaign, to replace it within two years, that is to say by January 1, 1996, eight months from now. But there is no concrete proposal on the table yet. Considering how long it takes to develop and draft this kind of document and how quickly the GST was implemented, causing a great many problems, it is safe to assume that the government will be unable to honour and fulfil its commitment in the next eight months. Furthermore, this is another reform characterized by a piecemeal approach.

I will get to elaborate further on this subject in the second part of my remarks, to be continued when debate is resumed. I just want to say for now that this bill contains some good measures, which we will consider in committee. There is one in particular that we will consider thoroughly and it deals with foreign corporations. But we will do so bearing in mind that this piecemeal approach must end. A more comprehensive approach to taxation must be taken.

The Acting Speaker (Mr. Kilger): I wish to thank the hon. member for Témiscamingue for his co–operation.

* * *

BUDGET IMPLEMENTATION ACT, 1995

The House resumed from April 6 consideration of the motion that Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be read the second time and referred to a committee; and the amendment.

The Acting Speaker (Mr. Kilger): It being 5.30 p.m., pursuant to order made Thursday, April 6, 1995, the House will now proceed to the deferred recorded division on the amendment moved by Mr. Loubier at second reading of Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995.

Call in the members.

(1750)

[*English*]

Before the taking of the vote:

Mr. Boudria: Mr. Speaker, a point of order. I think you would find unanimous consent to deal with the vote on private member's Bill C–263 at the conclusion of the other votes, in other words, after we complete all the votes on Bill C–43 later this day.

The Acting Speaker (Mr. Kilger): Is that agreed?

Some hon. members: Agreed.

[*Translation*]

The Acting Speaker (Mr. Kilger): The question is on the amendment standing in the name of Mr. Loubier.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 191*)

YEAS

Members

Abbott	Althouse
Asselin	Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur	Benoit
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bouchard
Breitkreuz (Yorkton—Melville)	Brien
Brown (Calgary Southeast)	Bélisle
Canuel	Caron
Crête	Cummins
Daviault	Debien
de Savoye	Dubé
Duceppe	Dumas
Duncan	Epp
Fillion	Forseth
Frazer	Gagnon (Québec)
Gauthier (Roberval)	Godin
Gouk	Grey (Beaver River)
Grubel	Guay

Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Kerpan
Landry
Laurin
Lebel
Lefebvre
Loubier
Marchand
McClelland (Edmonton Southwest)
Mercier
Morrison
Nunez
Penson
Plamondon
Ramsay
Robinson
Sauvageau
Scott (Skeena)
Solberg
St–Laurent
Taylor
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)
Hanger
Harper (Calgary West)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
McLaughlin
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Rocheleau
Schmidt
Silye
Speaker
Strahl
Thompson
Venne
Williams—94

NAYS

Members

Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Blondin–Andrew
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacLaren
Malhi
Manley
Marleau
McCormick
McKinnon
McWhinney
Milliken
Mitchell
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bevilacqua
Bodnar
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chan
Cohen
Collins
Copps
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Flis
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Massé
McGuire
McTeague
Mifflin
Minna
Murray
Nault
O'Brien
Ouellet
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Sheridan
Skoke
St. Denis
Stewart (Brant)
Szabo
Terrana
Torsney
Valeri
Volpe
Wells
Wood
Zed—143
Nunziata
O'Reilly
Paradis
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Ringuette–Maltais
Robillard
Rompkey
Serré
Simmons
Speller
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Ur
Vanclief
Wappel
Whelan
Young

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)
Bachand
Dalphond–Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

(1800)

[*Translation*]

The Acting Speaker (Mr. Kilger): I declare the motion negatived.

* * *

[*English*]

ELECTORAL BOUNDARIES READJUSTMENT ACT, 1995

The House resumed from April 24 consideration of the motion that Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries, be read the third time and passed.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at the third reading stage of Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries.

Mr. Boudria: Mr. Speaker, I rise on a point of order. There has been a slight change to what had been discussed informally a little earlier.

I think you would find unanimous consent to apply the vote just taken on the amendment to Bill C–76 at second reading in reverse to the motion now before the House. In other words, the

vote would be applied in reverse to the main motion for third reading of Bill C–69.

The Acting Speaker (Mr. Kilger): Is that agreed?

Some hon. members: Agreed.

Mr. Allmand: Mr. Speaker, I rise on a point of order. I did not vote on the last motion and I would like my name to be added to the government's vote on this bill.

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

(*Division No. 192*)

YEAS

Members

Allmand
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bevilacqua
Bodnar
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chan
Cohen
Collins
Copps
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Flis
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Massé
McGuire
McTeague
Mifflin
Minna
Murray
Nunziata
O'Reilly
Paradis
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Ringuette–Maltais
Robillard
Rompkey
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Blondin–Andrew
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacLaren
Malhi
Manley
Marleau
McCormick
McKinnon
McWhinney
Milliken
Mitchell
Nault
O'Brien
Ouellet
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Serré
Simmons
Speller
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Ur
Vanclief
Wappel
Whelan
Young
Sheridan
Skoke
St. Denis
Stewart (Brant)
Szabo
Terrana
Torsney
Valeri
Volpe
Wells
Wood
Zed—144

NAYS

Members

Abbott
Asselin
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Canuel
Crête
Daviault
de Savoye
Duceppe
Duncan
Fillion
Frazer
Gauthier (Roberval)
Gouk
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Kerpan
Landry
Laurin
Lebel
Lefebvre
Loubier
Marchand
McClelland (Edmonton Southwest)
Mercier
Morrison
Nunez
Penson
Plamondon
Ramsay
Robinson
Sauvageau
Scott (Skeena)
Solberg
St–Laurent
Taylor
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)
Althouse
Axworthy (Saskatoon—Clark's Crossing)
Benoit
Bernier (Gaspé)
Bouchard
Brien
Bélisle
Caron
Cummins
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
McLaughlin
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Rocheleau
Schmidt
Silye
Speaker
Strahl
Thompson
Venne
Williams—94

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)
Bachand
Dalphond–Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the third time and passed.)

* * *

[*Translation*]

LOBBYISTS REGISTRATION ACT

The House resumed consideration of Bill C–43, an act to amend the Lobbyists Registration Act and to make related amendments to other Acts, as reported (with amendments) from the committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at report stage on Bill C–43.

[*English*]

The first question is on Motion No. 1.

(1805)

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that those members who have voted on the previous motion for third reading of Bill C–69 be recorded as having voted on the motion now before the House in the following manner: Liberal members voting nay.

Mr. Duceppe: Bloc Quebecois members also vote nay.

[*English*]

Mr. Silye: Mr. Speaker, the Reform Party will vote yea.

Mr. Taylor: The New Democrats will vote yea.

(The House divided on Motion No. 1, which was negatived on the following division:)

(*Division No. 193*)

YEAS

Members

Abbott
Axworthy (Saskatoon—Clark's Crossing)
Breitkreuz (Yorkton—Melville)
Cummins
Epp
Frazer
Grey (Beaver River)
Hanger
Harper (Calgary West)
Hart
Hermanson
Hill (Prince George—Peace River)
Jennings
Kerpan
Martin (Esquimalt—Juan de Fuca)
McLaughlin
Morrison
Ramsay
Robinson
Scott (Skeena)
Solberg
Strahl
Thompson
Williams—47

Althouse
Benoit
Brown (Calgary Southeast)
Duncan
Forseth
Gouk
Grubel
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Johnston
Manning
McClelland (Edmonton Southwest)
Mills (Red Deer)
Penson
Ringma
Schmidt
Silye
Speaker
Taylor
White (Fraser Valley West)

NAYS

Members

Allmand
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bernier (Gaspé)
Bethel
Blondin–Andrew
Bouchard
Brien
Brushett
Bélair
Bélisle
Campbell
Canuel
Catterall
Chan
Cohen
Collins
Copps
Crawford
Culbert
Debien
DeVillers
Discepola
Dubé
Duhamel
Dupuy
Eggleton
Fillion
Flis
Gagliano
Gagnon (Québec)
Gerrard
Godin
Graham
Guarnieri
Guimond
Harvard
Hopkins
Ianno
Jackson
Jordan
Kirkby
Kraft Sloan
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
Lebel
Leblanc (Longueuil)
Lefebvre
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchand
Marleau
McCormick
McKinnon
McWhinney
Mifflin
Minna
Murray
Nault
Nunziata
O'Reilly
Paradis
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Reed
Richardson
Ringuette–Maltais
Robillard

Anawak
Arseneault
Assadourian
Augustine
Baker
Barnes
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Bodnar
Boudria
Brown (Oakville—Milton)
Bryden
Bélanger
Calder
Cannis
Caron
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Crête
Daviault
de Savoye
Dhaliwal
Dromisky
Duceppe
Dumas
Easter
English
Finlay
Fontana
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gauthier (Roberval)
Godfrey
Goodale
Gray (Windsor West)
Guay
Harb
Hickey
Hubbard
Irwin
Jacob
Keyes
Knutson
Lalonde
Langlois
Laurin
Lavigne (Verdun—Saint–Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Shefford)
Loubier
MacLaren
Malhi
Manley
Marchi
Massé
McGuire
McTeague
Mercier
Milliken
Mitchell
Ménard
Nunez
O'Brien
Ouellet
Paré
Payne
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Proud
Regan
Rideout
Robichaud
Rocheleau

Rock
Sauvageau
Serré
Simmons
Speller
St. Denis
Stewart (Brant)
Szabo
Terrana
Torsney
Ur
Vanclief
Volpe
Wells
Wood
Zed—191

Rompkey
Scott (Fredericton—York—Sunbury)
Sheridan
Skoke
St–Laurent
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Tremblay (Rimouski—Témiscouata)
Valeri
Venne
Wappel
Whelan
Young

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)

Bachand
Dalphond–Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare Motion No. 1 lost.

The next question is on Motion No. 2. A vote on this motion also applies to Motions Nos. 4, 5, 6, 8, 12, 13, 14, 24, 26, 27, 32 and 33. An affirmative vote on Motion No. 2 obviates the need for a vote on Motions Nos. 3, 15, 16, 17 and 18 but necessitates a vote on Motion No. 11. A negative vote on Motion No. 2 necessitates a vote on Motions Nos. 3, 11 and 16.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent for the members who voted on Bill C–69 to be recorded as having voted on the motion now before the House in the following manner with Liberal members voting nay.

[*Translation*]

Mr. Duceppe: Bloc Quebecois members vote yea.

[*English*]

Mr. Silye: Mr. Speaker, members of the Reform Party vote yes, except for those members who wish to vote otherwise.

Mr. Taylor: Mr. Speaker, the New Democrats vote no.

(The House divided on Motion No. 2, which was negatived on the following division:)

(*Division No. 194*)

YEAS

Members

Abbott
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Canuel
Crête
Daviault
de Savoye
Duceppe

Asselin
Benoit
Bernier (Gaspé)
Bouchard
Brien
Bélisle
Caron
Cummins
Debien
Dubé
Dumas

Duncan
Fillion
Frazer
Gauthier (Roberval)
Gouk
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Kerpan
Landry
Laurin
Lebel
Lefebvre
Loubier
Marchand
McClelland (Edmonton Southwest)
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Sauvageau
Scott (Skeena)
Solberg
St–Laurent
Thompson
Venne
Williams—89

Epp
Forseth
Gagnon (Québec)
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
Mercier
Morrison
Nunez
Penson
Plamondon
Ramsay
Rocheleau
Schmidt
Silye
Speaker
Strahl
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)

NAYS

Members

Allmand
Anawak
Arseneault
Assadourian
Axworthy (Saskatoon—Clark's Crossing)
Baker
Barnes
Bellemare
Bevilacqua
Bodnar
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chan
Cohen
Collins
Copps
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Flis
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)

Althouse
Anderson
Assad
Augustine
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Blondin–Andrew
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacLaren
Malhi

Maloney
Marchi
Massé
McGuire
McLaughlin
McWhinney
Milliken
Mitchell
Nault
O'Brien
Ouellet
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Robinson
Rompkey
Serré
Simmons
Speller
Steckle
Stewart (Northumberland)
Taylor
Terrana
Torsney
Valeri
Volpe
Wells
Wood
Zed—149

Manley
Marleau
McCormick
McKinnon
McTeague
Mifflin
Minna
Murray
Nunziata
O'Reilly
Paradis
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Ringuette–Maltais
Robillard
Rock
Scott (Fredericton—York—Sunbury)
Sheridan
Skoke
St. Denis
Stewart (Brant)
Szabo
Telegdi
Thalheimer
Ur
Vanclief
Wappel
Whelan
Young

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)

Bachand
Dalphond–Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare Motion No. 2 lost. I therefore declare Motions Nos. 4, 5, 6, 8, 12, 13, 14, 24, 26, 27, 32 and 33 lost.

[*Translation*]

The next question is on Motion No. 3. The vote on this motion also applies to Motion No. 15.

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that those members who voted on Bill C–69 be recorded as having voted on the motion now before the House in the following manner: Liberal members voting yea.

(1810)

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members also vote yea.

Mr. Silye: Mr. Speaker, members of the Reform Party vote yea, except for those members who wish to vote otherwise.

[*English*]

Mr. Taylor: Mr. Speaker, the New Democrats vote nay.

(The House divided on Motion No. 3, which was agreed to on the following division:)

(*Division No. 195*)

YEAS

Members

Abbott
Anawak
Arseneault
Assadourian
Augustine
Baker
Barnes
Bellehumeur
Benoit
Bernier (Gaspé)
Bethel
Blondin–Andrew
Bouchard
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Brushett
Bélair
Bélisle
Campbell
Canuel
Catterall
Chan
Cohen
Collins
Copps
Crawford
Culbert
Daviault
de Savoye
Dhaliwal
Dromisky
Duceppe
Dumas
Dupuy
Eggleton
Epp
Finlay
Fontana
Frazer
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gauthier (Roberval)
Godfrey
Goodale
Graham
Grey (Beaver River)
Guarnieri
Guimond
Hanrahan
Harper (Calgary West)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Jackson
Jennings
Jordan
Keyes
Knutson
Lalonde
Langlois
Laurin
Lavigne (Verdun—Saint–Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Shefford)
Loubier
MacLaren
Malhi
Manley
Marchand
Marleau
Massé
McCormick
McKinnon
McWhinney
Mifflin

Allmand
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Bodnar
Boudria
Brien
Brown (Oakville—Milton)
Bryden
Bélanger
Calder
Cannis
Caron
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Crête
Cummins
Debien
DeVillers
Discepola
Dubé
Duhamel
Duncan
Easter
English
Fillion
Flis
Forseth
Gagliano
Gagnon (Québec)
Gerrard
Godin
Gouk
Gray (Windsor West)
Grubel
Guay
Hanger
Harb
Harper (Simcoe Centre)
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Irwin
Jacob
Johnston
Kerpan
Kirkby
Kraft Sloan
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
Lebel
Leblanc (Longueuil)
Lefebvre
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Manning
Marchi
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
McGuire
McTeague
Mercier
Milliken

Mills (Red Deer)
Mitchell
Murray
Nault
Nunziata
O'Reilly
Paradis
Patry
Penson
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Proud
Reed
Richardson
Ringma
Robichaud
Rocheleau
Rompkey
Schmidt
Scott (Skeena)
Sheridan
Simmons
Solberg
Speller
St. Denis
Stewart (Brant)
Strahl
Telegdi
Thalheimer
Torsney
Ur
Vanclief
Volpe
Wells
White (Fraser Valley West)
Wood
Zed—233

Minna
Morrison
Ménard
Nunez
O'Brien
Ouellet
Paré
Payne
Peric
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Ramsay
Regan
Rideout
Ringuette–Maltais
Robillard
Rock
Sauvageau
Scott (Fredericton—York—Sunbury)
Serré
Silye
Skoke
Speaker
St–Laurent
Steckle
Stewart (Northumberland)
Szabo
Terrana
Thompson
Tremblay (Rimouski—Témiscouata)
Valeri
Venne
Wappel
Whelan
Williams
Young

NAYS

Members

Althouse
McLaughlin
Taylor—5

Axworthy (Saskatoon—Clark's Crossing)
Robinson

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)

Bachand
Dalphond–Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare Motion No. 3 carried and I therefore declare Motion No. 15 carried.

The next question is on Motion No. 11. The vote on this motion also applies to Motions Nos. 17 and 18.

Mr. Boudria: Mr. Speaker, I think you would find consent to apply the vote taken at report stage Motion No. 2 to the vote presently before the House.

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Agreed.

[*Editor's Note: See list under Division No. 194.*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 11 lost. I therefore declare Motions Nos. 17 and 18 negatived.

The next question is on Motion No. 16.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that those members who have voted on Bill C–69 be recorded as having voted on the motion now before the House in the following manner: Liberal members voting yea.

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members will vote nay.

[*English*]

Mr. Silye: Mr. Speaker, Reform Party members will vote yes, except for those members who wish to vote otherwise.

Mr. Taylor: Mr. Speaker, the New Democrats vote no.

(The House divided on Motion No. 16, which was agreed to on the following division:)

(*Division No. 196*)

YEAS

Members

Abbott
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bevilacqua
Bodnar
Breitkreuz (Yorkton—Melville)
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chan
Cohen
Collins
Copps
Crawford
Cummins
Dhaliwal
Dromisky
Duncan
Easter
English
Finlay
Fontana
Frazer
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Gouk

Allmand
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bethel
Blondin–Andrew
Boudria
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
DeVillers
Discepola
Duhamel
Dupuy
Eggleton
Epp
Flis
Forseth
Gagliano
Gerrard
Goodale
Graham

Gray (Windsor West)
Grubel
Hanger
Harb
Harper (Simcoe Centre)
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Irwin
Jennings
Jordan
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacLaren
Malhi
Manley
Marchi
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
McGuire
McTeague
Mifflin
Mills (Red Deer)
Mitchell
Murray
Nunziata
O'Reilly
Paradis
Payne
Peric
Peterson
Pickard (Essex—Kent)
Proud
Reed
Richardson
Ringma
Robichaud
Rock
Schmidt
Scott (Skeena)
Sheridan
Simmons
Solberg
Speller
Steckle
Stewart (Northumberland)
Szabo
Terrana
Thompson
Ur
Vanclief
Wappel
Whelan
Williams
Young
Grey (Beaver River)
Guarnieri
Hanrahan
Harper (Calgary West)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Jackson
Johnston
Kerpan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Manning
Marleau
Massé
McCormick
McKinnon
McWhinney
Milliken
Minna
Morrison
Nault
O'Brien
Ouellet
Patry
Penson
Peters
Phinney
Pillitteri
Ramsay
Regan
Rideout
Ringuette–Maltais
Robillard
Rompkey
Scott (Fredericton—York—Sunbury)
Serré
Silye
Skoke
Speaker
St. Denis
Stewart (Brant)
Strahl
Telegdi
Thalheimer
Torsney
Valeri
Volpe
Wells
White (Fraser Valley West)
Wood
Zed—186

NAYS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Brien
Canuel
Crête
Debien
Dubé
Dumas
Gagnon (Québec)
Asselin
Bellehumeur
Bernier (Gaspé)
Bouchard
Bélisle
Caron
Daviault
de Savoye
Duceppe
Fillion
Gauthier (Roberval)
Godin
Guimond
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Marchand
Mercier
Nunez
Picard (Drummond)
Pomerleau
Rocheleau
St–Laurent
Tremblay (Rimouski—Témiscouata)
Guay
Jacob
Landry
Laurin
Lebel
Lefebvre
Loubier
McLaughlin
Ménard
Paré
Plamondon
Robinson
Sauvageau
Taylor
Venne—52

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)
Bachand
Dalphond–Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare Motion No. 16 carried.

The next question is on Motion No. 7.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that those members who voted on Bill C–69 be recorded as having voted on the motion now before the House, with the result being applied in reverse.

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Agreed.

(The House divided on Motion No. 7, which was negatived on the following division:)

(*Division No. 197*)

YEAS

Members

Abbott
Asselin
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Canuel
Crête
Daviault
de Savoye
Duceppe
Duncan
Fillion
Frazer
Gauthier (Roberval)
Gouk
Althouse
Axworthy (Saskatoon—Clark's Crossing)
Benoit
Bernier (Gaspé)
Bouchard
Brien
Bélisle
Caron
Cummins
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Godin
Grey (Beaver River)

Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Kerpan
Landry
Laurin
Lebel
Lefebvre
Loubier
Marchand
McClelland (Edmonton Southwest)
Mercier
Morrison
Nunez
Penson
Plamondon
Ramsay
Robinson
Sauvageau
Scott (Skeena)
Solberg
St–Laurent
Taylor
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)
Guay
Hanger
Harper (Calgary West)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
McLaughlin
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Rocheleau
Schmidt
Silye
Speaker
Strahl
Thompson
Venne
Williams—94

NAYS

Members

Allmand
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bevilacqua
Bodnar
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chan
Cohen
Collins
Copps
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Flis
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Massé
McGuire
McTeague
Mifflin
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Blondin–Andrew
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacLaren
Malhi
Manley
Marleau
McCormick
McKinnon
McWhinney
Milliken
Minna
Murray
Nunziata
O'Reilly
Paradis
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Ringuette–Maltais
Robillard
Rompkey
Serré
Simmons
Speller
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Ur
Vanclief
Wappel
Whelan
Young
Mitchell
Nault
O'Brien
Ouellet
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Sheridan
Skoke
St. Denis
Stewart (Brant)
Szabo
Terrana
Torsney
Valeri
Volpe
Wells
Wood
Zed—144

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)
Bachand
Dalphond–Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare Motion No. 7 lost.

(1815)

The next question is on Motion No. 9.

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent for those members who voted on Bill C–69 to be identified as having voted on the motion now before the House in the following manner with Liberal MPs voting yea.

[*Translation*]

Mr. Duceppe: Mr. Speaker, the Bloc Quebecois members will vote nay.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Mr. Speaker, Reform Party members vote yes, except for those members who wish to vote otherwise.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Mr. Speaker, the New Democrats vote no.

[*Editor's Note: See list under Division No. 196.*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 9 carried.

The next question is on Motion No. 19.

Mr. Boudria: Mr. Speaker, since we are voting on Motion No. 19, I think you would find consent for those members who voted on report stage Motion No. 1 to be recorded as having voted in exactly the same manner as the motion now before the House.

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Agreed.

[*Editor's Note: See list under Division No. 193.*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 19 lost.

[*Translation*]

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 22, in Group No. 4. An affirmative vote on Motion No. 22 obviates the need for a vote on Motion No. 23. A negative vote on Motion No. 22 necessitates a vote on Motion No. 23.

Order, please. I hear comments regarding Motion No. 21. That motion was already put and agreed to.

I have just received confirmation that, before proceeding with Group No. 3, Motion No. 21 was put and agreed to earlier today.

(1820)

The next question is on Motion No. 22.

Mr. Boudria: Mr. Speaker, I think you would find there is unanimous consent for those members who voted on Bill C–69 to be recorded as having voted on the motion now before the House in the following manner with Liberal members voting nay.

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members will vote yea.

[*English*]

Mr. Silye: Mr. Speaker, which motion are we voting on?

The Acting Speaker (Mr. Kilger): We are now dealing with group four, Motion No. 22.

Mr. Silye: Reform Party members vote no, except for those members who wish to vote otherwise.

Mr. Taylor: Mr. Speaker, New Democrats vote yea on this motion.

[*Translation*]

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

(*Division No. 198*)

YEAS

Members

Althouse	Asselin
Axworthy (Saskatoon—Clark's Crossing)	Bellehumeur
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bouchard
Brien	Bélisle
Canuel	Caron
Crête	Daviault
Debien	de Savoye
Dubé	Duceppe
Dumas	Fillion
Gagnon (Québec)	Gauthier (Roberval)
Godin	Guay
Guimond	Jacob
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Leroux (Shefford)	Loubier
Marchand	McLaughlin
Mercier	Ménard
Nunez	Paré
Picard (Drummond)	Plamondon
Pomerleau	Robinson
Rocheleau	Sauvageau
St–Laurent	Taylor
Tremblay (Rimouski—Témiscouata)	Venne—52

NAYS

Members

Abbott	Allmand
Anawak	Anderson
Arseneault	Assad
Assadourian	Augustine
Axworthy (Winnipeg South Centre)	Baker
Bakopanos	Barnes
Beaumier	Bellemare
Benoit	Bethel
Bevilacqua	Blondin–Andrew
Bodnar	Boudria
Breitkreuz (Yorkton—Melville)	Brown (Calgary Southeast)
Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Bélanger	Calder
Campbell	Cannis
Catterall	Chamberlain
Chan	Clancy
Cohen	Collenette
Collins	Comuzzi
Copps	Cowling
Crawford	Culbert
Cummins	DeVillers
Dhaliwal	Discepola
Dromisky	Duhamel
Duncan	Dupuy
Easter	Eggleton
English	Epp
Finlay	Flis
Fontana	Forseth
Frazer	Gagliano
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gerrard
Godfrey	Goodale
Gouk	Graham
Gray (Windsor West)	Grey (Beaver River)
Grubel	Guarnieri
Hanger	Hanrahan
Harb	Harper (Calgary West)

Harper (Simcoe Centre)	Hart
Harvard	Hayes
Hermanson	Hickey
Hill (Macleod)	Hill (Prince George—Peace River)
Hoeppner	Hopkins
Hubbard	Ianno
Irwin	Jackson
Jennings	Johnston
Jordan	Kerpan
Keyes	Kirkby
Knutson	Kraft Sloan
Lastewka	Lavigne (Verdun—Saint–Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Loney	MacDonald
MacLaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Manning
Marchi	Marleau
Martin (Esquimalt—Juan de Fuca)	Massé
McClelland (Edmonton Southwest)	McCormick
McGuire	McKinnon
McTeague	McWhinney
Mifflin	Milliken
Mills (Red Deer)	Minna
Mitchell	Morrison
Murray	Nault
Nunziata	O'Brien
O'Reilly	Ouellet
Paradis	Patry
Payne	Penson
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Pillitteri
Proud	Ramsay
Reed	Regan
Richardson	Rideout
Ringma	Ringuette–Maltais
Robichaud	Robillard
Rock	Rompkey
Schmidt	Scott (Fredericton—York—Sunbury)
Scott (Skeena)	Serré
Sheridan	Silye
Simmons	Skoke
Solberg	Speaker
Speller	St. Denis
Steckle	Stewart (Brant)
Stewart (Northumberland)	Strahl
Szabo	Telegdi
Terrana	Thalheimer
Thompson	Torsney
Ur	Valeri
Vanclief	Volpe
Wappel	Wells
Whelan	White (Fraser Valley West)
Williams	Wood
Young	Zed—186

PAIRED MEMBERS

Alcock	Bachand
Chrétien (Frontenac)	Dalphond–Guiral
Deshaies	Gaffney
Gallaway	Grose
Lefebvre	Leroux (Richmond—Wolfe)
McLellan (Edmonton Northwest)	Parrish

The Acting Speaker (Mr. Kilger): I declare Motion No. 22 lost.

[*English*]

The next question is on Motion No. 23.

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent to apply the vote taken on Bill C–69 in reverse to the motion now before the House.

If the House would also consider it, we could apply the same vote to Motions Nos. 25 and 28 at the same time. In other words, we would now be voting on Motions Nos. 23, 25 and 28 along with all the consequential amendments.

[*Translation*]

The Acting Speaker (Mr. Kilger): Does the chief whip for the Bloc Quebecois agree?

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Agreed.

[*Editor's Note: See list under Division No. 197.*]

The Acting Speaker (Mr. Kilger): I declare Motions Nos. 23, 25 and 28 negatived.

[*Translation*]

The next question is on Motion No. 30.

[*English*]

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent to apply the results of the vote on report stage Motion No. 3 to the motion now before the House.

[*Translation*]

The Acting Speaker (Mr. Kilger): Does the Chief Whip for the Bloc Quebecois agree?

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Mr. Speaker, would you clarify which motion we are voting on?

The Acting Speaker (Mr. Kilger): The motion we are dealing with is Motion No. 30.

Mr. Taylor: New Democrats would be voting no on this one, Mr. Speaker.

[*Translation*]

[Editor's Note: See list under Division No. 195.]

The Acting Speaker (Mr. Kilger): I declare Motion No. 30 carried.

(1825)

[*English*]

The next question is on Motion No. 31.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent to apply the results of the vote on Motion No. 1 to the motion now before the House.

[*Translation*]

The Acting Speaker (Mr. Kilger): Does the chief whip for the Bloc Quebecois agree?

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Agreed.

[*Editor's Note: See list under Division No. 193.*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 31 negatived.

Hon. John Manley (Minister of Industry, Lib.) moved that the bill, as amended, be concurred in and read the second time.

The Acting Speaker (Mr. Kilger): 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 yeas have it.

And more than five members having risen:

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

I believe you would find unanimous consent to apply the results of the vote on Bill C–69 to the motion now before the House.

[*Translation*]

The Acting Speaker (Mr. Kilger): Does the chief whip for the Bloc Quebecois agree?

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Agreed.

[*Editor's Note: See list under Division No. 192.*]

The Acting Speaker (Mr. Kilger): I declare the motion carried.

PRIVATE MEMBERS' BUSINESS

[*English*]

FINANCIAL ADMINISTRATION ACT

The House resumed from April 24 consideration of the motion that Bill C–263, an act to amend the Financial Administration Act and other acts in consequence thereof (exempted crown corporations), be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): The House will now proceed to the taking of the deferred division on the motion of Mr. Hart at second reading stage of Bill C–263, an act to amend the Financial Administration Act and other acts in consequence thereof (exempted crown corporations).

As is the practice, the division will be taken row by row, starting with the mover and then proceeding with those in favour of the motion sitting on the same side of the House as the mover. Then those in favour of the motion sitting on the other side of the House will be called. Those opposed to the motion will be called in the same order.

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

(*Division No. 199*)

YEAS

Members

Abbott	Asselin
Bellehumeur	Benoit
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bouchard
Breitkreuz (Yorkton—Melville)	Brien
Brown (Calgary Southeast)	Bélisle
Canuel	Caron
Crête	Cummins
Daviault	Debien
de Savoye	Dubé
Duceppe	Dumas
Duncan	Epp
Fillion	Forseth
Frazer	Gagnon (Québec)
Gauthier (Roberval)	Godin
Gouk	Grey (Beaver River)
Grubel	Guay
Guimond	Hanger
Hanrahan	Harper (Calgary West)
Harper (Simcoe Centre)	Hart
Hayes	Hermanson
Hill (Macleod)	Hill (Prince George—Peace River)

Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
Mercier
Morrison
Nunez
Penson
Plamondon
Ramsay
Rocheleau
Schmidt
Silye
Speaker
Strahl
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Loubier
Marchand
McClelland (Edmonton Southwest)
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Sauvageau
Scott (Skeena)
Solberg
St–Laurent
Thompson
Venne
Williams—88

NAYS

Members

Allmand
Anawak
Arseneault
Assadourian
Axworthy (Saskatoon—Clark's Crossing)
Baker
Barnes
Bellemare
Bevilacqua
Bodnar
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marleau
McCormick
McKinnon
McWhinney
Minna
Murray
Nunziata
O'Reilly
Paradis
Payne
Peters
Phinney
Pillitteri
Reed
Althouse
Anderson
Assad
Augustine
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Blondin–Andrew
Boudria
Brushett
Bélair
Calder
Cannis
Chan
Cohen
Collins
Copps
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Flis
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
MacLaren
Malhi
Marchi
Massé
McGuire
McTeague
Milliken
Mitchell
Nault
O'Brien
Ouellet
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Richardson
Ringuette–Maltais
Robillard
Rock
Scott (Fredericton—York—Sunbury)
Sheridan
Speller
Steckle
Stewart (Northumberland)
Taylor
Terrana
Torsney
Valeri
Volpe
Wells
Wood
Zed—143
Rideout
Robichaud
Robinson
Rompkey
Serré
Skoke
St. Denis
Stewart (Brant)
Szabo
Telegdi
Thalheimer
Ur
Vanclief
Wappel
Whelan
Young

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)
Bachand
Dalphond–Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare the motion lost.

It being 6.37 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

* * *

INTERPRETATION ACT

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP) moved that Bill C–254, an act to amend the Interpretation Act (convention on the rights of the child) be read the second time and referred to a committee.

He said: Mr. Speaker, it is my pleasure to bring forward this bill on behalf of all Canadian children. It amends the Interpretation Act to provide that every act of Parliament shall be construed and applied as not to abrogate, abridge or infringe any of the rights recognized in the convention on the rights of the child. It is as close as a private member's bill can come to introducing a children's bill of rights.

At the World Summit for Children, held at the United Nations in 1990, 71 world leaders, the largest gathering of world leaders ever, discussed actions that could better the lives of children throughout the world. As a result of that summit, the United Nations developed the convention on the rights of the child which Canada ratified on December 13, 1991.

I am proud to say that Canada took an active role in the summit and in helping to develop the convention which provides us with a set of standards that confirms the respect our society

gives its youngest and most vulnerable and recognizes that they need special safeguards and care.

(1840)

Responsibility for implementing the rights set out in the convention is shared by federal, provincial and territorial governments. International human rights conventions, even if ratified by Canada, do not automatically become part of domestic law. Canadian courts do, however, frequently refer to them in interpreting and applying domestic law and, in particular, in interpreting and applying the Canadian Charter of Rights and Freedoms.

This private member's bill, if passed, would require the Government of Canada to interpret all legislation in harmony with the UN declaration on the rights of the child, which, as I say, Canada was instrumental in engineering. Essentially Canada's laws will comply with the convention.

Canada must continue to be a leading force in protecting children's rights both at home and around the world. In order to do that we must ensure that our international commitments are treated seriously and that federal legislation complies with the convention that the government signed on behalf of all Canadians.

The world summit and the convention were both predicated on the notion that children should have first call on the nation's resources in both good times and bad. In other words, Canada and the other countries that signed the convention should put children first at all times.

A year before the summit, in November 1989, the House debated a motion in the following words:

> That this House express its concern for the more than one million Canadian children currently living in poverty and seek to achieve the goal of eliminating poverty among Canadian children by the year 2000.

The motion was unanimously passed by the members of the House of Commons.

At that time there were approximately 956,000 children under the age of 18 living in poverty. The subcommittee on poverty proceeded some time after that to address the problem, but did nothing very much to improve the situation of child poverty.

Looking at the shocking reality of what has happened since, the situation has worsened. Recently, Statistics Canada showed that in 1993 child poverty reached a 14–year high, despite the fact that the Canadian economy had made a modest recovery. In 1993 almost 1.5 million Canadian children, which is one in five, lived in some deprivation. Many of these children live not just in poverty, but are very poor. Clearly that is unacceptable. With only five years left until the year 2000 it is clear that the government must move quickly or the 1989 House of Commons resolution will be nothing more than empty words.

Last year I tried to move the same motion but was refused support from at least the Reform Party and possibly others. In other words, we have regressed in terms of our commitment to Canadian children since 1989.

The bill would go a long way to ensuring that the issue of child poverty and children's rights will be addressed. However, it will do more. It will ensure that the nation's children should always be put first, that they will be given the protection and assistance they need in order to grow to become happy, healthy and productive adults. It will enforce the concept that Canadian children be free from exploitation and abuse; that government action should be interpreted with regard to children in the best interests of the child; that children should have access to child care, health care and a standard of living that, at minimum, meets basic needs; and that disabled children should receive the same level of dignity and opportunity as other children.

If we are going to put words into action, if we are going to do anything other than spout empty words, it is vital that the commitments which Canada has made on behalf of its children to the world community are enforced by the government.

I would like to refer to some of the provisions and point out some of the problems that are faced in Canada with regard to the international commitment made when the UN convention was signed and when Canada committed itself to ensuring that children have the first call on resources.

A provision in article 6 says that Canada and other nations shall ensure, to the maximum extent possible, the survival and development of the child. Canada has 1.5 million children living in poverty. Clearly we are a long way from recognizing and enforcing the commitment which we made to our children and to the world economy. Article 17 of the convention talks about education, clearly a core element in the development of our children.

(1845)

In that article there is provision that Canada and other nations encourage the production and dissemination of children's books. After many attempts in the last Parliament to remove the GST from children's books, which the last government recognized as being detrimental to educational expectations, that GST still remains on books and this government has done nothing to reduce it. There are measures we can take there to ensure that the commitment we made with regard to education and the dissemination of education can be met.

In article 18, Canada and all other nations agreed to take all appropriate measures ''to ensure that children of working parents have the right to benefit from child care services and facilities for which they are able''. We have seen the reneging of commitments with regard to child care, commitments that were in the red book. Over the years we have seen a clear derogation

on the part of the Government of Canada to respond in a critical way for the protection and benefit of children as well of course for those parents who need to work in order to maintain their families. With regard to child care, the government clearly is also not responding to the spirit and words of the convention.

Canada also agreed to take all appropriate legislative, administrative, social and educational measures to protect children from all forms of physical and mental violence, injury or abuse, neglect or negligent treatment, maltreatment or exploitation, including sexual abuse. The cuts to social programs, which continue under this government in spite of the aggressive opposition to the same cuts when this government was in opposition, mean that we cannot effectively say that we are responding positively to this provision of the convention either. We are not taking all appropriate legislative, administrative, social, and educational measures to protect children in this way. Indeed, we are going backwards.

There are special provisions in article 23 to respond to the special needs of disabled children. In particular, it indicated that we commit ourselves to assistance that will be designed to ensure that the disabled child has effective access to and receive education, training, health care services, rehabilitation services, preparation for employment and recreation opportunities in a manner conducive to the child's achieving the fullest possible social integration and individual development, including his or her cultural and spiritual development.

We all know from our own experiences across this country that we are far from responding positively to the needs of disabled children.

In article 24 we have a commitment to recognize the right of the child to the enjoyment of the highest attainable standard of health and to facilities for the treatment of illness and rehabilitation of health. This government once again follows the Tories in cutting funding to health care, clearly making it more and more difficult for children to receive access to the highest attainable standard of health care, which this country committed itself to providing. Again, we are in breach of this convention.

In regard to the pursuit of health care facilities for children, we agreed to combat disease and malnutrition, including within the framework of primary health care. Clearly, with 1.5 million children we have not addressed the concerns of malnutrition. Indeed, as those numbers increase we make it clear that we are going backwards rather than forward.

With regard to social programs, Canada and the other countries recognized for every child the right to benefit from social security, including social insurance, and to take the necessary measures to achieve the full realization of this right. Once again, we have not responded to that obligation. We have been cutting social programs at the federal level, and many provinces have also cut their social programs, I might add, although not the provinces of Ontario, Saskatchewan, and British Columbia, which are NDP provinces.

With regard to article 27, we agreed to recognize the right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral, and social development. Again, the fact that we have 1.5 million children living in poverty makes it clear that we have done nothing to deal with this question in the last budget. Again we saw the government renege on its commitment dealing with child poverty.

In article 28 we see a commitment on the part of Canada to recognize the right of a child's education and in particular to make higher education accessible to all on the basis of capacity by every appropriate means. We again see cuts to post–secondary education funding in this budget of 10 per cent, the 10 per cent reduction on the health and social transfer. Again, how can we possibly be said to be responding to these international commitments when we make these cuts? Not only are we not responding to these commitments that we made, but of course we are undermining our ability to be competitive in the world economy in the future.

(1850)

We also have agreed to take measures to encourage regular attendance in school and the reduction of drop–out rates. There is much we need to do in order to address this particular problem. Again, we need a concerted full effort to address our drop–out problem.

We have a commitment in article 23 to recognize the right of the child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education or to be harmful to the child's health or physical, mental, spiritual, moral or social development. We have yet to take effective measures to bar the importation of products made by child labour in countries where that child labour is also illegal. I only need to point out the issue of carpets to know that we have not done all we could do in that regard.

We also have committed ourselves under article 34 to undertake to protect the child from exploitive use in prostitution and other unlawful sexual practices. Anyone who spends any time in any of our inner cities will know that there are many children who are participating in the sex trade, again flowing from poverty, flowing from a loss of hope, things this government and this country should be able to do something about.

There are provisions dealing with some changes this House made, against the wishes of the New Democratic Party, with regard to the Young Offenders Act. Canada made commitments with regard to young offenders in the convention. Among other things, we committed ourselves to making imprisonment of a child a matter of last resort and for the shortest appropriate period of time. In flagrant disregard for that commitment, this

House not very long ago increased sentences for young offenders.

Last, Canada recognized under article 40 the right of every child alleged as, accused of, or recognized as having infringed the criminal law to be treated in a manner consistent with the promotion of the child's sense of dignity and worth, which reinforces the child's respect for the human rights and fundamental freedoms of others and which takes into account the child's age and the desirability of promoting the child's integration and the child's assuming a constructive role in society.

Again, the changes this Parliament made, contrary to the wishes of the New Democratic Party and all those experts on children, flies in the face of this commitment too.

In closing, I would like to say that what is being asked for here in this bill and what I am asking on behalf of all Canadian children is that this House recognize the commitments Canada made on behalf of all Canadians among its international peers to commit resources to children, to put children at the first call of Canada's resources, and to respond to the specific provisions contained in the convention.

Canada has a long way to go. Indeed, I think we have gone in the opposite direction. It would be important if we made a change in direction, if we put children first and if we kept our word to the international community on behalf of our children.

Mr. Speaker, while this bill was not granted votable status in the committee, I wonder if I might ask for unanimous consent for it to be votable, in which case it could then be votable at some later stage.

The Acting Speaker (Mr. Kilger): The House has heard the terms of the motion of the hon. member for Saskatoon—Clark's Crossing. Is there unanimous consent to make his motion votable?

Some hon. members: Agreed.

Some hon. members: No.

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I would like to take this opportunity to consider Bill C–254, which the member for Saskatoon—Clark's Crossing has introduced.

Bill C–254 proposes to amend the Interpretation Act to provide that every act of Parliament shall be construed and applied so as not to abrogate, abridge, or infringe any rights recognized in the convention on the rights of the child.

(1855)

Bill C–254 also deems the reservations and statement of understanding Canada entered upon ratification not to be part of the convention.

Before commenting on Bill C–254, I will briefly examine the process that led to Canada's ratification of the convention.

Members are no doubt aware that Canada played an active role in the world summit for children held in September 1990. At that time world leaders spoke of the need for action to better the lives of the world's children. Canada's efforts at the world summit and its involvement in drafting the convention on the rights of the child served as a catalyst for increased federal efforts on behalf of children in Canada. These efforts, which included such initiatives as the action plan for Canada, entitled ''Brighter Futures'', began with the ratification of the convention on the rights of the child on December 13, 1991.

Canada's ratification of the convention on the rights of the child followed extensive consultations with the provinces and territories under the auspices of the continuing committee of federal, provincial, and territorial human rights officials. Since 1975 the continuing committee of officials on human rights examines questions concerning domestic implementation whenever Canada contemplates ratifying or acceding to another international human rights instrument. Consultations with national aboriginal representatives and organizations formed another important element of the consultations prior to ratifying the convention on the rights of the child.

These federal, provincial, and territorial consultations are held because while the federal government has the power to sign, ratify, or accede to international instruments, many human rights matters fall within spheres of provincial jurisdiction under the Constitution Act of 1867.

In Canada, international human rights conventions that Canada has ratified do not automatically become part of the domestic law so as to enable individuals to go to court when they are breached. Rather, each level of government is responsible for implementing in legislation or in practice those human rights obligations that arise within the constitutional powers it possesses. For this reason, Canada seeks provincial and territorial support before ratifying international human rights instruments.

Toward this end, legislation was reviewed at the federal level for consistency with the convention on the rights of the child. In particular, federal officials considered whether changes in legislation were required or whether Canada should consider entering a specific reservation or statement upon the standing to the convention. With respect to the latter, the law of treaties provides that in making a reservation a state or a nation indicates

that it is not bound by an obligation of the convention. In a statement of understanding the state explains how it interprets a particular convention obligation where the nature of the obligation is unclear.

Following the federal review of legislation and a similar review at the provincial and territorial level, Canada decided to enter two reservations and one statement of understanding to the convention on the rights of the child. I will speak to those two.

Canada entered a reservation to article 37(c) to ensure that in determining the custodial arrangements for a young offender, the well–being of other young offenders and the safety of the public may be taken into account.

Canada entered a reservation to article 21 and a statement of understanding to article 30 following consultations with national aboriginal organizations. Canada entered a reservation to article 21 to preserve customary forms of care among aboriginal peoples in Canada. By its statement of understanding to article 30, Canada seeks to ensure that in implementing the convention in relation to aboriginal children the child's right to enjoy his or her own culture, to profess and practise his or her own religion, or to use his or her own language are considered.

(1900)

The Government of Canada takes seriously its obligation to implement the obligations of the convention on the rights of the child in Canada.

However, implementing these obligations without reference to the reservations and statement of understanding which Canada entered to the convention, as section 39.1(4) of Bill C–254 contemplates, would not reflect the manner in which Canada determines the custodial arrangements of young offenders and the concerns of aboriginal peoples of Canada. In this way Bill C–254 does not reflect the result of extensive consultations with provincial and territorial governments and with national aboriginal organizations. Therefore, I cannot support Bill C–254.

Bill C–254 also proposes to change fundamentally the relationship between domestic and international law in Canada. As I mentioned earlier, international human rights conventions that Canada has ratified do not automatically become part of domestic law so as to enable individuals to go to court when they are breached.

Bill C–254 would fundamentally change the existing relationship between domestic and international law for matters within federal jurisdiction. Bill C–254 would fundamentally change the precedent setting. To go along with Bill C–254 would set some important precedents.

In essence we would elevate some of Canada's obligations under the convention on the rights of the child, namely those obligations within federal jurisdictions, and make these directly enforceable before Canadian courts while other convention obligations, those within provincial jurisdictions as well as human rights obligations in other international human rights instruments, would not be so enforceable.

Not only would we be creating distinctions between different international human rights obligations but we would be fundamentally changing how international law is applied in our domestic legal system.

My difficulties with Bill C–254 do not, however, diminish the Government of Canada's support for implementing the convention in Canada. The Government of Canada in its first report to the UN on the convention on the rights of the child considers not only how Canada has implemented the convention to date but also discusses factors and difficulties we have encountered and sets out some goals for Canada in the future. The United Nations committee on the rights of the child will continue to supervise our government's performance, in particular our progress in meeting these goals.

Therefore, it is important the government respect its obligations under the convention when creating legislation or policies which may affect the rights of the child. For this reason the Department of Justice takes the convention obligations into account when providing legal advice. Parliamentarians should similarly take the convention into account when enacting legislation.

As well, Canadian courts have a role to play. Generally the courts presume legislation will be interpreted in a manner consistent with Canada's international obligations, including the convention on the rights of the child. Courts take international human rights instruments into consideration when they interpret the guarantees in the Canadian Charter of Rights and Freedoms.

Finally, courts may turn to international human rights instruments like the convention on the rights of the child when interpreting legal concepts relating to children.

The speaker who proposes this motion had very good intentions. I cannot but agree with some of his expressions. Justice L'Hureaux–Dubé in the 1993 Supreme Court case Young v. Young addressed those questions of access and custody. The need to affirm the best interests of the child is a primary consideration in all actions concerning children, including legal proceedings.

In Justice L'Hureaux–Dubé's view, this reference to international law assisted in demonstrating the best interests of the child test is of enduring value in Canada. The court plays a very important part in ensuring Canada's international human rights obligations are respected.

(1905)

As parliamentarians we have a similar responsibility; however, Bill C–254 is not the means by which this responsibility should be undertaken. Bill C–254 seeks to directly implement some convention obligations into domestic law but not others. Bill C–254 rejects the results of extensive consultations which

have been held with provincial and territorial governments and aboriginal organizations.

In government, in Parliament and in our courts Canadians must be vigilant and ensure the values and guarantees in the convention on the rights of the child are respected. The Government of Canada takes seriously its responsibilities to better the lives of Canadian children. Toward this end we will continue our efforts to meet the goals set out for us in Canada's first report on the convention on the rights of the child. In this way I hope to make the convention on the rights of the child a living, breathing document in Canada.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, Bill C–254 deals with children's rights. I am glad to participate in this debate as the official opposition's critic for training and young people's issues to support the good intentions the hon. member for Saskatoon—Clark's Crossing expressed regarding children's rights in his private member's bill. I find it a little sad that there will only be a debate, and no vote, on his bill.

With issues such as sexual exploitation, child labour, health and education, social assistance, special care for handicapped children and especially when we consider that the bill is based on a convention signed by Canada and on a declaration of rights adopted by the General Assembly of the United Nations, it is a little surprising to see that the Liberal government, represented by its parliamentary secretary, has reservations about a bill of this kind. After all, it deals with rights which are, all told, quite basic.

The official opposition does have reservations, however, about certain rights falling under provincial jurisdiction. Take education and health, for example, over which the provinces have exclusive power, as you know. This does not stop us, of course, from agreeing in principle with the provisions of the bill, since the Bloc Quebecois is clearly very much in favour of giving children the best education and health care possible.

It is all well and good to wish to implement the principles of a bill based on a declaration of rights passed by the General Assembly of the United Nations on November 20, 1959, as I said earlier. All well and good, but how does one go about really implementing such a measure?

I will now quote what the current Minister of Human Resources Development said on November 24, 1989, when he was an opposition member, regarding a private member's bill which also dealt with children's rights.

The Minister of Human Resources Development, the hon. member for Winnipeg, said the following: ''I ask members to shed the speeches prepared by their departments. Open your eyes and your hearts a little, start looking at the reality of what is going on, and begin to talk about what is the real vocabulary in this country. A day does not go by in this House of Commons that we do not hear ministers or members of the Conservative regime talk about the deficit. That has become the icon of our times: the deficit. I never hear the Minister of Finance talk about the real deficit in this country—'' and at the time, he said the real deficit was ''—those one million kids in poverty''. He went on to say: ''That is where we should invest. That is where the real tragedy lies. Ten years from now, these children should be our teachers, business people, politicians and journalists. They will never get there because they will never be able to get started. When one million children live in poverty, that is a considerable loss. That is the big deficit we have to deal with. But nothing is being done to solve this serious problem''. This was in 1989.

(1910)

But what about children today, in 1995? How are they doing? I would like to quote the figures in the latest report from the National Council of Welfare for 1993, in Canada. What does it say? It says that in Canada 1,415,000 children live in poverty, which means that 20.8 per cent of Canadian children are living below the poverty line. There were one million in 1989, and now there are 1,415,000.

In Quebec, 348,000 children live below the poverty line, which means 20.9 per cent or slightly more than the national average. So the situation is getting worse instead of better. If we take the figures for 1981, we see that, since that time, the number of poor children has doubled. In 1981, Statistics Canada set this number at 700,000. This is incredible!

So if we have poor children in this country, it is because their parents are poor. There are no poor children without poor parents. So what has the Minister of Human Resources Development done since he was appointed a year and a half ago to remedy the situation, the same man who, in a speech in November 1989, condemned the Conservative government's failure to act in this respect? He said we should drop all our prepared speeches and start speaking from the heart and do something about the problem.

We saw the minister make cuts in unemployment insurance totalling $2.5 billion, so that the Minister of Finance could balance his latest budget, meaning that the budget would come in right on target. This was done by cutting unemployment insurance. Mr. Speaker, do you really think that by cutting unemployment insurance, by hitting the families of the unemployed, we have helped to reduce child poverty in Canada? Everyone knows the answer to that.

Was that the end of it? It was not just $2.5 billion. He also announced it would be $2.5 billion annually, in other words $7.5 billion over three years. That was just the first year. So what does the Minister of Finance have in store for this year?

Additional cuts which may get worse, starting with next year's budget. So we may be talking about a cut in social programs totalling $15 billion since the Liberal government came to power, in other words, the $7.5 billion that have already been announced and another $7.5 billion in the future.

Social programs include more than just unemployment insurance. There is also, of course, the federal contribution to welfare which may be as much as 50 per cent. Will cutting and freezing transfer payments to the provinces for social welfare financing help reduce child poverty in Canada?

(1915)

I think the answer is obviously no. There are other serious situations. In the end, however, many children are poor because of the increasing number of single parent families here. In Canada, 453,000 children live below the poverty line because their mother is the head of a single parent household. Ninety per cent of children living with single mothers are living below the poverty line.

Worse yet, increasing numbers of couples with children are finding themselves living off only one salary. For those earning only minimum wage, the breadwinner would have to work 73 hours a week just to stay above the poverty line. Does this situation indicate an improvement in the child poverty situation? No, Mr. Speaker.

Unfortunately, beyond the speeches and beyond the principles and good intentions of the hon. member presenting this motion, there is the matter of applicability and implementation and, in the end, of the government's political will to really work to reduce child poverty.

I would like to talk to you about a situation in Quebec. Particular efforts have been made in Quebec to protect young people. There are rehabilitation services. When I was a member of the committee on human resources development, I noted that, in many provinces, people asked us about services available in Quebec, which seemed to spark some jealousy in certain provinces. In a way, I say so much the better. True, Quebecers are very proud of their social programs in general.

Many people talk about the rights of children. Of course, I agree with them but I think that we should start right here in Canada and in our democratic societies to teach our children about their responsibilities with regard to the rights of others, particularly the people in their families, their communities and their schools, and their responsibilities to themselves. We should make every effort to ensure that our children can improve their knowledge while learning how to exercise their right to criticize, even at a young age, public policies in Canada and everywhere else.

[*English*]

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I rise today to speak in opposition to Bill C–254 as chair of the Reform Party's task force on the family. I am pleased to do so.

The purpose of the bill is to amend the Interpretation Act to provide that every act of Parliament shall be construed and applied as not to abrogate, abridge or infringe any of the rights recognized in the convention on the rights of the child.

I would like to devote the majority of my time in reviewing the significance of the convention on the rights of the child to Canada and its families.

In May 1990 the Mulroney government signed the convention that was ratified by the House of Commons in December 1991. It officially came into force in January 1992. The intent of the convention is to provide a set of standards that confirms the respect our society gives to its youngest and most vulnerable members.

The convention is nobly phrased and seems well intended in attempting to address the needs of children from all corners of the globe. But does it or is it even wise to attempt such a task? There are some very real inherent problems with the convention that I wish to address today. First, the convention creates a new international bureaucracy, the committee on the rights of the child.

(1920)

Under the convention each signatory state is required to submit reports to this committee through the UN Secretary–General every five years and it is: ''to provide that Canadians become better informed of the obligations undertaken by Canada, to apprise them of measures taken by the various levels of government and to enlist their support and co–operation in efforts being made to promote the rights of the child''.

The committee is made up of 10 experts elected for a four–year term from nationals of the signatory governments. It reviews the reports, makes suggestions and recommendations to the signatory governments and the Secretary–General as to what they think should be done. These reports and suggestions are passed through our internal guardian of family affairs—it has been known as the children's bureau—that then wields its interpretation on Canadian families.

The process of representation is at best flawed. Who represents Canada at international conferences? Or for that matter, how can we know whose agenda is being put forward? How do they know whether grassroots Canadians agree to the principles that they endorse? Who are the elite that interpret the ongoing directives that come back?

The record shows that Canada automatically signs many international conventions and treaties without really allowing for input or even the time to consider the long term implications

of the agreements. Then too, I would guess that our representatives are likely the very special interest groups or experts that determine our often flawed domestic policy direction.

Children in this country face numerous problems. We have heard a few from members already; abuse, poverty and others. The solutions implemented, let us face it, have been an abysmal failure. Now this UN convention seeks to expand those very same solutions on even a grander scale.

Presently a very real conflict is forming between international obligations and domestic policy as supported by Canadians. I would like to address this for a moment.

Section 43 of the Criminal Code provides legal protection for parents and teachers who use reasonable physical discipline of children. The current justice minister has stated that the government is reviewing this section of the Criminal Code ''to determine that it meets the international obligations to which we now subscribe''. He refers, as have other vocal groups, to Canada's obligation under article 19.1 of the UN convention of the rights of the child.

This is the agenda being pursued by the government, even though an overwhelming majority of Canadians support the use of reasonable physical force by parents in disciplining and correcting their children's behaviour. In March 1994, as reported in the *Toronto Star*, 70 per cent of those surveyed supported this view.

Canadian parents are being threatened by a movement to repeal section 43. For example, a triple amputee Calgary mother has recently been charged with assault for spanking her 11–year old daughter. Today an American visitor to our country is in court answering charges for disciplining his five–year old.

I support section 43 of the Criminal Code along with a majority of Canadians. I believe that parents and teachers should have legal protection to physically discipline children if they deem it necessary. A distinction has to be made between reasonable physical force in disciplining children and physical violence that constitutes abuse. In no way do I condone abuse against children. But if this section were to be repealed, parents and teachers would be powerless to impose authority by way of physical discipline on children even if circumstances warranted it.

The bill being debated today advocates that every act of Parliament be interpreted within the context of the UN convention on the rights of the child. As with section 43, my main concern is the impact that these externally imposed duties and responsibilities of a foreign UN convention would have on parental responsibilities now and in the future.

Article 3 of the convention would empower: ''public or private social welfare institutions, courts of law, administrative authorities or legislative bodies'' the responsibility to safeguard ''the best interest of the child''. No mention is made of parents or families safeguarding the best interests of the child. All of these bodies will be able to interfere in family matters, driving a deepening wedge between parents and children. In this way parental authority is undermined and usurped by government and bureaucrats. Excessive and unjustified government interference already is at the source of many problems and difficulties Canadian families face.

(1925)

Let me conclude with an anecdote. Last week I had the opportunity to meet with some of my constituents. They came from all walks of life and wanted me to hear them out and carry their concerns to Ottawa. One request relates to our discussion today.

Two parents came to meet me with four of their seven children. The oldest of the seven is nine. While they shared with me their concern about this very issue their four boys waited patiently at the next table. Those boys' politeness and good behaviour were a testimony to the millions of families that do know better than the government or any bureaucrat will ever know how best to care for the best interests of their children.

I believe the duties and responsibilities for the rearing and safeguarding of children rests within the family unit, specifically the parents, the mother and father and extended family members if that is the case. It not the responsibility of an international committee of experts to suggest or recommend what our governments, families and parents should be doing to assist or protect children. Parents can do that independently without the interference of an international organization or committee of experts.

Government authorities should only be recognized when there is absence or real abuse of that parental authority. When will the government recognize it is our families that should be at the heart of every public policy debate? The best interests of our children are met by those healthy families.

Governments must not replace families. Disaster is at the end of that path. Governments must strengthen families so that they can do what they do best: nurture future generations that will build a strong Canada.

[*Translation*]

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 96(1), since there are no more speakers and since the motion was not selected as a votable item, the time provided for the consideration of Private Members' Business has now expired and this item is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

THE ENVIRONMENT

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, on April 3, I rose in the Chamber to put a question to the government relating to Canada's participation at the Berlin meeting on climate change. It was the second time in a week that I had raised the issue, hoping the federal government would announce a real action plan aimed at establishing and stabilizing our levels of greenhouse gases. I was not to be satisfied.

The Berlin talks were the result of the June 1992 meeting of 106 of the world's nations held in Rio de Janeiro. At that meeting Canada made commitments which sadly we have not kept.

At the time of my last intervention in the House of Commons I reminded members that when we look at what has happened since the Rio meeting we do not have to look too far to see that nearly nine billion more tonnes of carbon have accumulated in the atmosphere and the evidence of climate change is mounting.

In response to the crisis the Minister of the Environment even went so far as to say that if Canada and the other nations emitting greenhouse gases do not do something about this, climate change and global warming will create a situation in which floods will occur off the east coast of Canada and the tiny and beautiful province of Prince Edward Island will be all but submerged.

It is hard for me to imagine that the Minister of the Environment knows about the possibility of this catastrophic event occurring but is not prepared to take immediate and dramatic actions to combat it.

In Berlin the Minister of the Environment pushed the plan for trading technology between industrialized and developing countries, but she put forward few details on measures to reduce greenhouse gases. She was criticized and continues to be criticized because this is not an action plan at all. The minister is said to have blocked progress on an agreement that would contain specific goals and deadlines for further reductions. The minister seems to have loss sight of the fact that Canada is committed to cutting carbon dioxide emissions to 1990 levels by the year 2000.

It appears Canada will likely be up by 13 per cent above 1990 levels by the year 2000. As a result there is no question a real action plan which contains timetables and targets is an absolute necessity if this critical world problem is ever to be properly addressed.

For all intents and purposes the United Nations climate change conference wrapped up by accomplishing very little. Despite the urgent need for world action and despite the opportunity that Canada had to play a leadership role, the problem remains. More talks are needed to reach agreements for specific reductions.

The minister has put on a brave face, claiming the agreement to set new objectives by 1997 is a step forward—to quote her properly, a big win for everybody. Surely she cannot really believe this, especially if she wants to avoid moving the entire population of the province of Prince Edward Island.

When I read the news reports of the Berlin conference I cannot help but see the April 8 editorial that appeared in the Vancouver *Sun* which called the conference's conclusion a national humiliation. The Sierra Club indicated the results of the conference showed from Canada a shocking abdication of leadership.

Canada did, however, show leadership recently in the turbot war. Canada was prepared to take drastic action in the name of conservation of the fish stock off the continental shelf. Where is this same leadership in the name of conservation of the earth itself?

At the time of my question in early April there was media speculation that the federal government had lost its interest in the environment and had cut back federal spending in this regard to the point at which Environment Canada was no longer effective. This week we discovered that the much touted green plan was among those cuts and no longer exists.

In this regard, when will the Minister of the Environment and the federal government take up the political will necessary to strengthen the federal role on domestic environmental issues so that we will once again have true and meaningful credibility at the international level?

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I am pleased to respond to the member for the Battlefords—Meadow Lake and give the perspective of the Minister of the Environment. I want to assure the member the accomplishments of the Government of Canada at the recent climate change negotiations in Berlin are proof that Canada has an essential role to play in finding solid solutions to environmental challenges both at home and on the international scene.

The government and the environment have come out of that conference a clear winner in what is considered a significant step forward. Countries agreed in Berlin that current commitments contained in the framework convention on climate change are inadequate.

All developed countries that signed the convention will be required to begin negotiations on the protocol concerning future commitments. Countries will be required to report on the emission reduction policy and measures as well as set quantified limitations and reduction objectives.

Also, countries have agreed on a pilot phase for projects which can be undertaken jointly between developed and developing countries. This concept, known as joint implementation, is an important opportunity for Canadian business. We now have the green light to pursue commercial emission reduction projects in other countries. This is good for global climate change objectives and good for business here at home.

Canada's national action program on climate change tabled in Berlin sets out strategic directions which Canada will follow to meet our own commitment to stabilize greenhouse gas emissions at 1990 levels by the year 2000.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, a motion to adjourn the House is now deemed to have been adopted.

Accordingly, the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.34 p.m.)

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