



House of Commons Debates

VOLUME 133

NUMBER 190

1st SESSION

35th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Friday, April 28, 1995

Speaker: The Honourable Gilbert Parent

HOUSE OF COMMONS

Friday, April 28, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

LOBBYISTS REGISTRATION ACT

Hon. John Manley (Minister of Industry, Lib.) moved that Bill C-43, an act to amend the Lobbyists Registration Act and to make related amendments to other acts, be read the third time and passed.

He said: Mr. Speaker, I am happy to speak today at the third reading stage of Bill C-43, an act to amend the Lobbyists Registration Act. As the House knows, the government made this bill an important part of its broader strategy aimed at restoring confidence in its integrity.

Bill C-43 was one of the measures proposed by the Prime Minister last June so we could keep our red book promises. Hon. members will remember that, on the very day this bill was read the first time, the Prime Minister announced in the House the appointment of the first ethics counsellor in Canada, whose mandate is to administer a revised, more comprehensive conflict of interest code.

The Prime Minister also announced that he wanted someone he could consult on conflicts of interest and ethics. The ethics counsellor deals with ethics issues within the government. Bill C-43 proposes that the ethics counsellor be entrusted with more responsibilities. He would be responsible, among other things, for developing a lobbyists' code of conduct and would be given considerable powers to investigate alleged breaches. In other words, this code would provide for outside supervision of lobbyists' activities.

As the Prime Minister stated, by combining these functions, the ethics counsellor would be better able to monitor the

situation, because he would have real powers allowing him to conduct in-depth investigations.

[*English*]

Another measure introduced last June dealt with federal contracting policy. This was modified to prohibit the use of contingency fees for lobbying on all government contracts, grants and contributions.

The Prime Minister told the House that a code of conduct for members of Parliament and senators would be created. It is the intention of the government to soon strike a special joint committee to begin this important work. As recently indicated by the House leader, a motion to establish a special joint committee will be presented within the next several days.

These steps are in keeping with the promises the Liberal Party made to Canadians in the general election of 1993. We told Canadians that we would restore trust and confidence in the decision making process. What is more, we promised in the red book that a Liberal government would give members of Parliament a greater role in drafting legislation through House of Commons committees.

That is why I am doubly proud of the legislation before us today. It represents a fulfilment of our promise to Canadians not only with respect to the content of the bill but also to the process by which these amendments to the Lobbyists Registration Act were brought about. I would particularly like to congratulate the hon. member for Fundy—Royal for the leadership he demonstrated as chairman of the industry subcommittee that dealt with the bill.

The bill before us provides Canada with the most far reaching lobbyist registration laws in the world. For example, the U.S. federal law on lobbying disclosure dates from 1946 and covers only senators and members of the House of Representatives. Congress unsuccessfully attempted last year to bring the legislation up to date, to include the executive branch and congressional staff.

(1010)

No legislative provisions for lobbying disclosure exist in the U.K. or in the European Parliament. There is only a listing of association representatives who lobby the German government.

Government Orders

The legislation was referred to the subcommittee before second reading, before the House voted to approve the bill in principle. Therefore, the hon. member for Fundy—Royal and his colleagues had a very real say in amending the bill. They enjoyed a flexibility that I believe will become a hallmark of many committees studying legislation in the years to come.

[*Translation*]

All in all, committee members made 13 improvements. I want to congratulate them on the great precedent they created by working under the new system. Their work has resulted in a much better bill and a committee report which is a first, just like the parliamentary process it stemmed from.

This report describes the process that led to the amendments being made. It also contains minority reports stating dissenting opinions on certain issues.

[*English*]

I am very pleased to announce that under Standing Order 109 of the House of Commons, the government will be tabling today its comprehensive response to the committee's report "Rebuilding Trust". The government was pleased to be able to accept all of the amendments proposed by the committee as well as its recommendations. I would like to take this opportunity to congratulate the committee and its members on the excellent work they have done.

The committee made important improvements to all parts of the bill: the disclosure requirements, the lobbyists code of conduct, the ethics counsellor's reports, the registration system and enforcement. Let me provide the House with a few examples from each category.

[*Translation*]

With respect to the first broad area, namely information to be disclosed in returns, the committee considered thoroughly and at length the issue of grassroots lobbying campaigns, where a large number of members of the public may be persuaded to send letters or make telephone calls.

Such campaigns are sometimes organized by lobbyists. Under Bill C-43 as amended, lobbyists will be required to indicate if they used or expect to use grassroots communication in an attempt to influence the government.

[*English*]

As I mentioned a few moments ago, under changes made to federal procurement rules last spring, lobbyists are not permitted to charge contingency fees when lobbying for federal government contracts, grants and contributions. Under Bill C-43 amendments, consultant lobbyists will have to indicate if they are paid on a contingency fee basis for all other types of lobbying. As well, any organization that lobbies the government will have to reveal the sources and amounts of funding from any government.

Two further amendments proposed by the Reform Party were made to the bill at report stage. The hon. member for Elk Island moved that government funding of clients of consultant lobbyists as well as corporations also be disclosed. I am personally very pleased to see these additional improvements to the bill.

The second broad area of amendments made by the committee involves the lobbyists' code of conduct. Bill C-43 mandates the ethics counsellor to develop a code for those who deal with the government. Under the amended bill, the code of conduct will be reviewed by a committee of the House before it becomes effective.

As well, it will now be mandatory for lobbyists to comply with the code. The ethics counsellor will be required, rather than just empowered, to investigate breaches of the code. He will act independently in deciding whether to investigate and his report will be tabled in Parliament.

(1015)

The ethics counsellor's reports are the third broad area where improvements have been made to the bill. In the report of an investigation into a breach of the code of conduct the ethics counsellor will have the power to disclose information on fees and disbursements associated with any lobbying activity, not just government contracts.

A further amendment requires that the ethics counsellor's report of an investigation include his findings, conclusions and reasons.

[*Translation*]

The ethics counsellor will submit to the House a separate annual report on his or her activities regarding lobbying.

[*English*]

I would like to take a moment to clear up what appears to be some confusion about the ethics counsellor's reports. The ethics counsellor must report on every investigation and must also make an annual report. These reports must be submitted to the registrar general. Then the registrar general must, and I quote from the bill, cause a copy to be laid before each House of Parliament on any of the first 15 sitting days after it is received. There is no discretion in the tabling of the report whatsoever. All of the ethics counsellor's reports will be submitted in their entirety to both Houses of Parliament and those concerning investigations must provide details on the findings, conclusions and reasons.

The fourth broad area involves improvements to the registration process. Bill C-43 recognizes the importance of maintaining an active exchange and dialogue between Canadians and their government. Formal government initiated consultations will be exempted from the activities triggering the need to register as a lobbyist. This exemption responds to many associations' concerns that if they had to register each time they were consulted by government they would spend all their time on paperwork. The committee was aware that the exemption should

Government Orders

not be so wide that it defeats the very purpose of the Lobbyists Registration Act.

I have heard some fairly ridiculous comments from the opposition on this point. What needs to be understood is that we need to strike the appropriate balance. The notion proposed by some members opposite that this meant a phone call returned by a public official was not lobbying is ridiculous and simply is not sustainable by the wording of the bill. The exemption applies to those consultations frequently initiated by government to ensure that in proceeding on legislation it has received the views of stakeholders from all parts of Canadian society, a practice which is not only normal but which should be welcomed by members of Parliament, opposition and government alike.

Its report says the registrar should issue an interpretation bulletin to precisely define these circumstances. As well, the registrar will have the authority to issue interpretation bulletins to clear up any other questions as they arise. Therefore the more extreme examples proposed by the opposition, which might lead to the act not being applied as it was intended, can be taken care of through the simple administrative exercise of issuing interpretation bulletins to cover the cases in point.

The 30-day updating requirement has been changed to six-month filings for associations. This will reduce the paperwork for these organizations, given their lobbying goals do not change much over the course of a year. Furthermore, electronic filing will be available and will improve the efficiency of the registration process both for lobbyists and the registrar.

Finally, changes have been made to improve the enforcement of the act. The registrar will have the authority to conduct random checks of the information in the registry, and the limitation of proceedings under the act has been extended from six months to two years.

[*Translation*]

I am sure that all the hon. members will agree with the Prime Minister and myself that we need to restore public confidence in our institution.

This confidence is essential, if we want our efforts to redirect and redesign the role of government to be successful.

(1020)

[*English*]

In all of these matters what I think Canadians and parliamentarians need to preoccupy themselves with is the existence of due process and rule of law.

If we are truly concerned about the maintenance of respect for our institutions, parliamentary, judicial or otherwise, what we

need to ensure is that the processes pursued respecting them are at once transparent and subject to due process.

It is the easiest thing in the world to stand in the House of Commons, protected against the laws of defamation, and impugn the integrity of other individuals, whether members of Parliament, public officials or otherwise. It is impossible to ever remove the doubt that aspersions cast impose on the integrity of an individual.

I say to members opposite that when they tread on the grounds of issues of ethics they look to the questions of process, to the rule of law, because anyone of us at any time may stand accused wrongly. To stand in the House, as we have seen members do in the last few days, and make accusations without foundation, without fact, based on innuendo and circumstance, is to at once impugn the integrity of the people involved as well as to impugn the integrity of these institutions.

Process, rule of law, these are the things that have made this country one in which we are all pleased to live, safe from abuse. This is a case surely we ought to be able to debate. I refer directly here to the issue of satellite broadcasting and the DTH panel report. We surely ought to be able to debate in the House the substance of an issue.

Over the last few days I have seen members opposite try to make this into a case of ethics. Why? For nothing but sheer political expediency without a single fact, without a single issue being raised of any substance whatsoever; shameless casting of aspersions. That is the old politics and that is the way it is has been practised in the House by the Reform Party and the Bloc Quebecois in the last few days.

I want to refer exactly to this case. It is a demonstration of why process is so important. In the case of DTH satellite broadcasting the government was put in the position that many interested parties were looking for a review of an exemption order issued by the CRTC on August 30 of last year.

Let it be understood the initiation of the review of the policy was a response to clearly articulated interests quite outside those of parties that may or may not benefit. It was made clear to the government by many parties, and events since then have borne that out, that the effect of the August 30 order was the creation of an effective monopoly in this service in Canada.

What was the government to do about that? Within days we announced the policy was subject to review. The order was issued August 30. By September 12 that had been made clear publicly. Major policy is made by government. That is the reason people elect governments, to make policy decisions. It is the responsibility of government to make policy decisions. We would have abrogated our responsibility if we had refused to act, so we did act.

Government Orders

(1025)

We established a transparent process. We chose three former deputy ministers, non-partisan appointments but truly people whose opinions we would respect; whose capabilities, honesty and integrity had never been questioned. However, members in the House were free to stand and impugn the integrity of persons who were providing a service to the government and to the people of Canada. Without fact and without any information they could stand up and say these people, because they were named to the panel, there is something wrong with them. That should not happen in a democratic society. If it can happen to those three individuals it can happen to me, to you, Mr. Speaker, and to members opposite without facts.

They made a report and nobody on the opposite side of the House has yet offered me a single substantive criticism of the recommendations made. On the contrary, ACTRA, the Canadian conference of the arts, the Canadian Consumers' Association, the *Globe and Mail*, the *Ottawa Citizen*, the *Toronto Star* have all said to adopt the recommendations of the report.

Mr. Epp: How does C-43 fix this?

Mr. Manley: The hon. member for Elk Island cannot wait for his chance so he is talking away over there. I am trying to answer his questions.

We put this direction on the table in the House of Commons on Wednesday. It launches a process. Throughout this every step of the way we have followed the principles of transparency and legislated authority. The authority to issue a direction is clearly established in the Broadcasting Act. It has a process attached to it. That is the rule of law. It is open and transparent.

I invite members opposite to criticize the content of the direction and the expert panel report. Instead, repeatedly they choose to cast aspersions and raise innuendo about integrity.

This bill is about ethics, lobbyists and transparency. It creates principles by which government can function in a real world. I do not understand the notion that governments should exclude all outside influences.

Some of the proposals put before us both in committee and in the House would have the effect of ensuring that no official or minister would ever talk to anyone outside government. It would create a freeze in the kind of dialogue and openness that ought to exist in a free and democratic society.

The bill is about creating the appropriate balance. If we start from the presumption, as I believe some members opposite have done, that all officials, all elected representatives and all ministers are likely to be dishonest then the bill will surely prove inadequate. The government does not start with that assumption.

The government starts with the assumption that virtually all public officials are honest and motivated to do the things in the best interest of the country.

One of the things Canadians sometimes fail to appreciate enough is that many businesses that speak to me about their efforts to trade around the world tell me that throughout the world countries like Canada which have a political and bureaucratic system almost entirely free of corruption are very rare. This is something we have for which we should be eminently grateful. The purpose of this bill is to try to ensure that at the same time as preserving and protecting the fundamental honesty of our government system, we are also recognizing the fact that government needs to be open in a democratic society. People need to be able to consult and to contact their government.

(1030)

It also operates on the assumption that all lobbying is therefore not bad, that lobbyists are not evil people. Some members opposite think that word just by its very nature has a negative connotation. In listening to some of the debate, I think in some cases they would like to eliminate lobbyists. That is fine and dandy for the large corporations, because they can always find other ways to get their messages across. But for the small firm, say in Saskatoon, that cannot have ready access to government in Ottawa or wherever, it is sometimes necessary to get professional advice and assistance. It is a useful function. As I said, often governments need to consult.

Having an open system requires achieving the right balance. This bill is about balance. It is about achieving the proper equilibrium. If we do not want any lobbyists at all, I am quite prepared to admit that the bill does not go far enough, because it does not outlaw lobbying. But it is intended to ensure that the activities of lobbyists are sufficiently transparent to assure the integrity of our system and yet do not impose upon officials or bureaucrats obligations that are so onerous that they would rather not talk to anybody in the outside world, but just stay in their glass towers here in the city of Ottawa.

Striking a balance is open to debate. Have we erred too far one way or the other? That is a point of legitimate debate. But to suggest at the extreme that we need a process that shuts the system down I think is wrong. I believe we have struck the appropriate balance in this bill.

I think that also pertains to the issues of integrity and honesty. The system must speak for itself. We ought to be trying for transparency and then when issues of integrity or ethics are raised we will have the facts to deal with that.

I implore members of the House of Commons to remember always that today's accuser may tomorrow stand accused. To make accusation without fact, on the basis of circumstance or innuendo, and thereby impugn a person's reputation—which in the final analysis is all that any of us have that is worth

Government Orders

preserving, our reputations—is something members of the House should be reluctant to do.

[*Translation*]

I am convinced that members from all parties represented in this House will welcome the legislation before us, which is about to be read the third time.

Bill C-43 is the result of the work of previous committees and the testimony of all the stakeholders. Bill C-43 will improve government transparency.

[*English*]

It will significantly strengthen the powers of the ethics counsellor. But perhaps most important, we have given the elected representatives of Canadians more say in creating the laws that will restore the people's trust and confidence in government.

I hope all members will join me in voting in favour of Bill C-43.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, when the government announced its intention to amend the Lobbyists Registration Act, we thought that it was sincere. We thought that those who, for almost ten years, took the Conservatives to task about their integrity, their way of doing things and their decision-making processes, would table a bill that would shed some light on what goes on behind the scene in this Parliament.

(1035)

Yet, on June 16, 1994, when Bill C-43, an Act to amend the Lobbyists Registration Act and to make related amendments to other Acts, was tabled, we were forced to change our thinking. The Liberal government, that is those same Liberal members who, in opposition, denounced the cosy deals being hatched in the inner circles of the Conservative regime, now seemed prepared to condone such practices by tabling legislation which contains nothing but good intentions.

We figure that, once the Liberals gained access to the pork barrel, they forgot what they were saying during their days in opposition. This bill has neither teeth nor substance; it is exactly the opposite of what we expected. The credibility of our democratic institutions is currently being questioned by the public. Never, in the short history of our democracy, have public officials been looked upon with such cynicism by voters. Everyone agrees that a climate of confidence must be restored between the governments and the public.

During the last federal election campaign, the Liberal Party of Canada pledged to reform our institutions and make their operations more transparent. In fact, the Liberals' red book,

which we hear so much about, contains the following on page 94: "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".

Unfortunately, once it took office, the Liberal Party considerably watered down its commitments. Such an about face makes the population wonder, and rightly so, how committed the Liberal government really is to bringing in legislation to control influence peddling. When we compare the campaign promises and how they translate into legislation, we can only conclude that the lobbyists undoubtedly determined the final version of Bill C-43 and the resulting reversal of the Liberals' position.

I believe that the first thing a government has to do to restore the integrity of our democratic institutions is to stop buying votes with empty promises. It must also make the administration of the state's affairs more transparent, above all so that we can clear up all grey areas and reassure the population that public policy decisions are made in the public interest and not in the interest of powerful lobbies.

Everybody recognizes the need to restore the public's confidence in our institutions. Unfortunately, after only 18 months in power, the Chrétien government's track record on transparency is dismal. For example, on September 26, 1994, the Canadian press reported that documents obtained under the Access to Information Act showed that, in the months preceding the introduction of Bill C-43, there was a marked increase in the number of meetings with lobbyists and that some of them had threatened to take the government to court if the new legislation forced them to disclose their political ties.

As has often been the case, the lack of transparency in the process kept the public in the dark regarding the scope and the nature of the lobbyists' workings on Bill C-43 until the news hit the press. The daily newspaper *La Presse* eloquently summed up the situation in its headline on the issue: "Ottawa's plans to shackle lobbies foiled". Bizarre situation—lobbyists influencing the very legislation that was supposed to reduce their influence. Given this situation, the need for transparency has never been greater.

One cannot treat the public like a doormat, Mr. Speaker. The public remembers quite clearly the promises made by the Liberals in the red book and elsewhere. Duff Conacher, co-ordinator of the organization *Démocratie en surveillance*, appeared before the committee to refresh the Liberals' memory regarding their statements on this issue. I know that the members opposite do not like being reminded of some of the things they have said, especially when they are being hypocritical on such an important issue, but I will nevertheless subject them to a quote from this person, who has studied the issue in depth and monitored the government. Mr. Conacher said: "We would like to remind you of those promises and the requirement. We hope you will not

Government Orders

only take the opportunity but also keep those promises and fulfil that requirement in your deliberations on Bill C-43.”

(1040)

There is also a legislative history to be acknowledged. The Cooper committee and the Holtmann committee have preceded you. Both proposed measures that go beyond the provisions in Bill C-43. And now the Liberals are going to brag that they went further than anyone else.

Nevertheless, Bill C-43 does make certain improvements to the system for providing a framework for lobbyists. Of course it was not that difficult to improve the present legislation, since it was so permissive, smart lobbyists could easily get around it.

Government members, however, will have to admit that the commitments of the red book have been vastly watered down and that Bill C-43, in its present form, will be unlikely to prevent such troubling events as those surrounding the privatization of Pearson airport or the “Dupuy affair”, both the first and the latest version. We will not be able to find out more with Bill C-43 than we can under the current legislation.

What is worse, Mitchell Sharp—Who is this guy? The senior advisor to the Prime Minister on ethical issues—admitted before the committee that, even if the statute arising from Bill C-43 had been in effect at the time of the negotiations for the privatization of Pearson airport’s terminals 1 and 2, the public would have learned nothing more.

So what use will Bill C-43 be? What use is the statute arising from this bill if we cannot even find out about the administrative irregularities and the scandals around all this? The government drafted Bill C-43 because of certain events, including the Pearson affair. It has drafted a bill that will not give us any additional information. What are they doing? Why do they bother?

What the public has a right to know, legislators and members of this House are unable to tell them because of the government’s attitude and the attitude of the Minister of Industry.

The public has the right to know, for instance, who influences the government, who in government is being influenced, why, and especially, for how much. The Liberals are denying the people’s, the taxpayers’ legitimate and democratic right to know.

The official opposition has been diligent. We were on the alert. The opposition was quick to condemn the Liberals’ lack of courage in their proposals for providing a framework for lobbyists’ activities and for ensuring the greatest possible openness in the administration of government affairs. I imagine the Liberals

are upset because we were on the alert and did our job as the official opposition.

To try and change the object of this bill, I personally proposed more than 24 amendments in committee, amendments that were motivated only by a concern for transparency. The Minister of Industry ordered his second string to defeat all the amendments moved by the official opposition. I use the term “second string” because the Liberals who were present on Tuesday, March 14 voted against my amendments without being able to explain why.

We reached the height of absurdity when these same Liberals were unable to explain their own cosmetic amendments. It was department officials who explained the Liberals’ amendments. Does that not take the cake. I used to know the House jester, I know the Prime Minister’s ministerial puppets, now today I get to meet some of the pawns of the Minister of Industry. Nothing in this situation enhances the role of the members of the government.

On Tuesday, April 25, the opposition, again at the report stage, presented over 30 reworded motions in amendment in an effort once again to improve the bill. We were trying once more to give the government the opportunity to amend the bill in order to achieve the objectives that had been set.

(1045)

All of the amendments were once again defeated by the Liberal government. We have presented over 60 amendments to this bill. They have all been rejected. Sixty amendments have been systematically rejected by the government. The Liberals have therefore said “no” 60 times to transparency. They have said “no” 60 times to government integrity. They have said “no” 60 times to shedding light on the activities of influence peddlers. I will let you draw your own conclusions.

The attitude of the government is incomprehensible, since the aim of the Bloc Quebecois’ amendments was, in the end, simply to enable the government to fulfill its own campaign commitments. The Prime Minister in fact reiterated them last June saying that Bill C-43 would give the federal administration unprecedented transparency. Unfortunately, I have to assume that we have had the wool pulled over our eyes. I am not alone in thinking this. Both the francophone and the anglophone press is making this point.

Gilles Lesage, editorial writer for *Le Devoir* made the following comment a few months ago. I will read it for you: “The Bloc Quebecois is right in believing that Mr. Manley’s bill is watering down hugely the commitments made by the Liberals in their famous red book. Now that they are in power, they must do everything possible to keep their promises. As the opposition is

Government Orders

pointing out, the lobbyists' activities must be better regulated to ensure greater transparency in government decision-making and to ensure that the more fortunate do not have undue access to decision-makers through the actions of the influence peddlers".

In his editorial, Mr. Lesage accurately identified the issue of the bill currently before us. From the time the bill was tabled to when it reached third reading, the government added nothing to give more teeth to the legislation this bill will become.

It simply fussed about, adding cosmetic amendments here and there throughout the bill, without substantially altering the bill in any way.

After it studied the bill, the Bloc Quebecois identified eight major flaws in it and proposed legislative solutions to them. As you know, the government often accuses the official opposition of criticizing without making any constructive suggestions. Yet, as I said earlier, we proposed 60 amendments aimed at improving this bill. These improvements had a very specific goal: to correct the eight flaws in this bill that we had identified very quickly.

I will start by listing these eight flaws, before outlining them in more detail later. The first, very important flaw concerns the ethics counsellor. The other flaws have to do with the types of lobbyists, the requirement to disclose contracts, lobbyists' fees, the contacting of ministers and senior officials, the lobbyists' political ties, coalitions, contingency fees, and tax deductions for lobbyists' fees.

This bill has no avoidance rule or code of conduct for public officials. Finally, this great code of ethics will be practically unenforceable, as I will explain in my last point.

There are eight major shortcomings in Bill C-43, either because it does not go far enough or because it does not even mention the problem.

I could go on for hours about this bill, mostly about the expectations and concerns of taxpayers, because I followed committee proceedings closely, because my mind was not made up before I heard the people's concerns, because my only goal was to answer the questions raised by English Canada and especially by the Quebec people, instead of trying to please the lucky few who can afford to send lobbyists to Parliament Hill by exempting them.

Within the time allocated to me, I will try to explain clearly each of the flaws I identified in this bill. As I said earlier, the first flaw concerns the ethics counsellor. Need I remind the House of the Minister of Canadian Heritage's troubling interference in CRTC business or the Ritter affair involving a senior official at the Department of Health who, while still on the department's payroll, was lobbying his coworkers, trying to sell them on the merits of bovine somatotropin?

(1050)

Also, when we look at Pearson International Airport, the helicopter acquisition contract, the Augusta affair as well as the recent damning positions taken by the Prime Minister and his cabinet ministers to benefit Power Corporation and, at the same time, the Prime Minister's own son-in-law, when we look at all that and at the government's attitude regarding the heritage minister's quiet trip to Los Angeles to visit Edgar Bronfman, owner of the Seagram Company, one can only wonder and be concerned.

Especially when the Prime Minister does not even consult his ethics counsellor or when he does but systematically refuses to tell us what advice he was given, when he will not tell the elected representatives sitting in this House what his ethics counsellor has recommended.

This deplorable window dressing clearly shows that the ethics counsellor is not independent enough to assume as crucial and fundamental a role as that of transparency watchdog in the federal administration. The Prime Minister probably just wanted to have an extra advisor on his staff. Smoke screens only hide the truth.

This appointment is therefore nothing but a sham to fool the public into believing that the government is actually doing something, taking concrete action to restore integrity in Canadian institutions. In actual fact, the counsellor conducts only secret investigations and accounts only to the Prime Minister. What does that give us, the elected representatives? And what does it give the people of Canada? Absolutely nothing.

So, we, in the Bloc Quebecois, believe that ethics, transparency and public confidence in democratic institutions and government management are not matters to be left in the hands of a political party, a government or a Prime Minister, but rather to be decided on by democratic institutions, the House of Commons and the elected representatives of the people.

In that regard, one of the government's star witnesses, Simon Reisman, the president of Ranger Oil Limited, supported the Bloc's views on the subject. Let me quote him because what he told the chair of the committee, who was a Liberal and had to submit a report to the minister, was extremely important. 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. 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".

Government Orders

And he added: "There is another reason I think he should be reporting to Parliament and should be subject to accountability to Parliament. Members of Parliament, who are elected under a democratic process, have the mandate to legislate and they have the right to review legislation. In our democratic society, they are in the best position to prevent any abuse of power. The ethics counsellor will undoubtedly be a very powerful official". That statement was made by a government star witness, who testified at the committee's request. Yet, nothing in Bill C-43 reflects the recommendations made by that witness.

Do you really think that the ethics counsellor, who will work for the government and look after its interests, will be very powerful? I do not think that this is what taxpayers were hoping for when they heard the Liberals' election promises. An ethics counsellor, sure, but one who has some investigative powers and who is not under the Prime Minister's thumb. This is what the public wanted. What we need is a totally independent ethics counsellor who is accountable to Parliament. This means that he can hold public inquiries and report on his work, on his findings and on the reasons supporting his conclusions to the House of Commons.

(1055)

I am also very concerned by the fact that Bill C-43 does not delegate any enforcement powers to the ethics counsellor. I fear that the counsellor will end up being like a traffic cop with no authority to give tickets. If you listen to the Liberals these days, you get the impression that they simply want to set up a system which will be administered behind closed doors, so that patronage can still go on without anyone really knowing what is happening. In my mind, that is what is going on right now. Is it not strange that the tabling of Bill C-43 would coincide with such a scandal?

A second flaw, equally significant, shows how the Liberals reversed their position on the tier system for lobbyists. In June 1993, after examining the Lobbyists Registration Act, a committee of the House of Commons recommended eliminating the distinction between first tier and second tier lobbyists. In fact, this was the first recommendation in the Holtmann report. The members who signed this report, including the hon. member for Glengarry—Prescott—Russell, the hon. member for St. Boniface, the hon. member for Kingston and the Islands and the hon. member for Broadview—Greenwood, who were all in the opposition at the time, agreed with the principle of eliminating the tier system. I assume they are not going to deny that. You are not going to deny you signed the Holtmann report. You signed it, and you agreed with its recommendations. Today, those very same members who are now government whip, Parliamentary Secretary to the Minister of National Revenue, Deputy Leader

of the Government and lastly, Parliamentary Secretary to the Minister of Industry, are no longer on side.

Some hon. members: Hear, hear.

Mr. Bellehumeur: What they said when they were in the opposition is not what they are saying now, and I find this very disturbing.

In fact, they all voted against the amendment I proposed to eliminate all distinctions between lobbyists. I do not understand the Liberal's retreat from their own position and the promises they made during the election campaign. What was not acceptable two years ago is still unacceptable today. Witnesses made this clear to the members of the committee that examined Bill C-43. A lobbyist is a lobbyist, whether they belong to the first, second or third tier. That is why Bill C-43 should provide for only one tier for all lobbyists in Canada.

I imagine this position was not palatable to the lobbyists and the financial backers of the Liberal Party. That is probably the only explanation we have for the current flexible conscience we note among government members.

Another flaw in this bill is its disclosure provisions. Here again, I proposed amending the bill to oblige lobbyists to disclose their real business, the real facts we could then investigate, so that we could see what is going on in this government.

The scandal surrounding Toronto's Pearson airport has amply demonstrated the lax nature of the current disclosure rules. The privatization contract, it will be remembered, was signed in the middle of the 1993 federal election campaign and an inquiry was instituted to shed light on the transaction. The Nixon report was submitted to government on November 29, 1993 and revealed misconduct on the part of the lobbyists, public servants and political assistants. However, the report raised a number of other questions to which we have not obtained answers: Who were the lobbyists who failed to comply with the most elementary rules of ethics? When did these events occur? In what way were their actions either illegal or improper? Bill C-43 will still not give us the answer to these questions.

I see that my time will be interrupted for question period.

The Acting Speaker (Mr. Kilger): Yes, the hon. member for Berthier—Montcalm may continue after question period and routine proceedings. At the resumption of debate on Bill C-43, he will have 15 minutes to complete his remarks.

[English]

It being 11 a.m., pursuant to Standing Order 30(5) the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[English]

[English]

HEALTH CARE

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, yesterday the Reform Party argued in the House that medicare should be partly privatized, allowing user fees.

This calls into question the credibility of its leader who, during the last election, said: "I want to make it absolutely clear that the Reform Party is not promoting private health care, deductibles or user fees".

Canadians are aware of the need to make medicare more efficient, but we cannot surrender its five principles. The challenge is to balance fiscal responsibility with the preservation of medicare, implementing more effective alternative treatment approaches while containing costs.

User fees, like a zombie, should not be resurrected. We cannot have one standard of health for the rich and another for the poor. We cannot allow the Reform Party to drive a stake through the heart of medicare. Instead, let us work together to strengthen, not destroy it. Medicare shall remain the crown jewel of our social programs, reflecting the soul of our nation.

* * *

[Translation]

CANADIAN ADVISORY COUNCIL ON THE STATUS OF WOMEN

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, a number of voices that speak for democracy and the arts community were raised in protest at the Department of Immigration's decision with respect to the visa application by filmmaker Hafsa Zinaï Koudil.

She had only one purpose in mind in applying. She wanted to denounce through film the muslim fundamentalist attitude to the wearing of the hijab and the oppression of Algerian women.

An important voice was missing in the chorus of protests, that of the Canadian Advisory Council on the Status of Women. The council would surely have publicly criticized the unjust and unjustified decision by the department. This credible and respected voice was unfortunately silenced by an unreasonable decision of the Minister of Finance in his recent budget—another example of the government's insensitivity toward women.

B.C. TRAPPERS' ASSOCIATION

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, following their 50th annual general meeting held recently in Prince George, the B.C. Trappers' Association communicated its concerns about the anti-gun legislation to me.

Its members are worried that the registration of all firearms and the prohibition of certain firearms as proposed by the government would impose an unreasonable burden on trappers, hunters, and other law-abiding citizens.

They also believe that the controls on firearms, ammunition, and lawful gun owners proposed in Bill C-68 are an assault on the traditional liberties and freedoms that are at the heart of our history and culture.

Therefore, they have requested that their provincial MLAs and federal MPs place a priority on fighting these elements in Bill C-68 and fight any other variants that might be proposed. I am one B.C. MP who intends to continue to do just that.

* * *

NUCLEARNON-PROLIFERATION TREATY

Hon. Warren Allmand (Notre-Dame-de-Grâce, Lib.): Mr. Speaker, discussions are now under way to extend the nuclear non-proliferation treaty.

The non-proliferation treaty came into force in 1970 and was given a life of 25 years. The non-nuclear states, like Canada, that signed the treaty made a commitment not to develop nuclear weapons. The nuclear states, like the United States and the Soviet Union, made a commitment under article VI to reduce their nuclear arsenals. That was not done. While the non-nuclear states respected the treaty and did not develop nuclear weapons, the nuclear states did not respect article VI.

In 1970 the nuclear states had 8,000 nuclear weapons. By 1990 they had 50,000. Now the nuclear states and their allies want to extend the treaty indefinitely without any mechanism to ensure compliance with article VI. As a result, several non-nuclear states do not want to extend the treaty on that basis. This important treaty is now in jeopardy.

I urge the government and its allies to reconsider their position and to be more flexible. The world cannot tolerate another nuclear arms race.

* * *

QUINTE BALLET SCHOOL

Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.): Mr. Speaker, I rise today to pay tribute to the faculty and students of the Quinte Ballet School, located in the city of Belleville.

S. O. 31

During the past 22 years the Quinte Ballet School has consistently achieved recognition for the quality of its education and the professionalism of its work. The school's philosophy is centred on the principle that any student having the desire to dance can receive the highest possible level of dance training.

In particular, I would like to praise the dedicated work of the school's founding artistic director, Mr. Brian Scott, and his tireless efforts and artistic excellence.

It is only one of four private dance schools in Canada, and it is not supported by government funding.

The students at the school are taught in both classical ballet and contemporary dance and are currently performing professionally as graduates in many professional activities, including the National Ballet of Canada.

Next Friday night, May 5, the students of the Quinte Ballet School will be presenting their fourth annual spring performance at the Centrepoint Theatre here in the city of Ottawa. I encourage colleagues and all lovers of performing arts to attend.

* * *

(1105)

ROYAL NEWFOUNDLAND REGIMENT'S 200TH ANNIVERSARY

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, I am pleased to tell the House that the Royal Newfoundland Regiment marked its 200th anniversary on April 25. This is the oldest regiment in North America and today is an outstanding unit of the Canadian reserves.

The Newfoundland regiment has a proud record of service in the War of 1812 and World War I and recently in the former Yugoslavia. During World War I, Newfoundland recruited and sent one of the highest numbers of soldiers per capita of all the Commonwealth. Sadly, we suffered extremely high casualties as well. At the battle of Beaumont-Hamel the Royal Newfoundland Regiment lost 91 per cent of their unit. Their commander praised them as better than the best, and this has become their unofficial motto.

The soldiers of the Royal Newfoundland Regiment are a reflection of the people of Newfoundland. They are hardworking and tough but with a sense of humour that carries them through the most difficult times.

Congratulations to the regiment on an extraordinary anniversary.

[Translation]

SEAGRAM AND POWER CORPORATION

Mr. André Caron (Jonquière, BQ): Mr. Speaker, the revelation of friendship and favouritism shown by government ministers to Seagram and Power Corporation causes us to fear the worst.

Three weeks ago, the Minister of Canadian Heritage was present when the President of Seagram announced his proposed takeover of MCA. On Monday, for the first time in history, the government overturned a decision by the CRTC in order to give a hand to a subsidiary of Power Corporation, headed by the Prime Minister's son-in-law.

The Liberals' incestuous relations with the business world are increasingly coming to light. The Liberal ministers consider the government their own and use it to benefit their friends. In the past, in Upper Canada, the term "family compact" was used to describe this sort of incestuous relationship between politics and business. Today the Liberal clique is running Canada, with its head offices at Power Corporation.

* * *

[English]

SUBSTANCE ABUSE IN PRISONS

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, over the Easter break I visited the Edmonton maximum security prison to get a better understanding of how this institution operates. I was shocked to learn that there is an enormous substance abuse problem among prisoners. When I inquired how this could possibly be the case, I was told that drugs are smuggled in by visitors during visitation periods.

My immediate reaction was that visitation in maximum security prisons should be stopped. The warden agreed that this was his preferred solution. If prisoners want visitation they should earn the right through good behaviour and self-improvement. They could then be transferred to medium security institutions.

What is Corrections Canada's solution to this problem? It is to provide inmates with bleach to clean their needles in response to this substance abuse. That sounds like sheer lunacy to me. Why do they not stop visitation rights and clean up this problem?

* * *

SCHIZOPHRENIA

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, this week the Schizophrenia Society of Canada has launched an awareness campaign of this very tragic disease. I was pleased to accept this iris I am wearing today as a symbol of hope and faith for a brighter future for sufferers of schizophrenia.

One of every twelve hospital beds is occupied by a sufferer of schizophrenia. The costs of the illness are estimated to be upward of \$4 billion per year, not to mention the incalculable toll on individual sufferers and their families. Tragically, schizophrenia most often strikes individuals in their late teens and early twenties and has been called youth's greatest disabler.

Yesterday the Prime Minister also received an iris from the Schizophrenia Society and expressed his support for their work. I would suggest that making money available for research and education and supporting the public awareness initiative must be a priority of this government. I hope the Prime Minister will make good on his promise to do so.

* * *

PARKDALE DRUG AWARENESS WEEK

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, the week of April 24 to April 30 marks the sixth annual Parkdale Drug Awareness Week in my riding of Parkdale—High Park. Drug Awareness Week, which is organized by the Parkdale Focus Community Project, attracted over 3,000 participants last year.

The week is packed full of activities aimed at promoting a healthy lifestyle among Parkdale residents, young and old, newcomers and long-time residents. For example, in our local Parkdale schools students will learn that a full, meaningful, and active life is possible without drugs and without alcohol. Events planned for this weekend will feature sports celebrities, theatre performances, piano and steel band recitals, and a pancake breakfast for the whole community on Sunday.

I would like to congratulate both the organizers and participants of Drug Awareness Week 1995. They are making a better life for themselves and for their neighbours in Parkdale.

* * *

(1110)

WORKPLACE ACCIDENTS

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, on this national day of mourning we commemorate those working men and women who have been killed, maimed, or injured on the job.

In Canada, on average, a compensable work injury occurs every 38 seconds. One out of thirteen workers is injured at work, and two workers are killed every day. This is not acceptable. The human loss and the pain are devastating. Workplace injuries rob us of more than 10 times the number of work days lost due to strikes and lockouts in Canada. And workplace accidents are expensive. In 1993 compensation plans paid out a total of \$5.2 billion in benefits.

S. O. 31

Although the rates of occupational injuries, illnesses, and fatalities have substantially declined in Canada over the past decade, they are still too high. Improving occupational health and safety is a must. It makes financial sense for business, for workers, and for government, and it makes even more sense in human terms.

Please join me in remembering those who have paid such a heavy price in the workplace. Let us work together to reduce the pain and suffering of victims, their families, and friends.

* * *

THE LATE HON. CHARLES R. GRANGER

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I rise today to pay tribute to a fellow Newfoundlander and an outstanding Canadian. The Hon. Charles R. Granger was laid to rest in his home town of Catalina last Monday.

In his busy lifetime, Charlie, as he was affectionately called by his friends, was a journalist, union organizer, political adviser, federal and provincial cabinet minister, deputy minister, businessman, poet and historian. He was a lifetime champion of those in the fishing industry and a fierce worker helping to bring Newfoundland into Confederation.

His accomplishments and remarkable personal attributes were highlighted by his warmth, his sense of humour, vision and perspective. Above all, his love for people and his modest conduct were the mark of the man.

He was appointed as an officer of the Order of Canada in January of this year. Unquestionably, his passion in life reflected the Order of Canada's motto: he desired a better country.

I am sure I am joined by all members of the House in conveying our thoughts and our prayers to his wife Betty, to their family and their many, many friends.

* * *

[*Translation*]

MINISTER OF CANADIAN HERITAGE

Mr. René Laurin (Joliette, BQ): Mr. Speaker, the Minister of Canadian Heritage, like lightning, strikes again.

After betraying Canada's interests in the Ginn Publishing case, sending a letter to the CRTC in an attempt to unduly influence a decision regarding a broadcasting licence, delivering Radio-Canada into the hands of the Minister of Finance and sacrificing Canadian content and our satellites in the Power DirecTV deal, he demonstrated his lack of judgment yet again and put himself in an apparent conflict of interest by being in the

S. O. 31

entourage of the Bronfman family when it was signing a deal regarding Seagram which requires Investment Canada's approval.

Here is a man who has a taste for controversy. I would even say a thirst. Only one word comes to mind following these events: incompetence.

* * *

[English]

CRIMINAL CODE

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, on December 14, 1993, a constituent of mine, Carol Goldie, was stabbed six times by her former husband after he had stalked her for five years. He was charged with 10 separate offences, among them attempted murder, criminal harassment, and stalking, under section 264 of the Criminal Code.

After a long process of plea bargaining, in February of this year the assailant pleaded guilty to mere assault and received a sentence of just two years less a day. All other charges were dropped, including, as usual, the weapons charges.

I find it difficult to express in strong enough terms the outrage of this sentence. It makes a mockery of the entire legal process. This precedent setting verdict renders the new stalking law impotent. Women who are harassed and intimidated remain unprotected by our justice system. The laws are in place but they are not enforced because justice is bargained away behind closed doors. No wonder Canadians are losing faith in our toothless system of justice. While the system can only bark, the criminals continue to bite.

* * *

CANADIAN NATIONAL RAILWAYS

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I would like to address the matter of the privatization of Canadian National Railways, which the Minister of Transport has so recently announced and which I personally applaud.

I would like to indicate the fact that Canadian taxpayers, for over half a century, have put billions and billions of dollars into this rail system, and for many people it represents a symbol of Canadian nationalism: a road that links both oceans together in this great country. In view of that, I would like to caution the government and advise that any sale should include the recognition of this great tradition and heritage. For that purpose I suggest that any sale include terms that the company which owns and operates these assets must use the symbol and name

identification which reflects Canadian heritage. For greater certainty that said name must include the name "Canadian".

(1115)

I believe that this is in the best interests of all the people and taxpayers of Canada.

* * *

[Translation]

SISTERS OF CHARITY OF OTTAWA

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, 150 years ago, on February 20, 1845, Sister Élisabeth Bruyère, a Grey Nun, arrived in Ottawa. She promptly established the Order of the Sisters of Charity, giving it the mission of caring for the sick, teaching children and coming to the aid of poor immigrants.

Today, the Sisters of Charity of Ottawa are very active in several missions throughout the world, in Haiti, Brazil and Lesotho to name but a few. In addition, they run Saint-Vincent Hospital and the Elisabeth—Bruyère Centre, two institutions with the mission of caring for the sick in the Ottawa region.

On February 18, the opening ceremonies kicking off the 150th anniversary celebrations of the Sisters of Charity of Ottawa were held. There will be several other ceremonies and events throughout the year and in the beginning of 1996 commemorating this century and a half of service.

Congratulations and thanks to the Sisters of Charity.

* * *

OCCUPATIONAL HEALTH AND SAFETY

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, on this day of mourning, I join with all my colleagues in extending my heartfelt sympathy to the many families who have lost loved ones to work accidents.

In 1993, there were 758 work-related deaths in Canada. It is difficult to understand how workers can still risk their lives on the job in this day and age. Yet, thousands of workers still face this reality, especially in the construction, transportation, mining and manufacturing sectors, which still account for over 60 per cent of workplace fatalities.

We cannot be satisfied with the recent decline in the number of industrial accidents in Canada. Occupational safety is one of the most important social objectives of this century and must remain so as long as people continue to die on the job. In this regard, I can only urge the Canadian government to adopt occupational health and safety practices and policies based on those in effect in Quebec.

Oral Questions

[English]

(1120)

OCCUPATIONAL HEALTH AND SAFETY

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, every day Canadians across the country enter a dangerous workplace.

Canadians remember and mourn the 26 miners tragically taken in the Westray coal mine explosion. This disaster only serves to underline the brutal reality of certain types of work.

Today is a day of mourning for persons killed or injured in the workplace. Canadians must learn from the mistakes of the past, take action in the present and ensure their health and safety are protected in the future.

Occupational health and safety should be foremost in the minds of management, labour and governments when decisions are made. A safe workplace translates into a productive workforce and a strong and vital economy. From the farm, to the mine, to the factory, to the lumber mill the Reform Party pays respect to all who put their lives on the line to make ends meet.

* * *

[Translation]

OCCUPATIONAL HEALTH AND SAFETY

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, it is an honour to rise in this House to pay tribute to those workers who have been killed or injured in the performance of their duties.

In February 1991, a private member's bill tabled by my former colleague, Rod Murphy, was passed, designating April 28 as an official day of mourning for those killed or injured at work. There are four workplace fatalities every working day in Canada, while a serious injury occurs every seven seconds of every working day.

Every year, workers develop occupational diseases which, very often, are neither declared nor covered by any compensation plan. Governments here and abroad continue to ignore health and safety standards and their enforcement. We continue to work with our counterparts at the national and international levels to set global health and safety standards.

We have the right to defend workers around the world, especially within the context of free trade agreements. Thank you for giving me your attention and allowing me to speak on this solemn occasion.

[English]

OCCUPATIONAL HEALTH AND SAFETY

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, as others have noted, today is a national day of mourning for the workers of Canada who have been maimed, injured or killed while on the job.

In recognition of these tragedies and in solidarity with these workers, their families, their friends, I ask you and hon. colleagues to join me in a moment of silence in the House at this time.

[Editor's Note: The House stood in silence.]

ORAL QUESTION PERIOD

[Translation]

SEAGRAM

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, two weeks ago, the Minister of Canadian Heritage quietly took a trip to Los Angeles, where he met with Edgar Bronfman, the owner of Seagram, at the very moment that the acquisition of communications giant MCA by Seagram was announced. The possibility of such a transaction, involving several Canadian interests in the book, film, record and distribution industries, had been in the news for a few weeks.

In this context, how can the acting Prime Minister explain that the Minister of Canadian Heritage placed himself in a conflict of interest situation by happening to be in Mr. Bronfman's suite just as Mr. Bronfman announced this transaction, given that the deal will have to be approved by Investment Canada?

[English]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the hon. member reveals a lack of understanding of what the Investment Canada review process consists.

First, Investment Canada is located in the Department of Industry. Second, the threshold issue will be determined by an official, the acting president of Investment Canada, on whether or not Seagram is a Canadian controlled corporation. If it is, there is no Investment Canada review required.

This indicates his hypothesis is incorrect. The review is based on an application initiated by the purchaser, which in this case is Seagram, rather than by the acquired company.

There is no real or apparent conflict in the visit that the Minister of Canadian Heritage paid to producers in Los Angeles.

Oral Questions

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, it is a well known fact on the hill that no one understands anything, except the Minister of Industry, who understands everything. In fact, everyone in Canada and Quebec understands that there was a minister of this government in Mr. Bronfman's suite, when the most important deal in media history was struck. Everyone can understand that. The only one who does not understand is the Minister of Industry.

I would like to ask the acting Prime Minister how he can deny that the Minister of Canadian Heritage put himself in a conflict of interest situation since, by a pure coincidence once again, input from the Department of Canadian Heritage is required to help Investment Canada analyze the transaction between Seagram and MCA and its implications.

[English]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I understand the Minister of Canadian Heritage will be present later in question period if there are questions regarding the details of his visit to Los Angeles.

(1125)

There is neither an apparent nor a real conflict of interest in the Minister of Canadian Heritage meeting with a group of film makers and producers, all of whom carry on business in Canada, and representing the interests and views of Canadians in that milieu.

No review is under way at the present time. No application for review is under way at the present time. In fact, the threshold determination of whether or not Seagram is a Canadian company has yet to be made.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, what are we to believe: that when the heritage minister visited Los Angeles two weeks ago, he did so as a Canadian government emissary announcing to Liberal friends that the approval of Seagram's deal by Investment Canada would not be a problem, or did he travel to Los Angeles just to discuss the smog problem?

[English]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, in the event of a review of the transaction by Investment Canada, it would be the objective of the government to improve on the existing undertakings with respect to the corporation MCA.

It is clear that in the interests of Canadians, any review of that transaction, if it were favourably disposed of, would result in benefits to Canada pursuant to the Investment Canada Act.

The government has an obligation to have the best possible understanding of the business and of the undertakings of the

acquirer as well as the acquiree corporation in Canada. That does not create a conflict of interest.

If there is a conflict of interest, I do not know where it is.

[Translation]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I do not suppose it was a cultural exchange between Mickey Mouse and a representative of the federal government, when the Minister of Canadian Heritage, unbeknownst to the taxpayers, went to Los Angeles two weeks ago. That just does not make sense.

My question is directed to the Acting Prime Minister. Considering the conflict of interest guidelines that apply to members of this government and considering that the case of Power DirecTV has shown there is a very close relationship between this government and influential Liberals in the business community, including Mr. Paul Desmarais, father of the Prime Minister's son-in-law and member of the board of directors of Seagram, does the acting Prime Minister realize that the conduct of the Minister of Canadian Heritage raises questions about the integrity of the Liberal government?

[English]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, as we have seen in the House over the last few days, members like the one opposite are prepared to make allegations founded not on fact but simply on innuendo.

In the preamble to his question he tries to link the decision to table a direction with respect to direct to home satellites to some kind of apparent conflict. As recently as this morning's *Montreal Gazette*, we have yet another editorial opinion saying: "The government in overruling the CRTC has made its future decisions easier. The guiding principle for the CRTC is that all its decisions reflect the best interests of consumers and that includes competition in choice".

I can understand that perhaps the member opposite is not in favour of competition in choice and is not interested in the affairs of consumers. That is for him to say. But to suggest that acting in the interest of consumers is somehow motivated by a conflict is an entirely unfounded, improper and irrelevant allegation.

[Translation]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, how surprising that the *Gazette* should support the Liberals. Very surprising indeed.

After seeing the way his minister proceeded in the Ginn Publishing affair, the disturbing letters he wrote to CRTC, his betrayal of his commitments to the CBC and his abdication of his mandate in the case of Power DirecTV, would the acting Prime Minister, leader in this House and defender of his government's integrity, agree that the Minister of Canadian

Oral Questions

Heritage is no longer capable of performing his duties and that consequently, he will have to ask for his resignation?

(1130)

[English]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, actually this is a worthwhile question. It reveals the real motivation of the Bloc Quebecois in this, which is to malign personally the integrity of a minister of the government without fact, without any basis in policy or otherwise.

The government stands prepared to debate its policy with respect to DTH satellite broadcasting, to review the issue of the acquisition of MCA, in fact its review under the Investment Canada Act and to respond to questions concerning the objections or otherwise of these decisions.

For the hon. member to stand up and make the ridiculous and absurd allegations that he is making today, totally unfounded, demonstrates the political motivation. That is all there is behind this.

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

Canadians have no tolerance for governments that conduct public business behind closed doors.

First we had a backroom deal and an unprecedented use of cabinet powers to benefit Power Corp. and the Desmarais family. Now we have the makings of a backroom deal to benefit Seagram and the Bronfman family. It is this type of thing that undermines Canadians' confidence in their elected officials.

Will the Prime Minister admit that his Minister of Canadian Heritage has committed yet another grave error in judgment by meeting with Edgar Bronfman prior to Seagram's takeover of MCA?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I believe what undermines Canadian confidence are unfounded allegations.

I remind the hon. member that those in this House who stand to accuse others may one day have to stand to defend themselves. I suggest that she should be a little more sensitive.

I will give her a suggestion of what the popular media is saying on this. I offer her at this time today's *Financial Post* which states: "Rather than being politically motivated the cabinet decision is clearly based on the desire for competition and not the creation of a monopoly in DTH satellite service".

If the Reform Party is interested in competition, then the hon. member would be saying something about the content of the report, rather than making the silly allegations that she has made

this morning. In fact what I observed on "Canada AM" yesterday was that the spokesman for the Reform Party said he could not comment on this because he had interests with Expressvu.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, yesterday and again today the industry minister denies that the heritage minister knew anything about Seagram's acquisition of MCA at the time of his meeting with the Bronfmans.

In fact the Minister of Canadian Heritage was informed of the takeover by Allan Karp, the CEO of Cineplex-Odeon, more than two weeks before the backroom meeting. That makes the minister's actions even more reprehensible.

Why was the industry minister not briefed on the heritage minister's meetings with Seagram?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I am not in the habit of seeking briefings on the heritage minister's meetings.

Let me advise the hon. member that this infamous luncheon she is making a great deal of seemed to have quite a few people at it who are associated with a variety of companies in the Los Angeles area. Yes, Mr. Karp was present, as were officials from Canada. Also present were Mr. Jack Valenti of the Motion Picture Association of America; Lew Wasserman, chairman of the board of Music Corporation of America, Universal; Sid Scheinberg of Music Corporation of America, Universal; Bill Baker of Motion Picture Association of America, and on it goes. There were quite a lot of people at this secret meeting to somehow influence the decision of Investment Canada.

These allegations are really not worthy of the hon. member.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the Minister of Industry has accused the opposition of focusing on personality because we cannot criticize the process.

Let us look at the process. We have seen an unprecedented use of cabinet power. We have seen secret meetings and unlimited access being given to a favoured few.

(1135)

Whether we look at Pearson, direct to home satellite or the Seagram takeover, the major players are all the same: Desmarais, John Rae, Bronfman, Rabinovitch and Goldenberg. The family compact indeed is alive and well.

How can this government reassure Canadians that Investment Canada's decision will be free from political influence?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, let us set a few facts straight from the beginning. Yes, the use of the direction by the government is unprecedented. It is a relatively recent power contained in the Broadcasting Act, as the hon. member knows.

Oral Questions

There is nothing wrong with the government having power to make policy. That is what we are elected to do, to establish policy. That is what our responsibility is, to establish policy, yes, for Canadians. That direction does not give anyone a licence. What it does is create a level playing field for competition where companies can apply to get a licence on fair terms.

The government does not direct who gets a licence. The government does not tell the CRTC what to do. The government sets the policy direction. That is what our responsibility is.

If the Reform Party is against competition, if Reform Party members do not care about the interests of consumers, let them stand up and say so. If they are interested in competition, let us hear one, just one, solitary, useful suggestion as to how we get competition.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, before he lost his temper, the Minister of Industry advised us to put our questions to the Minister of Canadian Heritage when he arrived in the House. That is now the case.

Therefore, considering the conflict of interest guidelines governing members of this government, the fact that the Power DirecTV case has indicated the existence of a very close relationship between this government and influential Liberals in the business community, including Paul Desmarais, father of the Prime Minister's son-in-law and a member of the board of directors of Seagram's, does the Minister of Canadian Heritage realize that his conduct has cast doubts on the integrity of the Liberal government?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I think we have explained many times why the government decided to table its proposed directives to the CRTC. We are talking about competition, Canadian content, transparency and the structure of the information highway. These are fundamental aspects of policy, and all interests in the information highway applauded this decision. They felt we were being open, frank and transparent, and by putting this before the House, we are giving all members of this august assembly an opportunity to express their views during a forty-day period, when there will be a discussion on DTH satellite services.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, my question is again directed to the Minister of Canadian Heritage. I hope the Solicitor General, who wanted to answer on his behalf, will let the minister answer the question.

There is a lot to ask, but this question concerns the trip to Los Angeles and a visit to Mr. Bronfman's suite when the transaction took place. And we want to hear what the Minister of Canadian Heritage has to say about that.

After his performance in the Ginn Publishing case, after the disturbing letters he wrote to the CRTC, after making certain statements that came back to haunt him, after his betrayal of commitments he made to the CBC and his abdication of his mandate in his handling of the Power DirecTV case, does the minister still have the courage to do the honourable thing and resign?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member's performance is reminiscent of the best horror movies.

(1140)

What the Minister of Canadian Heritage was doing in Los Angeles was defending and promoting the interests of the film industry in Canada. I have always said that content was important on the information highway, and I am responsible for promoting that content.

In the past few months I conducted extensive consultations with the industries concerned in Canada, and our conclusion was that it was advisable to meet the main competitors and also to look into opportunities for co-operation. That is what I did when I went to Los Angeles.

I may add that I never was in the suite next door to a certain gentleman referred to by the hon. member.

[English]

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, my question is for the Minister of Industry.

Yesterday the minister stated that the heritage minister has no role to play regarding the Seagram acquisition and that Industry Canada is dealing with the issue on its own. Despite this, Investment Canada officials confirm that they have already had discussions with heritage officials regarding the Seagram file.

If Investment Canada is to work on its own and if heritage has no role to play, why are this minister's officials consulting with heritage officials? Why is it the minister does not seem to know about it?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, if I gave that impression in my answer yesterday, then I was wrong.

To be exact about it, on the issue of whether Seagram is a Canadian corporation, heritage has no role to play. That is a determination made by the acting president of Investment Canada. If the transaction is reviewable by Investment Canada, then it does become an acquisition in the cultural sector. With respect to that decision, which is a decision I would make, I would consult in the normal manner with the Minister of Canadian Heritage and officials would consult with each other.

What I was endeavouring to explain was that at this stage we do not have an application under review because we are still at the stage of satisfying ourselves as to whether or not Seagram is a Canadian corporation.

Oral Questions

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, perhaps we should mark this day on the calendar. It is the first day I am aware of that a minister across the way has admitted to being wrong.

Given the talks with heritage officials and given the heritage minister's meeting with the Bronfmans, how can the minister deny that he has allowed Investment Canada's decision to be tainted by the appearance of undue influence?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I do not see it as a tainting of the transaction whatsoever.

As I indicated in my earlier answer, as did the Minister of Canadian Heritage, a visit to a group of industry people in Los Angeles is in the normal course. I must say that as industry minister it is common for me to meet with representatives of companies and industrial groups on a daily basis. It is part of our normal activities. It is one of the ways in which we do our jobs. That is normal. The fact that a transaction may come forward is still hypothetical.

I can assure the hon. member, as I did earlier, that our objective as a government, in the event the transaction is reviewable, will be to secure improved undertakings on the part of MCA to make the transaction of greater benefit to Canada.

[Translation]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

Two weeks ago, the heritage minister put himself in a conflict of interest by making a secret trip to Los Angeles, to meet Liberal friends conducting a megatransaction which involves Canadian cultural interests and which will require Investment Canada's approval.

Will the Minister of Canadian Heritage tell the House if he used a government aircraft and will he also tell us who accompanied him on that trip out west?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I thank the hon. member for this opportunity to provide him with answers on issues which seem to concern him a great deal. I certainly did not use a government aircraft. In fact, I always avoid doing so, for financial reasons.

(1145)

When in Los Angeles, I had no contacts with Canadian private interests trying to conclude a transaction to take over MGM. True, I did go to Universal studios with officials from MGM, Disney, Sony and Motion Picture Association of America, including its president, Jack Valenti. The purpose of my visit was strictly to explore possibilities with the heads of these American majors. Neither the agenda of this meeting, nor the

discussions which I had with these American studios had anything to do with a transaction which I did not know about.

Mr. René Laurin (Joliette, BQ): Mr. Speaker, given the answer just provided by the Minister of Canadian Heritage, I will direct my supplementary to the Minister of National Defence.

How does the Minister of National Defence explain the fact that, this morning, his department refused to release information concerning the use of Challenger jets by cabinet members during that period, this at the specific request of the Prime Minister's office? What is the Minister of National Defence also trying to hide?

[English]

Hon. David M. Collette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member obviously does not know the procedure for reporting the use of government jets. Every month the use of jets is made public.

We have lots of calls on lots of issues. That information will be public within 30 days. There have been no complaints about the procedure.

I find it rather odd the member would raise it in this context. My officials were absolutely correct in saying to the member that they could not give the information to him today, because there is an established procedure and it is working.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, the process in the Seagram deal stinks to high heaven.

The ADM for heritage responsible for the file is linked to the Bronfmans through family ties. Investment Canada has confirmed that Rabinovitch's people have contacted it on the issue. This is a blatant conflict of interest.

Why does the Minister of Canadian Heritage fail to see that his department's continued contacts with industry officials and with the Bronfmans jeopardize the integrity of the process and of the Liberal government?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I should like to make clear in the House that I never met Mr. Bronfman on the occasion of the visit I paid to Los Angeles.

I learned of the transaction as I was walking from the aircraft. My meeting was an hour or two afterward. It is not unusual, bearing in mind that these transactions are highly secretive because of market conditions.

As to the responsibility for Investment Canada and a declaration on whether a certain company is Canadian or American, this is entirely within the responsibility of the Minister of Industry.

Oral Questions

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, that is an amazing coincidence and probably one without precedent in the country.

The minister has denied that there has been any wrongdoing on the Seagram file. Yet his officials have been in contact with industry officials and are still in contact with and linked to the Bronfmans. Surely the minister has been briefed on the contacts.

Is the minister suggesting that it is appropriate for his officials to continue contacting industry officials who are in constant contact with principals of the Seagram deal?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is difficult to understand an allegation of wrongdoing “on the Seagram file” when so far nothing has been done on the Seagram file.

I state again very clearly that the threshold issue is whether or not Seagram is a Canadian controlled corporation. That is a matter entirely within the determination of the acting president of Investment Canada, based on criteria set out in the act. That determination will be made based upon information we obtain from Seagram or its counsel. The next stage would be a review under the Investment Canada Act of whether the transaction is of net benefit to Canada.

(1150)

I suspect the hon. member wants to say that he does not think Heritage Canada, Investment Canada and Industry Canada will act in the best interest of Canada in reviewing the transaction. That is an extreme allegation. I invite him to make such allegations in a public forum where he is subject to all disciplines of civil law. I would ask him, if he is going to say things like that, to provide real evidence rather than just innuendo.

* * *

[Translation]

TELECOMMUNICATIONS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I am feeling sick to my stomach, but I will nevertheless put my question to the Minister of Industry.

In the endless series of intimate relations this government has with the extended Liberal family, the matter of Power DirecTv continues to raise a number of questions about the actual involvement of the Prime Minister and his entourage.

Could the Minister of Industry, the self-styled champion of transparency, tell us clearly when the Prime Minister informed him that he did not want to be involved in any way with Power DirecTv in which his son-in-law has interests? When did the Prime Minister tell him, about that, exactly?

[English]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, first let me thank the hon. member for his question.

It bears repetition that the Prime Minister has restated in the House, as he did among ministers, that he did not wish to be involved in the file or have any knowledge directed to him about it. That being the basis upon which the entire transaction has occurred, I have never had a discussion with the Prime Minister about the file.

I want the hon. member to understand that these are the kinds of indications we are receiving from disinterested people who are concerned about the issue. The Consumers' Association of Canada: “I am writing to you on behalf of the Consumers' Association to urge the government to act upon the recommendations of the policy review panel”; ACTRA: “We are pleased with the recognition of the need for competition among services. We hope the government will move quickly”; the Friends of Canadian Broadcasting; the Canadian Conference of the Arts; and all the others.

The simple point is that the Prime Minister has acted with entire integrity, discretion and care in the matter to avoid any appearance of potential conflict. For the government to have failed to take its responsibility—

The Acting Speaker (Mr. Kilger): Order. I must ask that both the responses and the questions be somewhat briefer.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, the Minister of Industry would surely be held in higher esteem if he answered the question.

And so I ask him: Given that the government decided on September 12, 1994 to overturn the decision of the CRTC, which did not serve the interests of the Prime Minister's son-in-law,—and I want it to be very clear—would the Minister of Industry show us today, from his seat, the memorandum he received from the Prime Minister asking to be completely kept out of the government's decisions in this matter?

Can the sponsor of the Lobbyists Registration Act table the memorandum that will enable us to understand and shed some light on this matter?

[English]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I never had any discussions with the Prime Minister about the file. There was nothing to visit.

Let me complete the statement I was making. In the face of the urging such as I was indicating to the hon. member, the government would have failed many groups in society, many consumers, all the interests crying out for competition and choice in the area, if it had failed to act.

Oral Questions

I am waiting for the opposition parties to give us a clear indication of how they would have responded to these pleadings if they did not think we should move the way we did.

* * *

GASOLINE PRICES

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, I have a question for the Minister of Industry.

On Wednesday major oil companies raised the price of gas again, this time by 5 cents per litre in the national capital region. This makes for a 20 per cent increase in just one month.

(1155)

[*Translation*]

These unacceptable increases in the price of gasoline in the Ottawa region worry and shock local MPs and consumers.

[*English*]

What does the minister intend to do to stop the constant abuse of price hikes by major oil companies in the national capital region?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is my day again.

I am pleased the hon. member raised the issue with respect to the national capital region. However, whether it is in the national capital region, remote communities of northern Ontario or the farmers of Saskatchewan, everywhere across the country, même au Québec, même dans l'Ouest, consumers are concerned that gasoline prices seem to go up without explanation.

The best solution in this sector as well as in others that we have talked about is competition, real competition. As we complete our review of some of the useful proposals we received on whistleblowing legislation and other measures, I hope we will find tools to ensure oil companies and distributors of gasoline products are respectful of the need for real competition in the sector and the need of consumers to have cheaper gasoline.

* * *

SEAGRAM

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the simple point is that this is not an issue about competition. This is an issue about ethics, about Liberal friends helping Liberal friends and family. It is the family compact.

My question is for the Minister of Canadian Heritage. Did he meet with the principals of the Seagram deal and Investment Canada officials prior to the announcement of the acquisition? Yes or no.

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I had absolutely no contact or anything to do with whatever the Seagram corporation wants to do in the United States.

This is of no concern to me. They have proceeded with the appropriate secrecy and the risk taking involved. I only heard the rumour that there might be an acquisition a day or so before the acquisition was announced. It was from the press that I learned of such an acquisition.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I asked the hon. minister for an answer of yes or no. I did not get that answer.

I will ask the question again. Did the heritage minister meet with the principals of the Seagram deal and Investment Canada prior to the acquisition? Yes or no.

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, no.

* * *

[*Translation*]

TELECOMMUNICATIONS

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, the Prime Minister maintains that he did not put himself in a conflict of interest regarding Power DirecTv and continues to purport that he stayed at arm's length of the deal.

Now, the Minister of Industry said, in reply to my colleague's question, that he did not discuss the issue with the Prime Minister. That is what he claims. But we now know, and the Minister of Industry himself even admits it, that Eddie Goldenberg, the Prime Minister's senior policy advisor, was kept abreast of developments on the matter.

Will the Minister of Industry confirm that the departments of Canadian Heritage and Industry sent copies of all of the correspondence they exchanged regarding the Power DirecTv deal to the Prime Minister's senior policy advisor, Eddie Goldenberg?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Really, Mr. Speaker, so what? Management of an important file would be expected. In the context of conversation it would be normal, among other things, that what the government is doing with respect to a file would be told to the Prime Minister's office.

(1200)

What I think is important here and the question the member should be asking is whether on behalf of the Prime Minister the principal secretary endeavoured to influence the decisions ministers were taking.

Mr. Goldenberg communicated two things, that the Prime Minister did not want to be involved in any way in the file, and neither did he.

*Oral Questions**[Translation]*

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, the way the minister acknowledges the direct link between the Prime Minister and his information sources is just incredible.

Given the admission that the Prime Minister's senior policy advisor, Eddie Goldenberg, was kept up-to-date on the matter affecting the Prime Minister's son-in-law, will the Minister of Industry admit that he and the Minister of Canadian Heritage were players in the Prime Minister's charade, in which he used his senior policy advisor to achieve indirectly what the law prohibits him from doing directly?

[English]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I had a little trouble hearing the member's question.

If I recall, the hon. member is a former or perhaps a continuing actor. I would like to read to him what the president of ACTRA wrote to us on this: "We are particularly pleased with the recognition of the need for competition among services and for an equitable contribution from revenues to be directed toward production and administered at arm's length from carriers. We hope the Government of Canada will move quickly to enunciate policy which will lead to the implementation of these principles".

In this case we have initiated a process which is open and transparent and subject to discussion in Parliament. Process is the rule of law and it is the way to ensure avoidance of conflict of interest, which is what we are doing.

* * *

SEAGRAM

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the assistant deputy minister for cultural affairs in the Department of Canadian Heritage is Victor Rabinovitch.

Mr. Rabinovitch is directly responsible for the Seagram's file. His brother Robert, who wrote the DTH satellite directive, works for the Bronfmans.

Why is the Minister of Canadian Heritage allowing this sensitive issue to be handled by someone who is in a direct conflict of interest?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I am not aware of a Seagram's file in my department. The issues are related to Investment Canada, not to Heritage Canada. Therefore, there is no reason our colleague should be so concerned.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the Minister of Industry keeps saying nothing is being done on the Seagram's file. We hear the heritage minister denying there is even a Seagram's file.

If that is the case, why is Investment Canada seeking a legal opinion of the Seagram's acquisition?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the Investment Canada Act creates a regime under which certain transactions are reviewable. The first requirement is that the acquiring corporation be non-Canadian.

Therefore, we do not know until we determine in this particular case whether Seagram is Canadian or non-Canadian and whether there is a reviewable transaction under the Investment Canada Act.

What I said was not that nothing was being done on this file but that nothing has been done because her colleague accused the government of wrongdoing on this file. Nothing has been done. The issue is open and under consideration by the acting president of Investment Canada. We will be obtaining information from the file in Investment Canada that will deal with it because the transaction is located in Investment Canada.

However, until all of the facts have been obtained we cannot say there is a reviewable transaction. Therefore, the issues of net benefit to Canada are not yet under discussion.

* * *

GOODS AND SERVICES TAX

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, my question is for the Minister of National Revenue.

Recently I brought to the minister's attention the fact that there may be loopholes in the regulations governing the goods and services tax as it applies to the sale of new and used automobiles.

Can the minister inform the House if he is investigating this matter to assure consumers that GST paid to automobile dealers is passed on to national revenue?

(1205)

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I thank the hon. member for her question and for the continued interest she shows in tax fairness.

There are specific provisions in the GST legislation which do provide for a notional input tax credit. This credit in turn allows registered car dealers to compete at the same level as private sellers who are not GST registrants.

The department monitors and investigates any indication or reports of any abuse of the notional input tax credit and I can assure the hon. member that we have, as a result of her

representations, stepped up our own activities to ensure the notional input tax credit provisions do not result in any tax advantage for any particular individual or group of car dealers.

* * *

[Translation]

IMMIGRATION

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is for the acting Prime Minister. Now on to another scandal, because it is also a scandal for women.

All Canadians and Quebecers are going to look a little silly this week-end. The Minister of Immigration's stubbornness will prevent Ms. Hafsa Zinaï Koudil, a filmmaker of Algerian origin, from participating in the Montreal festival "Vues d'Afrique", which will feature her movie "Le Démon au féminin" decrying the violent way religious fundamentalists in Algeria treat women.

How can the acting Prime Minister justify the Minister of Immigration's obstinate refusal to grant a visitor's visa to filmmaker Koudil?

[English]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, officials must follow the law when making any decision to accept or refuse a request for visa. This is something the hon. member knows well.

I have been asked by the minister to encourage both the member and the person in question to reapply, to submit any new information. Departmental officials are bound to uphold the laws and protect the interests of Canada. The member knows this well and we await a new application if there are new facts.

* * *

SEAGRAM

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, to the Minister of Canadian Heritage, he has denied having a meeting with the Bronfmans prior to the announcement of the Seagram's deal. Did he have a meeting in Los Angeles? If so, what was involved in that meeting? Did it involve Investment Canada?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, no meeting took place and therefore the response to the second part of the question is no.

* * *

GASOLINE PRICES

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, my question is directed to the Minister of Industry. Over the past few days gas stations across Canada have increased their prices by as much as 10 cents a litre without justification.

Routine Proceedings

This is the sixth price increase in the last 11 months, representing more than a 25 per cent increase to consumers and a 40 per cent increase to oil companies' revenues after record profits last year. These increases will cost Canadians over \$3 billion each year and will hurt business, agriculture and consumers, basically our entire economy.

Failing a voluntary rollback by the oil companies of these unfair increases, will the government act to protect consumers by rolling back these costly increases until a price review can be conducted to see if these price increases are justifiable?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I thank the member for his question and I recognize the continuing work he has put into this matter of raising the attention of the Canadian public to the level of gas prices in Canada. He has worked very hard.

As he knows from the answer I gave to our colleague from Carleton—Gloucester, I share his concern about the apparently inexplicable increase in prices that Canadians have experienced and from coast to coast are complaining about.

As to his suggestion of regulation of prices, this is not something I favour. I do not believe that to regulate prices, either to roll them back or to tell companies what they should charge for the goods or services they provide, is the best way for consumers ultimately to enjoy lower prices.

The real solution is real and sustained competition.

(1210)

The Acting Speaker (Mr. Kilger): This concludes question period today.

ROUTINE PROCEEDINGS

[English]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table in both official languages the government's response to 18 petitions.

* * *

STANDING COMMITTEE ON INDUSTRY

GOVERNMENT RESPONSE

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is my pleasure to table the formal response of the government to the fourth report of the Standing Committee on Industry, "Rebuilding Trust", pursuant to Standing Order 109.

*Routine Proceedings***MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT**

Hon. Herb Gray (for the President of the Treasury Board, Lib.): moved for leave to introduce Bill C-85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision.

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

* * *

CANADIAN DAIRY COMMISSION ACT

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): moved for leave to introduce Bill C-86, an act to amend the Canadian Dairy Commission Act.

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

* * *

BUSINESS OF THE HOUSE

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

That, notwithstanding any standing order, on Monday, May 8, 1995 the sitting of the House shall commence at two o'clock p.m.

(Motion agreed to.)

* * *

PETITIONS

BILL C-58

Hon. Warren Allmand (Notre-Dame-de-Grâce, Lib.): Mr. Speaker, I have a petition signed by over 500 citizens from the region of Montreal who ask that Bill C-58, an act to amend the RCMP act and the Public Service Staff Relations Act, be withdrawn.

They say the bill is undemocratic, will isolate the members of the RCMP by depriving them of the status of public service employees and will in consequence violate their fundamental rights and freedoms.

CANADIAN ARMED FORCES

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, pursuant to Standing Order 36 it is my duty and honour to rise in the House to present a petition duly certified by the clerk of petitions on behalf of 25 individuals.

The petitioners request that Parliament at the earliest possible time initiate a wide ranging public inquiry replacing many being convened piecemeal into the Canadian Armed Forces, including reserves, which will investigate, report and make recommenda-

tions on all matters affecting its operations, tasking, resources, effectiveness, morale and welfare.

ASSISTED SUICIDE

Mr. George S. Rideout (Moncton, Lib.): Mr. Speaker, I have two petitions to present pursuant to Standing Order 36. The first deals with assisted suicide.

The petitioners urge we make no changes to the Criminal Code which would affect that area.

(1215)

REPEAT SEX OFFENDERS

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): The second petition, Mr. Speaker, deals with the request of citizens of Moncton that changes be made to the charter of rights and freedoms to enable residents to be notified when repeat sex offenders are released into the community.

SAME SEX RELATIONSHIPS

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I have five petitions to present today. The first one, signed by 35 people, is that the petitioners pray and request that Parliament not amend the Canadian Human Rights Act or charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships.

ASSISTED SUICIDE

Mr. Jim Abbott (Kootenay East, Ref.): The second one is signed by 25 petitioners, requesting that Parliament not change the law respecting assisted suicide.

PROTECTION OF THE UNBORN

Mr. Jim Abbott (Kootenay East, Ref.): The third petition is signed by 25 petitioners with respect to extending protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

BILL C-240

Mr. Jim Abbott (Kootenay East, Ref.): The fourth petition has four pages and has to do with the petitioners calling upon Parliament to enact legislation against serious personal injury crimes being committed by high risk offenders by permitting the use of post-sentence detention orders—specifically, passing my colleague's private member's bill, C-240.

BUDGET

Mr. Jim Abbott (Kootenay East, Ref.): Finally, I have 500 or 600 signatures on a petition in response to the budget that just came down. Again, these petitions are still coming in.

The petitioners pray and request that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

*Government Orders***GOVERNMENT ORDERS***[Translation]***LOBBYISTS REGISTRATION ACT**

The House resumed consideration of the motion that Bill C-43, an act to amend the Lobbyists Registration Act and to make related amendments to other acts, be read the third time and passed.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, before question period, I started pointing out the flaws in Bill C-43. I mentioned the staging of the ethics counsellor's appointment and the authority he was supposed to have. I highlighted the discrepancies in the Liberal position and their about face regarding several points, including the different categories of lobbyists.

One will recall that the Liberals, when they were in the opposition, wanted to have only one category for lobbying because, in their opinion, lobbying was lobbying.

(1220)

But once they came to power, their friends, probably the ones who fund their electoral campaigns, told them: "No, no, no! We would rather it stay the same, with three different categories". So, the Liberals reviewed their position and now, Bill C-43 meets the lobbyists' demands, maintaining three categories.

Before question period, I was dealing with the third flaw I found in Bill C-43. In total, there are eight major flaws which were deliberately introduced with a view not to reach the stated goal of Bill C-43, which is transparency. The third flaw I found has to do with the compulsory filing of a return. As I mentioned earlier, the scandal regarding Pearson airport, in Toronto, is ample proof of how lax the present rules are in this area.

One will recall that the privatization contract was signed at the height of the federal electoral campaign, in 1993, and that subsequently an inquiry looked into that deal. The Nixon report, issued on November 29, 1993, revealed several instances of misconduct on the part of lobbyists, officials and political aids to the ministers concerned. The report raised several other questions which have remained unanswered to this day. For example, who are the lobbyists who contravened the most elementary rules of ethics? When did these events occur? How did they act illegally or unlawfully? Who are the officials and political staff members who went too far in this matter?

The Liberal government did not answer those questions. They chose to close their eyes to such stratagems which undermine the credibility of our democratic institutions. Most unfortunately, Bill C-43 offers nothing new. We remain totally in the dark. The clique exercising such undue influence will continue to have its way, and that is terrible. While they were in the opposition, members of government had promised they would bring transparency into this issue.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I too rise to present four petitions this afternoon. I have one petition here with over 400 signatures.

The petitioners are praying and requesting that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal government spending.

SEXUAL ORIENTATION

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): The second petition, Mr. Speaker, is a petition with roughly 75 names. These petitioners are requesting that Parliament not amend the human rights code and the Canadian Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase "sexual orientation".

PROTECTION OF THE UNBORN

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): The third petition that I offer today under Standing Order 36 is that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

BILL C-41—SEXUAL ORIENTATION

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the fourth petition that I present is again from many residents in my constituency who are asking that Parliament not pass Bill C-41 with proposed section 718.2 as presently written, and in any event not include the undefined phrase "sexual orientation", as the behaviour people engage in does not warrant special consideration in Canadian law.

I thank you, Mr. Speaker. It is my privilege and pleasure to present these petitions today.

* * *

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

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

The Acting Speaker (Mr. Kilger): Is it agreed?

Some hon. members: Agreed.

Government Orders

If the Liberals were serious about transparency for all government undertakings, why do they now refuse to force lobbyists to indicate which contracts they are trying to influence the federal administration on? Furthermore, why do they refuse to disclose which contracts are attributed in a discretionary fashion, without any call for tenders? I regret that the Liberals absolutely refuse to shed any kind of light on this issue.

If the Liberal government were really serious when it talks about integrity and transparency, would it not demand that lobbyists also disclose their fees? I learned, through the Minister of Industry, that in Ottawa, some lobbyists charge up to \$5,000 a day to negotiate small arrangements with government.

In such a case, people have the right to know who is paying this kind of money, who has an interest great enough to pay up to \$5,000 a day to have a minister or the government change its position or decision. But no, Bill C-43 says nothing about that.

When they were on this side of the House, the Liberals were in favour of such disclosure. They thought, quite appropriately, that lobbyists should disclose their fees. I will give you specific examples of Liberal members who have changed their tune since they took office.

The member for Glengarry—Prescott—Russell, and government whip, said on February 2, 1993: "In other words, the public has the right to know who does what and for whom, and at what cost". When in opposition, that is what they were asking the government. Put even more eloquently, on February 16, 1993, the current Parliamentary Secretary to the Minister of Industry said, about the disclosure of lobbyists' fees: "One of the reasons I stand firm on the issue of disclosure is that your organization does not work only in the area of politics. You now have a polling department and a media relations unit. Your organization"—he was answering someone in committee and knew what he was talking about—"has a strong influence not only on consumers but also on government and the media. In a town like ours you only have to be a few days in the press centre to have almost any idea accepted. One of the reasons I believe your fees must be disclosed is that it sometimes happens—Take the referendum for instance: millions of dollars have been put in the system by lobbying firms advocating a position while we knew almost nothing about them".

(1225)

The parliamentary secretary to the minister said only a few months ago that lobbyists fees had to be disclosed. Today in Bill C-43, the minister says that fees will not be disclosed. What did members say? What did the parliamentary secretary to the minister mention? I will not answer that question. I will not answer it because I find it deplorable that a member did not raise

to express his concerns and or defend the ideas he had when he was in the opposition. Power corrupts and gives Alzheimer's to Liberals.

I would now like to refer to another issue over which the Liberals ranted and raved when they were in the opposition, and that is the contacts initiated by lobbyists with ministers and officials. They seem less concerned about that issue today, although the problem remains unsolved.

Suppose that Bill C-43 had been in force during transactions which led to the contract to privatize Pearson airport. I often choose that example because it was a scandal known to all Canadians and to the Liberal themselves. The new registry would have told us on what contract a consultant lobbyist had worked, and that this lobbyist contacted the relevant department, in this case the Department of Transport. So what? Such are the changes brought about by Bill C-43. That is the information we would have.

This new obligation to disclose is being presented as a bold move by the government and the Liberal majority in the committee. It goes without saying that, for the Bloc Quebecois, it is essentially pointless. It is obvious that a lobbyist trying to influence the government on an issue relating to the privatization of an airport would contact the Minister of Transport. That is obvious, we do not need a bill to know that; one does not have to be a rocket scientist to guess that.

To really have transparency in its dealings, the government should have agreed to lobbyists revealing their meetings with a minister and the names of the senior officials involved. Bill C-43 should have required lobbyists to say they had contacted a given minister or a given senior official at a given time, that they had discussed a given issue, that they wanted the government to make a decision on a given subject. Bill C-43 does not say anything about that; it does not give us what we wanted.

Such transparency would have helped to restore the integrity of institutions in people's minds. Once again, the government missed the boat. Once again, we proposed some amendments to this end, but the government said no to the transparency and the integrity proposed by the Bloc Quebecois.

Also, why not require lobbyists to reveal their political ties? It would be interesting to know that a given lobbyist is employed by a given political party. It might be interesting to know that a given lobbyist had once been a candidate for a political party. It might be interesting to know that a given lobbyist is the president of an association or was a minister's chief campaign organizer. It might be interesting to know also that a given lobbyist gave \$1,000, \$2,000 or \$3,000 to the Liberal Party's fundraising campaign. It would be interesting to know that.

Government Orders

But no. When the Liberals had trouble collecting a nickel, that was required from the government, the lobbyists had to reveal that. But now that they are in office, now that they have cocktails and luncheons at \$1,000 and \$2,000 a plate, they do not want this information. They have changed their tune.

(1230)

Since time flies, I will not deal at length with the contingent fees some lobbyists ask from those who hire them. They say: I will charge you \$5,000 an hour—as in the example given by the minister—to make representations to the government, and if you win your case, you will pay me \$250,000 on top of my fees. I am using large figures to put my point across more clearly, but that is what is meant by contingent fees.

The Bloc Québécois thinks Bill C-43 should prohibit contingent fees. Of course, as you have seen, Mr. Speaker, the Liberals rejected that amendment. However, witnesses who appeared before the committee said that contingent fees lead to scandals and influence peddling. The higher the contingent fees, the more forceful lobbyists will be in their representations to the minister and the more they will use all kinds of tactics. Today, the Liberals find that quite acceptable. It is not. Those are the kind of things they criticized when they were the opposition, but now that they are in power they are too busy at the trough and feel everything is fine. Such smoothies.

I repeat that I could keep talking for hours on this important issue. As a matter of fact, it is so important that the committee heard about 80 witnesses. We received brilliant briefs. This was the third time a group of parliamentarians reviewed this issue. We have had the Cooper Report, we have had the Holtmann Report and now you have before you today the Zed Report.

Three times, parliamentarians have said: “We have to give teeth to the Lobbyists Registration Act”. And what do we have before us? A toothless bill, a spineless bill, that will not reach the goal of openness that had been set. There is nothing new in this bill, and scandals will occur again.

Talking about scandals, about current events also, as you could see during question period, all kinds of revelations are being made. These issues have been raised for weeks now. We are not the only ones saying that there is something strange going on in the government machinery, something that is going wrong. Except of course for *The Gazette*. But nobody wonders why *The Gazette* is supporting the government.

What all these elements are showing us I think is that there has never been such an urgent need for a bill to closely regulate the lobbyists. That is what current events show us, with the saga of patronage by the Liberal government in its policy on direct to home satellite broadcasting.

Here is what Jean-Robert Sansfaçon wrote in today's *Le Devoir*: “Seldom has the federal government been more obviously under remote control than with this decision to suspend the rules set out by the CRTC. This is an action whose only purpose is to allow onto the scene a certain player, none other than the company run by the Prime Minister's son-in-law, André Desmarais. Once more, the Minister of Canadian Heritage, Michel Dupuy, looks like a puppet, unable to apply either the letter or the spirit of the Canadian Broadcasting Act”.

All that has been done through lobbying, meetings and visits with the minister. And all that is the doing of the powerful PowerCorp lobby.

We now have Bill C-43 before us. It could not have come at a more appropriate juncture. We have the proof we need to say that with Bill C-43 as enacted, as drafted, nothing will change and scandals as those we have witnessed this week will occur again, and our questions will never get answered. We will never really know what guided the minister in his decisions, his visits, his meetings, etc. That is a true scandal.

(1235)

[English]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, it is indeed an honour to be able to rise in this esteemed House, the one to which all of us were elected to represent the people of Canada, to address the question of lobbyists.

I will begin by commending my colleague from the Bloc who just spoke. He presented a very good case and I very much appreciate the points which he raised.

I would also like to comment briefly on the process we went through. As most members know, this was the first bill that went through the new process of going to committee after first reading. As I have said previously in this House, I found that experience both frustrating and rewarding.

It was rewarding in the sense that we had a very amiable chairman. I have said that before and he usually grins when I say that, and I give him that compliment again. I also got to know and to like all of the members on the committee. It was a very good, free and easy exchange.

We were assured during that process that we could think out loud. We could bring out ideas which perhaps we did not really espouse but we wanted to raise as questions. What would happen if we did this or what would happen if we did that? Being a neophyte, I thought that was a wonderful way of discussing and debating. I thought that we were going to get a really good bill out of this process and I was very enthused for most of it.

We had excellent witnesses. Again, I would like to go on record as commending them. They did a good job in presenting their cases.

Government Orders

Underlying all of it, I always wondered whether we really needed the lobbyists. As a matter of fact, if I can express my naivety, I came to Ottawa as a new MP in the fall of 1993 thinking that strictly speaking lobbyists are redundant and they should not be here. To a large degree I still think that way.

That reminds me of a story my assistant shared with me about a problem with some ravens that apparently had pretty well taken over the city of Ottawa. The ravens were becoming a real nuisance. They not only messed up cars, they occasionally attacked children and on occasion even, shall we say, bombed some public officials. That is when action had to be taken.

The mayor of this esteemed city put out a call saying that there would be a \$5,000 reward for anyone who could get rid of all of the ravens. Lo and behold someone from the country said to the mayor: "I will solve your problem but it will cost you \$5,000". The mayor said that very well, it was worth it because when that last official got bombed by one of the ravens that was the end of it.

The young man had a cage which contained a blue raven. He went to where all of the other ravens were, opened the door and let the blue raven out. That blue raven somehow attracted all of the other ravens and they flew together out of town and were never seen again.

The mayor said to the person: "Here is your \$5,000, but I have a question for you: Do you have any blue lobbyists?"

That is a question. Should we get rid of all of the lobbyists? Should we get one of them to take the rest of them out of town?

I will admit that I underwent a minor change in my thinking during the work on this committee. I met different people and different groups and particularly, certain professional associations, business and industry associations which came to make presentations before us. In fact, they were quite successful in convincing us of their importance. I will not mention any of them specifically by name.

(1240)

Certainly, just as what happens in this place deeply affects citizens, it also affects groups of citizens, businesses and different professions. Therefore, for the government to have some kind of an interface with an association of all of the dentists in the country instead of having to deal with each one individually probably has some merit.

Another one that comes to mind is a presentation that we had from an association of the forestry industry. In this particular instance public policy measures of taxation, environment protection and so on impact greatly not only on the industry's

ability to do business in this country but also on its ability to compete worldwide, a factor which is ever more present with us.

Consequently, I came to the conclusion after thinking about this that there probably was some justification for these people to be represented by a smaller association which would specialize in making their views known to the government.

I still think though that for the bulk of public policy issues, lobbyists should be unnecessary. As a matter of fact, as a member of Parliament I am frequently asked whether I will meet with this or that group. I have several rules. One rule is that I usually respond by saying that I do not meet with lobbyists. My constituents, the people who elected me, are my lobbyists. They are the ones I am here to represent.

I have a few little subrules as well. If a lobbyist group comes to see me and one of the delegation members comes from my constituency, I do not care what their issue or cause is, they automatically have an in. I will never refuse to talk to any member of the Elk Island constituency for any reason.

I also have a couple of other little subrules. Occasionally there are groups that have done a lot of research and are specialists in their field. If they can increase my understanding from a technical point of view or from the government impact point of view on the wider population not just in my constituency but throughout the whole country and I have an opportunity to learn something, I will not deny that opportunity.

Therefore, I have had the opportunity to deal with a number of lobbyists directly. In most instances I have appreciated this.

We need to talk about this bill because it seems to be a foregone conclusion that the work of the MP is not effective. I hate to stand up and say this. I know that in a way I am impugning all of my colleagues, myself included, and certainly all of the backbenchers on the government side. It is true that our access to the decision making loop really is limited.

I was interested and paid close attention to the minister's speech this morning. I am going to respond to a few things he said. Among other things, he indicated that it was the government's goal to give MPs a greater role. I wrote that down. I remember reading that in the red book during the election campaign. I must confess that I never did read the whole book.

Mr. McCormick: That was your first mistake.

Mr. Epp: I read enough to get the gist of it. However, I do remember reading this part. I was afraid that perhaps we would not win the election. If the Liberals had as their platform a greater role for the MPs and limiting lobbyists and so on, they were stealing our platform and maybe the people would believe them and elect them and then we would not win.

Government Orders

Well it so happens that despite that, I did in fact win in the Elk Island constituency. When I was asked to be on this committee it was great. It was something I really believed in and would be able to work on.

The minister this morning made reference to the specific statement that there would be a greater role for MPs. Frankly I have not observed it. I observe that decisions are still made mostly in the offices of upper level government officials in the departments, the top bureaucrats, in consort with deputy ministers and ministers. For ordinary people, including members of Parliament, to break into that loop is difficult. I understand it is almost as difficult for members on the government side as it is for those in opposition.

(1245)

We all have influence. I am aware that Liberal members have influence in their caucus. However there would be no lobbyists if the people were able to successfully promote their views of what kind of country they would like and what our public policies should be. Their MPs are free. Well, they are not free. Taxpayers pay very handsomely for them, including the MPs' pension plan to which the government so eagerly hangs on. There is no additional or incremental cost to someone who wants to send a message to government if they do it via their member of Parliament.

That lobbyists exist is mute testimony to the fact that many people, being pragmatic, recognize that if they want to have their issues heard, they know that is how they have to do it.

I would like to say a few words about the changes we have produced to the bill. It was a good experience in the committee to propose amendments and to talk about them. Many of them were done before there ever were any clauses.

The final clauses were done quite unofficially without formal amendments. Then we began the process of formal amendments. You must remember, Mr. Speaker, as in the House, the committee is made up of a majority of members from the government side. The member for the Bloc and myself representing the opposition were, shall we say, considerably outnumbered.

I will say to the credit of the government members there that we did have an open discussion. We were heard. For the most part there was a high level of respect. I really appreciate the relationship that developed and the ease with which we were able to discuss things.

Then my hon. colleague from the Bloc, as he mentioned in his speech, proposed a large number of amendments. Those amendments were uniformly declined by the members on the government side. I was very disappointed. The House has already heard the member for the Bloc speak today. He described his amendments and their justification. Certainly there was justification for that. The government lost a great deal because it failed to put

those into the bill and therefore they will not become law. That was very frustrating.

Then I brought in a number of amendments. As you know, Madam Speaker, we voted on those several evenings ago. I felt badly about it. It was due to the many amendments we brought forward from our party that all of us had to sit here for about an hour doing all of those votes. In order to maintain my integrity I had to bring those forward. I had to make sure that the government would go on record as saying "yes, we want these" or "no, we do not", just so the lines could be clearly defined.

(1250)

I am pleased. As far as I know it is a record that two opposition amendments were accepted. I believe it is the first time that opposition amendments at report stage in this Parliament have been accepted. They were very good amendments, not because I brought them but because they were well supported. It shows they were logical and represented the wishes of the people. It was very gratifying to have those amendments passed.

A number of the amendments we made were declined by the government. Unfortunately this is going to be the proof of the pudding. This is going to be the Achilles heel of the government, where given an opportunity to really increase openness and transparency it declined the opportunity.

I do not want to be only negative. I said when I was elected a member of the opposition, not only would I criticize when things were wrong but that I would also try to give accolades when things were good.

Some things in the Lobbyists Registration Act are fairly positive, for instance, the increase in the disclosure requirements. If people now want to know who is lobbying who, they will know more than before Bill C-43 is passed. I presume it will be passed next week because of the Liberal majority.

The Reform Party thinks it is important for members of coalitions to be represented and registered so that if there is an association, its registration indicates all its member organizations.

We believe it is important, and this was our amendment, a very significant one, that when a lobbyist or association or corporation they represent receives direct government funding it also be disclosed.

I was asked about that not long ago by a member of the media. I said it really is stage one. Once Canadians find out that they are funding groups whose business it is to step in front of ordinary citizens in order to try to influence government, that funding will soon cease because of public pressure. Obviously there has not been the political will to stop funding lobby groups at this stage. Now that will be disclosed and people will be able to know exactly how much the government is spending on funding these various organizations.

Government Orders

When people know I am sure they will start sending their politicians a message that says stop funding them. That is our goal. There is no doubt in my mind that a lobbyist group should be funded by the people they purport to represent. If they do, they have full legitimacy.

A group whose first lobbying function is to lobby the government for its own funding so that it can continue to exist and then purport to represent a whole bunch of people is just not authentic. It totally minimizes its effectiveness and is a waste of money, besides being an aberration in the democratic process.

I am very pleased that the bill provides for the electronic filing of returns. One of the things we heard is that more and more government is intruding on our lives. It is making report filing more difficult. Certainly Canadians are very aware of that at this time of the year.

Under the Lobbyists Registration Act lobbyists can register and complete their information electronically so it is less onerous. It was a very fine idea to have the time of registration extended. Most of the time it is not urgent for these registrations be filed immediately, when the activity is taking place.

To ask for a final disclosure does two things. It is now required that every six months they bring their file up to date. What makes this good is knowing that it has to be disclosed is in itself a form of control. I think of it the same as when I do my work as a member of Parliament. I try to keep in the back of my mind the objective that we need to write and behave in such a way that anything ever made public will not bring us into disrepute. If we adopt that attitude, ultimately the people of Canada will be the judges. Then we will have a good process.

(1255)

I need to criticize a little bit. The minister took the occasion in his speech this morning to deal at length with the question of restoring trust and confidence. He talked a bit about some of the current issues. I asked a question and he made a comment that: "The member for Elk Island cannot wait to have his say". It is true. I was trying to get his attention. He was talking about the current problem and giving the government's point of view.

I was trying to get something from the minister but unfortunately he did not respond. How does Bill C-34 solve the problem? I was not heckling him. I was simply trying to get his attention. The minister ignored that and proceeded with his statement, which is fine. In his speech time he is entitled to finish what he has to say.

The reason he could not answer is because Bill C-34 will not solve the problems that come before the House from time to time, including the current questions before the House. We all know what they are.

Issues that are important here are openness and accountability, showing that things are being done right. We could have a situation where things are not being done right and if people never find out about it, they will continue to be done in the wrong way. If we have an openness, a transparency—that is a word which means we can see through things, we can see right to the back of it—then these kinds of problems and issues could be put to rest reasonably quickly.

I do not believe there is sufficient meat in Bill C-34 to achieve the goal. That is regrettable because it was an opportunity for all members of the House to assure the Canadian people that, in fact, their government is honest. I am not implying it is not. I am talking about the assurance part of it. Even if it is honest and if the people perceive differently, then the battle has not been won. It needs to be correctly communicated in such a way that it has credibility.

Bill C-34 fails to do that for a few reasons. I will only have time to state a few of them. I want to use my time to talk later on about the big issue.

First I would like to point out that the red book promised in the 1993 election that the Holtmann report on lobbyists would be enacted. There are a number of areas where that has not been done. One explicit recommendation of the Holtmann report on lobbying, which was a couple of years ago, was that there should be an elimination of the tiers.

I suppose a lobbyist is a lobbyist is a lobbyist. If the purpose is to either procure a government contract or to influence government policy, then they are lobbyists. From the taxpayers' and voters' point of view, it really does not matter whether the association hires an external lobbyist who goes to government or whether the association or organization sends one of their own. That tier distinction for most groups is irrelevant. In every instance a lobbyist is out to influence a government decision. We felt very strongly that the distinction between the tiers should be removed.

(1300)

I will admit again that I went through a metamorphosis here. At one stage I thought that very strongly, and then for a while I was thinking there is some justification for having a differentiation and perhaps less onerous reporting requirements. However, with further reflection, thought, and analysis, I came back to the conclusion that indeed there should be open and full disclosure of all of them equally.

Another problem is the definition of lobbyists. It is quite clear for association lobbyists and is included in the act that if they do lobbying for pay they are lobbyists and are required to register. However, the way C-34 is written for tier two lobbyists, the association ones, those who represent an organization from

Government Orders

within are only required to register if the lobbying activity, by some undefined definition, is significant.

We think the word “significant” leaves it wide open. In fact, people could be lobbying for a fair amount of time, but if they do very much other work then this two or three day amount of lobbying could be interpreted as insignificant. But if that lobbying is done by a person who has high government contacts, perhaps just a one-hour or two-hour luncheon meeting could have tremendous impact on a government decision. For that not to be disclosed is again a breach of the confidence that Canadian taxpayers are expecting.

Another issue we thought was very important is that there be a disclosure of political ties. This always comes up: So-and-so talked to so-and-so and got this achieved. Who did he or she know? What was the connection?

I know we also attract a large number of people. Just as the Liberals have a large number of supporters, party members, people who work on campaigns, so do we. Anticipating that not long from now we are going to be on the government side, I welcome the disclosure; I welcome the fact that if some time we are over there, there should be a total disclosure of someone who has worked on our campaigns. What's to hide? Why should we try to deceive the Canadian people on an issue like that? That should have been included in this bill.

We also believe that significant political contributions should be registered. We just pegged \$1,000 as an arbitrary amount; that could be changed from time to time. But usually, if someone will put down a cheque for \$1,000 they are more than just a casual supporter; they are usually people who are highly influential, or at least more influential in the party.

We can see that following the election it could happen that those same people want to try to influence the government. I would like to recommend very strongly that this should be disclosed. Again, what's to hide?

It has been a while since I have conducted 55-minute classes, so my voice is getting a little raspy. The difference is that when I used to teach at the technical institute my students paid attention and learned something. Now that was an unkind statement.

There is one more flaw to discuss before getting to the next section. Another considerable flaw in this bill is that there is no requirement to disclose the name of the government official being lobbied. We require the name of the lobbyist; we require the name of the groups or associations that are represented. But all that needs to be said is that, for example, in the Pearson airport deal the Department of Transport was being lobbied, and I think it would be very useful for Canadian people who judge matters like this if they could have a clear indication of who in the department was being influenced.

I want to talk a little about the ethics counsellor. There are other issues, but I am going to run out of time.

(1305)

To me, the ethics counsellor is the pivotal point of this whole bill. I would like to begin by commending the government for bringing in the position of an ethics counsellor. It was long overdue. I suppose we could applaud that and say to the Prime Minister and to the government that this is a step forward. Unfortunately, the position of the ethics counsellor will end up being the weakest point of the bill, and it did not have to be. This is most regrettable.

The only time the ethics counsellor is needed is if there is a suspicion. Normally, if there are good relationships between companies or between associations and government, and there is no allegation of wrongdoing, the ethics counsellor can just sit in his office and go about his usual duties.

I would reflect on what the minister spoke about this morning. He talked about the deal with the minister of heritage. He mentioned it at length this morning. When I was trying to get his attention as to what Bill C-43 would do about it, I was hoping he would say that the ethics counsellor will investigate and put the matter at rest. I was trying to give him an out, and he did not bite at the bait; he ignored it.

That is a demonstration of the flaw in this bill. The minister did not recognize that in this particular case, where he claims over and over again that the minister did nothing wrong, the government did nothing wrong and the Prime Minister did nothing wrong, it is not convincing. It is the fox declaring loudly, “I did not eat the chicken”, while the feathers are dangling from his mouth. Even if it is right, it requires independence to have credibility.

When we form the government I will welcome an independent ethics counsellor. I want one. If there are allegations that are untrue, I want an ethics counsellor to be able to investigate and to declare to the Canadian people beyond a shadow of a doubt that there was not any kind of influence or pressure and that he has investigated and has found nothing wrong in order to clear the name.

Under this bill the ethics counsellor is appointed by the Prime Minister, he answers to the Prime Minister, and he reports to this House through the registrar general. Everything is done through the government. Usually the allegations are of wrongdoing between a member of the government or a member of the bureaucracy. Any thinking person can see that if the ethics counsellor is appointed by and answerable to and through the government, any minister or the Prime Minister, he is basically unable to do his job. That is most unfortunate. It is most regrettable. That is the greatest missed opportunity in this bill, and it is the one I emphasize the most.

Government Orders

I would like to talk about both sides of this issue. When there is an allegation of wrongdoing there are really only two possibilities, with perhaps some interpretation along the spectrum in between. Let us consider the current issue that is before us in these dealings we have had during question period and in all of our debates this week. Either there is nothing wrong, as everybody over there keeps saying, or there is something wrong.

First, I would like to deal with a supposition. Here is a hypothesis. Let us suppose that in fact there was something that was not right. I want to have an ethics commissioner who has total freedom to investigate and to declare to the public via this House directly that he has investigated and this and this and this is wrong.

(1310)

The other hypothesis is that there is no wrongdoing. Under our present system and under the one proposed by this bill, if the ethnics counsellor investigates and then says there is nothing wrong, the people of Canada will say we are not really sure we can trust him. It is not because he has not done his job. The current person who holds that office is a person of high esteem and honour. I have no reason to be suspicious of him. However, the man is hampered in his ability to convince the people simply because he lacks the independence of being able to give an independent report. Even if he has done his very best, he is still seen by the people as possibly having been pressured or organized by the Prime Minister, because he is appointed by him and is answerable to him.

We have had a number of cases in which we have asked for the ethnics counsellor to investigate. The answer has been no, I am not going to ask him. We have gone on several occasions to the ethnics counsellor directly: "Were you consulted? Have you investigated?" The answer was "No, I have not been asked".

It is true that right now the counsellor is somewhat inhibited because this act has not yet been proclaimed. When it is, I believe that his role will be somewhat strengthened. He will then be empowered to investigate, so that will strengthen his role compared to what it is right now. There is a plus, and once again I applaud the government for that plus.

The negative end of it is that he is still required to table his reports, both the annual report and the reports as a result of an investigation, through the minister, the registrar general. This is ironic. I just point out a possible future flaw, a trap that will catch us. What happens if the registrar general, who is a member of this House, becomes the object of a suspicion and if the ethnics counsellor does an investigation of that and then presents his report to the very minister he is investigating? Who will believe him? It does not matter what he says. He could say that everything is okay and no one will believe him. If he says that

there is such and such a problem, of course that would be great. Then he would be believed. But it would have greater authenticity if he could have the freedom to answer both ways.

When I plead for the defeat of this bill based largely on the fact that the ethnics counsellor lacks independence, it is because I am looking forward to the day when I want him to have total freedom to convince the Canadian people that the allegations of wrongdoing are false. That is the motivation. There is nothing that is more important than that.

We need to do everything possible to strengthen the legitimacy of the role of the ethnics counsellor. I would like to add that the annual reports also should be given directly to this House.

I think of a perfect analogy. When I go across the country—and I have not done too much of that, I have done most of my work in my Elk Island constituency—I visit other people in Saskatchewan and also in Manitoba. When I talk to them, one government official who has almost universal recognition and respect is the auditor general. The auditor general, because of the way he is appointed and the way he reports, is believed. There is no doubt that the flaw in this bill is that the ethnics counsellor will be hampered in his ability to provide believable reports simply because he lacks that independence.

I would like to conclude my statements, Mr. Speaker, by saying simply that this to me is a broken promise. It is an opportunity missed. It is regrettable because, among other things, the red book stated it explicitly. On page 95 it states the ethnics counsellor will report directly to Parliament. Had the government fulfilled its red book promise in this legislation it would have been a good response.

(1315)

I know I cannot comment on votes. Therefore I will not say I regret my amendment was not passed. However, I really commend the positive parts of this bill but I regret we will not be able to support it because of these tremendously important flaws in it.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I have listened carefully to everything that has been said until now during the debate on the lobbyists registration system and I caught myself thinking that it is quite a paradox that, on this day, Friday, April 28, the House is at third reading of a bill which is at the very heart of our democracy while the government is linked to numerous nepotism and patronage scandals.

This is really something else. I see that the hon. member for Kingston and the Islands wants to take part in this debate. It is also a paradox that he is allowed to speak without ever rising

Government Orders

from his seat. Of course, Mr. Speaker, it is only through your kindness that we can hear what he is saying.

I would like to remind the House of the importance of the lobbying issue. We are not saying that this is an easy question. We are not saying that this is a trivial issue. We are not saying that this is a futile issue, because it deals with the degree of openness the government is ready to allow.

We must remember the words of the hon. member for Berthier—Montcalm whose contribution to this debate was so enlightening.

An hon. member: Enlightening?

Mr. Ménard: Yes, enlightening, and I am weighing my words. I want everyone to know that, were it not for the painstaking, relentless and honest work of the hon. member for Berthier—Montcalm, this debate would never have reached the level of honesty, integrity and perceptiveness it has reached in this House.

All this to say that the lobbying issue, as we all know, is linked to the willingness of our Parliament to ensure that government decisions, policies and guidelines are developed in the open. No wonder the public is asking for such a piece of legislation, for a tougher law, because the voters generally are much more interested nowadays in public affairs.

Not only are people more interested in public affairs, but this reflex of our fellow citizens to want to know who makes the decisions, on whose behalf they are made and, of course, lastly, who tries to influence them is a very positive sign, a sign which we should welcome with great joy. In short, this bill ensures that all political decisions are taken openly and publicly.

I had a friendly talk a little while ago with the government whip who is, it must be said, a seasoned parliamentarian, an experienced parliamentarian. This man, the government whip, who is my friend notwithstanding, reminded me that he had spent 12 years in the opposition, a claim that not all parliamentarians can make. Remember the fight he waged when he was in the opposition.

(1320)

I remember seeing him, of course, I was very young then, but being young is not a life long condition. I remember seeing him intervene virulently in this House and ask the government, which of course was Conservative at the time, as we know, to give Canadian democracy a tougher lobbyists registration act.

What happened in the meantime, since we know that the government whip and his colleagues have not changed? How did these people who, when they were in the opposition, fought so hard for such a bill, come to present such a watered down version now that they form the government? This is a bill that could even be called insignificant.

What happened? Of course, the Liberal Party, which is a continental party, formed the government. As we know, it is taboo for the Liberals to talk about adopting legislation on popular financing of political parties even though, for the sake of fairness, we would have been entitled to expect them to be logical with themselves. Considering the dynamics of politics, we can accept that the government would not bow to the wishes of the opposition, but it is beyond understanding that the Liberals would go so far as to disown their own past.

It is beyond understanding and saddens us. Of course, we could argue that the role of the opposition is to criticize, but you know how the opposition has been responsible, enlightened and forward looking since October 1993. Finally, we turn to independent sources to see what is being said of the bill.

I would like to quote someone who is very influential in Quebec, a journalist—and journalists, like lawyers, command some respect in our society—an intellectual and a graduate of ENAP who began to take an interest in questions of accountability.

Let me quote Gilles Lesage, journalist at *Le Devoir*. He is a reporter for *Le Devoir*, a newspaper that the member for Kingston and the Islands should read more often. You will understand that a reporter for *Le Devoir* has no political ambitions. His criticism is essential to our democracy. I would like to read the first five lines, or so, from his article.

Here is what Gilles Lesage, a moderate and respected figure, had to say. Allow me to quote him particularly for the benefit of the member for Kingston and the Islands. He said: "As well-inspired as it may be, the bill does not even come close to fulfilling the promises made by the Liberals, even though the Liberal action plan for Canada was clear on the need to restore integrity in our parliamentary institutions".

Mr. Lesage was no doubt referring to the red book and to all the speeches made by the Liberal Party's big guns during the election campaign. They talked freely and openly about democracy, parliamentary integrity and transparency.

But let us go back to what Gilles Lesage had to say. He said, and I quote: "The action plan—still talking about the red book—suggested that Canadians should have the right to meet with ministers and senior officials or to be represented in their dealings with the government without having to pay lobbyist fees. It also promised a code of ethics, the appointment of an ethics counsellor reporting to Parliament and the implementation of the Holtmann parliamentary report from June 1993".

(1325)

None of this is in this bill, except of course for the code of ethics. That is why Canadians are disappointed and that is why our institution is losing its credibility.

Government Orders

The Liberals have always talked from both sides of their mouth, saying one thing when they are on the opposition side and something else when they are on the government side. This runs through the party's history. I could give other examples, but that is the kind of thing that has done the most damage to our democracy.

The Bloc Québécois, being responsible in its role as the official opposition, has studied this issue with an open mind and with great interest. I think it is worth reminding my colleague, a newly elected member who will surely gain a lot of experience in this House, of the five points proposed by the member for Berthier—Montcalm who, as we know, did a superlative job on this issue. He was even quoted by journalist Gilles Lesage, who wrote: “Mr. Michel Bellehumeur is suggesting five main amendments”—I hope the members of government are listening, especially their whip—“that is: the ethics code should be recognized as a statutory instrument; the ethics counsellor should be appointed by the House of Commons, not by the prime minister; lobbying fees and meetings with ministers and officials should be divulged; tax deductions for lobbying fees should be eliminated; and—last but not least—the distinction between categories of lobbyists should also be eliminated”.

This is an outline of the legitimate claims put forward by the Bloc Québécois. For the main part, these claims also appeared in the red book, which fast became the black book to Canadians. Yet, all these undertakings did not last beyond the official opposition's coming to power.

Let us examine each of these points more closely. As regards the ethics counsellor of course we should remember that the opposition had acquiesced to the suggestion made by the prime minister concerning the incumbent. We contributed and supported that appointment. The problem with the ethics counsellor is that we would have wanted him, considering the importance of his position, to be directly accountable to Parliament. That is neither unreasonable nor unrealistic and it would not require the government to go against its principles. Things are done that way in many situations where you want to give added importance to a certain position and elevate the debate.

Take for example the Chief Electoral Officer who has to be appointed by the House on the basis of a large consensus. We should also recall that in most true parliaments ombudsmen are appointed by the very parliament to which they are accountable. Why does the government insist on making the ethics counsellor work in isolation? Why has the government not taken advantage of what could have been a genuinely democratic measure and could have reconciled us immediately with the government, although momentarily? Why did the government fail to take advantage of such an auspicious situation by making a true democratic gesture? We know the answer. In fact, Liberals are not prepared to do that much in matters of lobbyist registration.

They are certainly not prepared to submit a firm policy concerning their influence.

(1330)

We would have liked the ethics counsellor to be accountable to Parliament appointed for a seven-year term, with the possibility of being reappointed one more time. We would have liked—which is certainly not trivial nor asking too much—the ethics counsellor to have much broader enforcement powers than he now has. As a matter of fact, what is it that is posing a threat?

Let us take very recent examples of government activities, for example what happened to the minister of heritage. Despite being indisputably a noble-hearted man, we must recognize that he is certainly not the most clever minister in this government. Between the moment the Prime Minister suggested that his ethics counsellor be consulted and the moment he advised the House of this decision, three weeks had gone by.

Let us now consider, Mr. Speaker, what is presently happening in the Prime Minister's own circle. Of course, in the last two days, I have come to understand a lot better why the government is standing up for the family. Recently, I had the pleasure of tabling a motion, and I had a hard time understanding why the government was so stubborn. Now I understand that, when the Liberals talk about defending family values, they also mean the importance of defending the close ties between the Prime Minister and his family and friends.

On the whole, the member for Ottawa—Vanier will agree that this bill has no teeth and would have gained from being strengthened. In matters of disclosure for instance, the bill provides for a number of things. A lobbyist must state the role played in the development of legislative proposals, the influence used in the tabling of bills, the making or amending of regulations, the development or amendment of any federal program, the awarding of grants, etc. There are about seven such duties.

Why are lobbyists not required to reveal the special ties they may have with public servants, senior officials and ministers? The government has trivialized things to such a point that lobbyists have to declare the department they had dealings with. As if even the dullest of minds could not guess from the lobbyists' area of activity with which department they had dealings.

The government whip, who waged a hard battle in the past, is now, as the father of psychoanalysis would say, a polymorphous pervers, which means that he changes form with the debate. How is it that no minister, no member stood in the House to demand that lobbyists be required to disclose the names of public servants, senior officials and ministers that they meet?

Mr. Speaker, in political life, as you know very well since you are a wise man, there are some tests of truth. The Lobbyists Registration Act is such a test of truth and we would have wanted the government to be strong. We would have wanted the government, for once in this mandate, to not only be strong, but

Government Orders

to work hand in hand with the opposition parties, since this is not just anything. As a Parliament, as parliamentarians, we could have built a wonderful consensus which would have allowed us to send a clear message to the population, saying: "We, as parliamentarians, agree that public policies which are our prime concern may be developed openly and publicly".

(1335)

In closing, I would like to say how I am disappointed in the emasculated bill that the government is proposing and how much better it would have been had the government been stronger.

It is still time for the government to rally to the arguments of the Bloc Quebecois.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, you will certainly agree with me that the hon. member for Hochelaga—Maisonneuve really understands the problem. This man has exceptional assessment skills. He made extremely fair comments on this debate and on certain qualities of the men and women in this House.

That said, what struck me in the hon. member's speech—and I think his speech is justified—is that he highlighted the differences between what government members said when they were in opposition and what is in Bill C-43 on lobbyists currently being considered at third reading. Moreover, the Liberals even tabled in this House the so-called Zed report, entitled "Rebuilding Trust".

Given what I hear from the Liberals, I think the title should be "Imposing Trust", because that is what the government is doing, forcing Canadians and Quebecers to trust this document. What they have said since taking office 18 months ago is quite different from what they used to say in opposition.

In closing, I would like to ask the hon. member a question, which he will surely be happy to answer. How can he explain, as seriously as possible, the Liberals' shift in policy? What is the most obvious explanation for this change of heart by, among others, the hon. member for Glengarry—Prescott—Russell, who, when he sat on the opposition side, used to tear his shirt over this, when there is no trace of these elements in Bill C-43? How can the hon. member for Hochelaga—Maisonneuve explain this extraordinary about-face, because the whole issue of government integrity is an extremely important and serious matter? How can the hon. member explain this?

Mr. Ménard: This is a difficult question, Mr. Speaker, but I will try to answer it to the best of my ability.

It should be pointed out first of all that the chief government whip is not easy to pin down. It is therefore difficult to explain his about-faces in any great detail. It seems to me, though, that the answer may lie halfway between human nature and what I would call corporate pressure.

Perhaps you have already given some thought to the fact that Quebec is a step ahead in this respect. It certainly is no small thing that, in a democracy like Quebec, legislation and standards governing public administration were quickly established to ensure that, to the greatest extent possible, conflicts of interests are avoided.

I keep saying that I am the son of a labourer. My father made a decent living but not a fortune. You do not have to come from a wealthy family to get into politics, as long as you have an idea to put across. We, in the Bloc Quebecois, for example, decided we would rather be funded through personal contributions.

(1340)

For my part, when I ran and was elected to represent the people of Hochelaga—Maisonneuve, I ran on a \$30,000 budget. This amount was made up of modest contributions by individuals who wanted me to become their member of Parliament. The difference between Bloc members and government members, who are under pressure from various sources, is that, when I rise in my place, I know that I do not have to account to a corporate constituency. I know that, whether I speak on drug patents, the recognition of same sex partners or the national AIDS strategy, I do so freely, without any constraints.

But to be able to speak absolutely freely, our election funds have to be clean and the system must ensure that the ties between corporate constituents and elected representatives are clear. The government party, which is made up of honest people for the most part, exposes itself to criticism because it relies on corporate financial backers who have interests and attempt to influence government decisions. That is why it is so difficult to remain honest and keep one's hands clean in politics without clear funding arrangements.

I think that party funding and lobbyists registration are issues that reflect our willingness as parliamentarians to maintain our independence of mind and action.

Let us face it, with respect to the party financing policy and the lobbyists registration system, the Liberals are a traditional party, that is to say a party subject to pressure from the corporate constituency of this country. Again, it is a shame that the Liberal Party did not continue to act the way it did in opposition.

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, first I want to congratulate the hon. member for Hochelaga—Maisonneuve on his out-of-the-ordinary performance.

Government Orders

Some hon. members: Hear, hear.

Mr. Bernier (Mégantic—Compton—Stanstead): I expected the Liberal members to rise in recognition of the hon. member's incredible talent, and particularly because of the appropriateness of his comments. Our colleague provided a very eloquent answer to the question asked by the hon. member for Berthier—Montcalm as to why the Liberal Party, which makes up this government, is now proposing a bill which is not only meaningless, but which also contradicts the views expressed by the Liberals when they were in opposition.

The best possible example is that of the member for Glengarry—Prescott—Russell who, when in opposition, constantly denounced the Conservative government and fought tooth and nail to promote integrity. Now, he reminds us of St. Paul, who was struck and fell off his horse. Indeed, the member is now supporting a meaningless and toothless legislation, but one which will allow business to go on as usual. What took place in this House during the past week is very telling.

Every day this week, during oral question period, the official opposition and the Reform Party gave examples of shameless patronage which are in contradiction with the good intentions of the legislation before us.

(1345)

I would like the hon. member for Hochelaga—Maisonneuve to comment on the two timing displayed by the Liberals, given what they were saying when they sat in opposition and what they are now doing.

The Acting Speaker (Mr. Kilger): The hon. member has one minute only to comment.

Mr. Ménard: Mr. Speaker, you know I always respect my time limit. I wanted first to point out that the hon. member for Mégantic—Compton—Stanstead looks as tanned as the Minister of Heritage, so he too might have been to Los Angeles.

Finally, this issue might say something about the Minister of Industry's importance in the cabinet. I think it also shows the real influence that minister has. If we were dealing with a minister with real power within the cabinet, surely the legislative results would have been different. But it is really not too late for the Liberals to pull themselves together, and let us hope that, in the coming hours and days, we will see one last instance of the confidence that can still drive this government.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I see my remarks will get a warm welcome on the other side. Earlier today, I listened to comments by members opposite. I listened intently like I always do. I really wonder if they are familiar with the bill before us or just with the person who prepared the notes they read, like good Bloc members who

read the propaganda that is prepared either here, by their local branch, or by their head office or even by somebody else.

I also hear some heckling, not to use another word, on the part of a Reform Party member. He would like to know if I will address all aspects of the bill. I fully intend to.

[English]

The hon. member of the Reform Party who is anxiously waiting for me to address particular parts of the bill will need to be reminded of the document of the Liberal Party known as "Creating Opportunity".

Mr. Milliken: The red book.

Mr. Boudria: As the parliamentary secretary to the government House leader and the excellent member for Kingston and the Islands has just said, it is called the red book. Yes, it is the red book.

What was promised by the Liberal Party in the red book is what we are delivering to the people of Canada as we continue on our very successful program of delivering on our commitments to the people of Canada. Through the excellent leadership of the Minister of Industry we are delivering on that commitment in this third reading debate on Bill C-43.

We promised as a party that we would restore integrity in government in a general sense. That is exactly what we have done with the leadership of the right hon. Prime Minister. We said that we would have stricter rules of conduct for lobbyists. I will get into those details in a minute. We also said that we would establish rules of conduct for members of Parliament and senators, and that item is on the Order Paper for debate on Monday. Immediately when we complete this facet of ethics in government we will deal with the next part, which is the code of conduct for MPs and senators.

(1350)

I am anxiously waiting the support we will get toward bringing that resolution to a successful conclusion and to start our work in that regard. If members across the way do not adopt the motion to start that work, we will have to conclude they do not want rules of conduct and ethics to apply to them. We will see about that in a few days.

Mr. Milliken: We will see that on Monday.

Mr. Boudria: As the parliamentary secretary says because he is in charge of such matters, we will see that on Monday.

In the red book we committed ourselves as a party to deal with the issue of lobbyists. Let us remember how we got the rules that presently exist for lobbyists. Prior to 1985 there were no rules for lobbyists. On September 9, 1985 after a number of questions were asked in the House—and if I do say so myself I asked a good number of them—the then prime minister decided to announce a series of measures. Two years later—

Government Orders

Mr. Sauvageau: The Conservatives?

Mr. Boudria: It was a Conservative Prime Minister.

Two years later when that same prime minister had not produced the rules, we prodded him and finally got a commitment from the government to establish a parliamentary committee. That was the Cooper committee.

I sat on that committee. I will claim some responsibility for some of the recommendations in its report. It was chaired by the member for Peace River. We arrived at a unanimous report. The then New Democratic Party member for Nickel Belt, several Conservative MPs and I under the chairmanship of the member for Peace River produced a report.

From that report the government produced a bill. That bill is the law in the country. It was referred to a parliamentary committee, the Cooper committee. We dealt with it, made some improvements to it and now it is the law of the land.

One of the clauses that came from the committee was the sunset clause of sorts on which there would be a review. The review was to improve on the bill. Pursuant to that we did the study under the able chairmanship of the member for Fundy—Royal. We now have before us a bill to amend the present act. That is how it all came about.

When five years of having the first law were completed or close to it the government, again at the request of the opposition, appointed a committee under the leadership of the member for Selkirk—Interlake, Felix Holtmann, who is in Ottawa; I saw him 10 or 15 minutes ago. He chaired the committee that produced a report I have before me today.

[*Translation*]

The Holtmann committee report was entitled “A Blueprint for Transparency: Review of the Lobbyists Registration Act”. The Liberal Party used that report as the basis for its own red book.

An hon. member: That is not so.

[*English*]

Mr. Boudria: A member across the way says that it is not so, or he is questioning whether it is accurate. I will read to him the relevant sections of the red book at page 95:

In particular, a Liberal government will appoint an independent Ethics Counsellor to advise both public officials and lobbyists in the day-to-day application of the Code of Conduct for Public Officials. The Ethics Counsellor will be appointed after consultation with the leaders of all parties in the House of Commons and will report directly to Parliament.

Are members opposite listening?

Mr. Milliken: Why bother consulting with them? They are not interested.

Mr. Boudria: As a matter of fact the Prime Minister consulted with the two opposition parties.

Mr. Milliken: And now they are complaining.

Mr. Boudria: Now they are complaining, as the hon. member so eloquently said. It continued:

The Ethics Counsellor will be mandated to develop a corresponding code of conduct for lobbyists—

That is enshrined in the bill before us today.

—and to examine and recommend responses to the ethical and business practice issues that arise from time to time in government relations. The Ethics Counsellor will be able to offer guidance to both the lobbyists and their clients and, if necessary, so that they can judge in advance the acceptability of any proposed contract or activity.

A Liberal government will give the Ethics Counsellor the power to investigate complaints and review specific dealings between the government and lobbyist to ensure that the Code of Conduct is honoured. The Ethics Counsellor will be available to the Prime Minister to investigate allegations of impropriety by Cabinet ministers.

(1355)

An hon. member: It is all there.

Mr. Boudria: It is all there. The part dealing with lobbyists is in the bill, if not more.

The red book went on to state that we would adopt the recommendations of the Holtmann committee and that is what we are doing.

[*Translation*]

So, let me quote from the Holtmann report on which was based the red book. Listen to what was said about the independence of the registrar. At the time, the title used was registrar instead of ethics counsellor. The title recommended by the Holtmann committee for this position was registrar.

On page 19, the Holtmann report says, and my colleagues may want to listen carefully and even write this down: “We listened with great interest to the arguments presented by these witnesses”, meaning the witnesses who wanted the registrar to be placed under the authority of the House of Commons, but “heard no evidence that the Registrar has been hindered in the execution of her duties. Nevertheless, we are anxious that both the excellent performance and the public reputation of the Registrar be maintained. We feel that this can best be accomplished by giving the Registrar an increased measure of independence and additional authority to report on matters pertaining to the Act. Apart from the obvious benefit of reducing the possibility of political interference, this would allow the Registrar to comment on deficiencies and problems with the operation of the Act. Therefore, the committee recommends—listen to this—that the Registrar be appointed by the Governor

Government Orders

in Council—in other words by the Prime Minister and the cabinet, and get this—subject to the approval of a committee of Parliament”.

There you go. It is already provided for in the Standing Orders of the House of Commons. As you can see, the complaints and the lamentations that we heard earlier today from the members opposite—

Mr. Milliken: The moaning and groaning!

Mr. Boudria: The moaning and groaning, it is nothing but a show.

Some hon. members: Oh, oh!

Mr. Milliken: That is what it is.

Mr. Boudria: Absolutely. It is nothing but a show. The members opposite got what they asked for and, indeed, what had been promised to Canadians. As usual, the Liberal government is determined to keep its promise to the people of Canada.

Mr. Milliken: As always!

Mr. Boudria: As always, as the hon. member for Kingston and the Islands so rightly said. So we have not diluted our commitment in any way as alleged by the opposition critic, the member for Berthier—Montcalm. He said earlier today that we have lenient rules. Did you hear that, Mr. Speaker? The member has certainly not heard the Minister of Industry, who said in this House today that we have the strictest rules of all the countries in the world.

Some hon. members: In the world.

Mr. Boudria: Mr. Speaker, we will shortly be having a question and comments period, and I would invite the member for Berthier—Montcalm, in the preamble to the question he will no doubt ask, to tell us what other jurisdiction has stricter rules for lobbyists than are found in Bill C-43 before us. I invite him to list the countries for us. It will not take him long—there are none. I am familiar with the situation in the United States. There are absolutely none there. In the United States, only dealings between a lobbyist and a legislator are recorded. No record is kept for a member of the executive, or even for staff member or even for the highest government official in the country. Only in the case of a conversation or other communication with a legislator, not a member of the executive.

In the United States, there is no record either of lobbyist costs, unlike what we will have here in certain controversial cases, as the minister indicated so well. In the United States, only the honoraria of foreign lobbyists are recorded when they lobby in the United States and only when foreign interests are concerned.

(1400)

I went to Washington with the committee, I saw what was being done there and I invite the members opposite to get their

facts straight on this matter. I was, I humbly point out, the only parliamentarian to take part in the Cooper and Holtmann committees. The member opposite claims to have become an expert on the issue after spending some months on a parliamentary committee—and the Bloc Québécois even switched its critic mid-way through. I do not question the hon. member's competence.

An hon. member: No, he is very competent.

Some hon. members: Hear, hear.

Mr. Boudria: But he must not lay claim to a monopoly on insight into this kind of thing, because I have been working on this matter for close to ten years now. I think I can safely claim to know at least as much as he does.

I know that the opposition is quite upset about the issue. They see that in a few minutes we may vote in a new law which will strengthen the great confidence that the Canadian population already has in its government. The Liberals have been working like they always have on this issue, and that is what we intend to continue doing, that is what we promised and that is what we, as the government, will indeed do.

A little earlier, I heard the hon. member for Berthier—Montcalm talk about what he called the Liberal government's flexible conscience. Now, this is from people who got themselves elected under the separatist banner, calling themselves moderate separatists during the election campaign. They called themselves strong separatists in separatist ridings, and moderate separatists in those that were not. But, once they got elected and came to Parliament, they all threw out those principles and became militant separatists. Now, all of a sudden, the leader of their party decides to champion a form of federalist separatism. Look closely at what the members opposite have done. Separation with Canadian passports, Canadian currency and a federal Parliament. That is what some members opposite start calling separatism when they see that their agenda is going nowhere.

So, we are now dealing with federalist separatists and separatist separatists across the way. But now, we must know whether the separatists—

Mr. Ménard: Mr. Speaker, allow me to invoke the rule of relevancy because we cannot see where the government whip's allegations are leading and what is the link with Bill C-43.

The Acting Speaker (Mr. Kilger): The rule of relevancy is very difficult to apply. It is extremely flexible. I listened carefully to all the speeches, on both sides of the House, and I believe that, to a large extent, the debate has been very relevant.

I would ask the member for Glengarry—Prescott—Russell to conclude his remarks.

Mr. Boudria: Mr. Speaker, I believe that the member for Berthier—Montcalm was quite right to talk about the flexibility of one's conscience; I suppose that he is quite angry at his

Government Orders

colleague from Hochelaga—Maisonneuve for claiming that to talk about such a topic, as his colleague did, was against the rules.

I believe that he is going to get an earful from his colleague after questions and comments. I agree with the member for Berthier—Montcalm in this matter. I am sure that he was right to raise this issue. In fact, this is why I am answering. Since he was not called to order by the Speaker when he raised the issue, it means that he was abiding by the rules.

Mr. Bellehumeur: This is too much!

Mr. Boudria: No. Members across are not in a position to be sanctimonious. This is certainly not the right time for them to vow political chastity. Just think of what was happening recently between the local branch here and the head office in Quebec. One wonders which brand of separation will be preached. Is it the federalist one of the local branch manager in Ottawa, that is the Leader of the Opposition, or the separatist one in Quebec? Which one will prevail in the debate?

(1405)

It now seems the member for Lac—Saint—Jean is slightly ahead of his provincial colleague. We will see, in the near as well as distant future. In any case, whichever brand of separation, it will still be separation. It is like ice cream. The flavour might be slightly different, it is still ice cream. In this case, however, the product has soured and the public will not buy it.

In conclusion, I will repeat that we have here an excellent bill which was introduced by a minister who really did his homework and which was studied by an extremely competent parliamentary committee. That committee, through its majority members, delivered what we promised in the red book and went even further on some points.

I support their work entirely. I am convinced that this is a good bill. As the Minister of Industry indicated, it is a legislation which has the strictest national requirements in the world. Yes I must repeat it. It is not my fault if such are the facts. Nonetheless, it is still the truth.

[*English*]

I welcome questions from my colleagues across the way on this bill. I welcome in advance their support if they do want stricter rules for lobbyists. We will find out in very short order whether that is really what they want or if all they want to do is complain and not really do anything.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I am really disappointed to see the member for Gleggarry—Prescott—Russell laughing about such an important issue as Bill C-43, an Act to amend the Lobbyists Registration Act, confusing everything and saying almost nothing about the bill itself.

The member talked about sovereignty, about all kinds of issues, about the leaders of the sovereignist forces in Quebec, about almost everything except for the real issue, the one concerning lobbyists. As for sovereignty, during the referendum period, in Quebec, the member will come and talk about the great policies of the stuffed beavers over there. He will come in Quebec and talk about that. However, today's debate is on Bill C-43.

Bill C-43 is a most important bill, and I find it strange that the member has nothing to say about it. I will ask him a few questions but first, I want to make a comment. He underestimated the work done by the committee. He said that the members claimed they alone knew the truth because they had heard witnesses during six months. That is not true, Mr. Speaker. I am not alone in knowing the truth. I only report to the House what I have heard during the hearings of the committee.

I report to the House what witnesses, taxpayers and voters said to the committee about what they would like to see in Bill C-43. I think that the member underestimates the work that has been done, and that is most regrettable.

There are two very important points in this bill. There are many others, but what is important is not what is in the bill. There are, in particular, a couple of points concerning the ethics code and the appointment of the ethics counsellor.

I will read two clauses to the member opposite who suggested that this bill is a model of openness and absolutely the best legislation of its type anywhere in the world, that they are the smartest, the most clever and the boldest in their proposal. Why, then, does the bill clearly state that the counsellor's investigations should remain secret, hidden behind the closed doors of the federal government? We are not allowed to know what is going on behind those closed doors. Why does the bill specify that the code of ethics is not a statutory instrument for the purposes of the statutory instruments act? Are they afraid that the public will initiate legal proceedings to have the code enforced?

(1410)

Are they afraid of civil suits? How do you explain section 10.5 of the bill, which says that "the Ethics Counsellor shall prepare a report of the investigation, including the findings, conclusions and reasons for the Ethics Counsellor's conclusions"? We insist on having a reasoned report. The ethics counsellor would never tell us how he came to these conclusions.

It is the same with a judge's decision. It is by reading the decision that you know if the judge's findings are right or wrong. We will not have this information because the legislation is made especially for the friends of the government, those who contribute to the Liberal Party's election fund. They do not want us to know how the ethics counsellor came to his conclusions. They do not want us to know how the ethics counsellor really judges a minister, senior official or anyone else working for the

Government Orders

government machine. No, instead they introduce a bill that makes no sense.

I would say to the hon. member that he should have been embarrassed to speak today about Bill C-43. I would have been, knowing that I had signed the Holtmann report, which recommended taking measures that are 10 times stronger and more comprehensive than those in the bill before us.

He was a member of the Holtmann committee, he signed the report regarding the tier system for lobbyists and disclosure, and we are not even doing one-tenth of what the Holtmann report recommended. I would be embarrassed to flaunt that today. I would also be embarrassed to hold up a book, claiming that it is still red. Those small red books may all have come out of the same press, but not two are identical. At least in the version of the book they used during the election campaign they were committed to implementing the recommendations of the Holtmann report.

An hon. member: Promises, promises.

Mr. Bellehumeur: It was an election promise. Today, their other small red book called "Rebuilding Trust" has nothing to do with that and would have been better named "Breach of Trust". It does not even go one tenth of the way, and that is disgraceful. I would be embarrassed if I were him.

I would like him to explain to me why the contents of Bill C-43 do not jive with the Holtmann report. Let him explain, if he has the courage to and if he even knows, because he has hardly been to two or three meetings in the last six months. And today, he thinks he can teach me something. No, there is definitely something wrong with this picture.

Some hon. members: Hear, hear.

Mr. Boudria: Mr. Speaker, I certainly do not intend to apologize to the hon. member opposite for the fact that, since then, I became the government whip. During the period when discussions on the bill started and were finally concluded, I had the honour and the privilege—

Mr. Sauvageau: To abandon ship.

Mr. Boudria: I do not think that becoming the government whip of one's country means abdicating one's responsibilities, as the hon. member opposite inferred. If some day he manages to get this kind of job, perhaps he will understand. And if he does, I might remind him of what he said today.

Mr. Bellehumeur: I hope not.

An hon. member: The opposition will be in bad shape.

Mr. Boudria: It certainly will if it happens to be him.

The Holtmann committee submitted a good report. For instance, all those who had to register, it is all there in the Holtmann report. Disclosure of information as well. Today's proposals on administration, implementation and enforcement

of the legislation are even stricter than what was recommended in the Holtmann report.

Look at what the report recommended, for instance, regarding the creation of a professional association and a code of ethics for lobbyists. It said lobbyists should immediately set up a professional association with a code of ethics. We go even further than that. The ethics counsellor himself will draw up a code of ethics on behalf of the lobbyists. We want it to be even stricter.

The person in charge, the public official, will do this himself, and I am referring to the person who will have this quasi-judicial role to play. He will have that authority. In this bill we have gone even further than the Holtmann report, which was already a good report.

(1415)

We went farther than the current legislation. There were three stages. We started with the existing legislation, improved it with the Holtmann report, improved it in the red book, improved it further with the report entitled "Rebuilding Trust" and improved it again today with Bill C-43.

We had the benefit of the wisdom of the members opposite, because we even adopted some of their recommendations with regard to their amendments, which we voted on a few days ago. We were proud to do so, because this is what we want, and I hope this is what the hon. members opposite want as well. We want the most practical bill, nevertheless, the best possible, by reconciling everything that needs reconciling so that what we put forward is more than just fancy theories. We have a good bill and we will have the best, when the members opposite decide to let their colleagues vote so we can get on with this matter, which is important for lobbyists, the government and the people of Canada, who elected this government on its agenda, on its red book.

[English]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I will be very brief. I will simply say that I appreciate the work the hon. member did with respect to lobbyists during the time he was in opposition. He was a good, hard working member and he said a lot of wise things. I wish that his government had followed some of his advice.

I would like to refer to what I call the Liberals' red ink book of broken promises. At page 94 of the red book, under "The Public Trust", it says: "Nine years of Conservative government have brought our political process into disrepute. A Liberal government will restore public trust and confidence in government." Wonderful. Those are nice words. "We will regulate the activities of lobbyists by appointing an ethics counsellor". They have done it. Great. It continues: "We will reform the pension plan of members of Parliament". For everybody who was here before 1988 it is the same old trough. "We will give more power to individual MPs by providing more free votes and more authority for parliamentary committees". That is not happening. "And we will establish strict guidelines for merit in government

Government Orders

appointments". We have lists and lists of appointments on everything other than merit.

I would like to ask the hon. member to respond to this, because this is very serious. I believe that their commitment is honourable, but they are not following through. I would like the hon. member to explain it. He was involved in the reports in the past that made this recommendation. I am reading from page 95: "In particular, a Liberal government will appoint an independent ethics counsellor". He referred to that in his speech. I would ask him to describe how the present appointment mechanism established in Bill C-43 via the Prime Minister and the submission of reports via the registrar general to the House reflects an independence, which is so necessary.

It continues: "The ethics counsellor will be appointed after consultation". Great. But it says here explicitly: "—will report directly to Parliament". That is not happening. The hon. member needs to explain that.

The Liberal government says that it will implement the unanimous June 1993 report; that is the Holtmann report. I cannot give the House the details, but if I had the time I would list two specifics in the Holtmann report that were not implemented. The removal of the tiers was an explicit Holtmann report recommendation. That is not in this bill. The anti-avoidance schemes were specific in the Holtmann report, but not in here.

I would like the hon. member to respond as to why the government is not doing those things.

Mr. Boudria: Mr. Speaker, I have two points. First, I thank the hon. member for his questions. They were indeed very pertinent and I would like to respond to them. I know the hon. member has been very diligent in his work on this.

I would like to suggest a comparison. The Minister of Industry also has reporting to him, albeit nominally, because he works independently, the director of investigation and research. That person investigates what we formerly called the combines investigation and so on. Does anyone ever say that the person who does that judicial function, because he reports nominally to the minister, who then tables his report in the House, is somehow tainted by the fact that he reports to the minister? I do not think anyone has ever said that.

(1420)

I do not know why anyone would say that a report delivered by the ethics counsellor to the minister in his capacity as registrar general, which is then tabled by the minister in the House, is somehow tainted. The member across will surely know that is not the case.

With regard to the tiers or the categories, I want to outline something for members across and indeed to all Canadians who might read *Hansard*. I cannot discuss watching TV; that would be inappropriate.

The federations of agriculture and other organizations came to testify before us. They told us that the governments consult them, and because the governments consult them, the new and stricter requirements that we will be imposing on the contract type of lobbyist should not apply to them, that it is in fact unfair to them.

If the member wants to say that we should give far more bureaucratic type of work to be done by the dairy commissions or the dairy councils, the federations of agriculture, the milk committees, and groups like that, let him say that, if he wants to impose those kinds of onerous requirements of the kind that we are placing on contract lobbyists.

An hon. member: He didn't even move those as amendments.

Mr. Boudria: No one even moved amendments to that effect.

Because we are making the requirements so strict for others, that is why those things in there cannot be applied to groups like the federation of agriculture in my riding, or the milk committee.

I will be meeting with the milk committee from Glengarry—Prescott—Russell next week, Mr. Speaker, and you are invited to attend the meeting. All three milk committees are uniting at St-Isidore-de-Prescott in my riding. I will be meeting with their executive next week. That is a lobbying activity. They have asked to see me in order to lobby me on a very important issue.

This is not a joke. The dairy producers in my riding, who feel these issues are very important to them and lobby their member, think this is pretty serious stuff. They do not want to have imposed on them the same kinds of requirements we would impose on a guy like Frank Moores. I do not even know if he is still working, but Mr. Moores, in the heyday of his Tory lobbying, would have had, under these rules, the same kind of requirement as l'Association des producteurs laitiers du comté de Russell.

[*Translation*]

I do not think I would put these groups on the same footing with regard to disclosure. If the members opposite think that is the right way, let them say so.

[*English*]

The Acting Speaker (Mr. Kilger): I hope and trust that I read the mood of the House correctly when I allowed the question and comment period to go a little bit longer than the period normally allows for. Following that, we have approximately five minutes left to this day. Do we in fact want to continue and allow the member for Skeena to take the floor, or are there other suggestions?

Government Orders

Mr. Epp: Mr. Speaker, I rise on a point of order. May I ask that you seek unanimous consent to simply continue the debate with the present member? I would appreciate that. I think it would be useful because of his experience and wisdom in this.

The Acting Speaker (Mr. Kilger): The House is the master of its own destiny. It is by unanimous consent, with the understanding that the day will end at 2.30 p.m.

[*Translation*]

The hon. member for Berthier—Montcalm has the floor on a point of order.

Mr. Bellehumeur: Mr. Speaker, if I understand correctly, the five minutes are in order to finish, only five minutes.

As for the rest, regarding the wisdom of the hon. member, I cannot say I quite agree, but that is another matter. However, as regards unanimous consent, you have it for five minutes.

The Acting Speaker (Mr. Kilger): If I have understood everyone, we will still adjourn at the time agreed upon, that is, at 2.30 p.m., but we will continue with a period of questions and comments for the member for Glengarry—Prescott—Russell.

[*English*]

Mr. Epp: Mr. Speaker, I really appreciate this.

The member indicated that there were no amendments to remove the tiers. I want to inform him that in fact one of our amendments at report stage dealt with exactly that issue, and it was turned down. That has happened here.

(1425)

The member did not adequately explain how the independence of the ethics counsellor is achieved through the present system. When we compare it to the independence of the auditor general, there is quite a difference. Certainly in the perception of the people there is a large problem if the ethics counsellor is investigating an issue that deals with the registrar general. In that instance, the ethics counsellor would be doing an investigation and reporting to the very member he is investigating and then through him to the House. There is a perception of not having adequate independence. I want the hon. member's response to that. This is not adequate.

Mr. Boudria: First, Mr. Speaker, let us establish one thing. The nature of dealing with lobbyists is not in itself judicial. One might argue it is quasi-judicial. We do not start off with the premise that someone who is being investigated has committed a crime. This is not at the same level. The member would understand that first premise. I am sure he does.

We do not start off with the premise that anyone who is before the body in question has committed some sort of wrongdoing. In fact the ethics counsellor will be producing the rules to govern these people, the code of conduct, providing advice to them. If a lobbyist is deciding whether or not a particular lobbying activity is ethical, he will be able to consult the ethics counsellor and so on. That is the first proposition.

The second proposition is that the member has said that I have not convinced him why someone who reports nominally through a minister for a report to be tabled in the House would be independent. I have to turn it right around on its head and say he has not proven that he is not. He has far from made that proof.

I gave the example of the director of investigation and research, who does work in regard to dealings in the corporate sector, and how if groups are guilty of collusion, price fixing, and so on, these people are investigated.

There are administrative tribunals involving international trade that report through a minister to the House. None of the pension tribunals report directly to the Speaker of Parliament. Does the veterans pensions appeal board report directly to the Speaker? Of course not. It reports through the minister to the House. Does anyone say that all these people are tainted, incompetent, and that their judgment is biased? I do not think so. What about all the other administrative tribunals? Does anyone make that allegation?

There is an interesting point. One minister has as his task to report the estimates of the CRTC in this House: the Minister of Canadian Heritage. Because that minister passed a complaint on, without even a recommendation, referred a letter from a constituent, that was brought on the floor of the House as saying that this body is quite independent, even though it reports to the minister. If that is true, that a person reporting through the minister had previously, according to the same people asking the questions today, always been independent, how is it that this job of being the administrator of these rules will never be independent? How can that be? Obviously it is wrong. Their judgment is incorrect.

I say that even though the person reports to a minister of the crown, the person is not a police officer or a judge of the Supreme Court. He administers rules of ethics. There are two facets to it: one involves lobbyists reporting through the minister to the House; the other one is reporting the conduct of ministers to the Prime Minister. The reason for that, of course, is we operate under the principle of responsible government.

With the indulgence of my colleagues, may I end with this comment? What if we had a system pertaining to the conduct of ministers where the Prime Minister was not responsible?

Government Orders

If the Prime Minister answered questions saying: “Do not ask me. There is an independent officer investigating this”, what we would hear from the opposition was: “Prime Minister, you are the boss. You appointed these people. You are the one who is supposed to administer discipline”. In other words, the opposition would turn it around. Its members would say quite correctly that we live under a system of responsible government and the buck has to stop with the person in charge.

Those are the two functions that person will have to administer, one closer to a judicial role and the other something where the ultimate responsibility has to lie with the Prime Minister. Those are the two functions that the person will have according

to my understanding of the job. That is the important thing for us to remember.

I hope this legislation will be passed expeditiously and that we have better rules of conduct not for us in this bill—we will have those too, some other time—but a better code of conduct for lobbyists for the betterment of the whole country.

The Acting Speaker (Mr. Kilger): I want to thank everyone for their co-operation. It is most enjoyable to finish on a co-operative note at the end of the week.

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

(The House adjourned at 2.31 p.m.)

CONTENTS

Friday, April 28, 1995

GOVERNMENT ORDERS

Lobbyists Registration Act

Bill C-43. Motion for third reading	11923
Mr. Manley	11923
Mr. Bellehumeur	11927

STATEMENTS BY MEMBERS

Health Care

Mr. Pagtakhan	11931
---------------------	-------

Canadian Advisory Council on the Status of Women

Mrs. Debien	11931
-------------------	-------

B.C. Trappers' Association

Mr. Hill (Prince George—Peace River)	11931
--	-------

Nuclear Non-Proliferation Treaty

Mr. Allmand	11931
-------------------	-------

Quinte Ballet School

Mr. Vanclief	11931
--------------------	-------

Royal Newfoundland Regiment's 200th anniversary

Mrs. Hickey	11932
-------------------	-------

Seagram and Power Corporation

Mr. Caron	11932
-----------------	-------

Substance abuse in prisons

Mr. Penson	11932
------------------	-------

Schizophrenia	
Ms. McLaughlin	11932
Parkdale Drug Awareness Week	
Mr. Flis	11933
Workplace accidents	
Ms. Cohen	11933
Tribute to the late Hon. Charles R. Granger	
Mr. Mifflin	11933
Minister of Canadian Heritage	
Mr. Laurin	11933
Criminal Code	
Mr. Strahl	11934
Canadian National Railways	
Mr. Shepherd	11934
Sisters of Charity of Ottawa	
Mr. Bélanger	11934
Occupational Health and Safety	
Mr. Ménard	11934
Occupational Health and Safety	
Mr. Solberg	11935
Occupational Health and Safety	
Ms. McLaughlin	11935
Occupational Health and Safety	
Ms. Cohen	11935

ORAL QUESTION PERIOD

Seagram	
Mr. Duceppe	11935

Mr. Manley	11935
Mr. Duceppe	11936
Mr. Manley	11936
Mr. Duceppe	11936
Mr. Manley	11936
Mr. Bellehumeur	11936
Mr. Manley	11936
Mr. Bellehumeur	11936
Mr. Manley	11937
Mrs. Brown (Calgary Southeast)	11937
Mr. Manley	11937
Mrs. Brown (Calgary Southeast)	11937
Mr. Manley	11937
Mrs. Brown (Calgary Southeast)	11937
Mr. Manley	11937
Mr. Duceppe	11938
Mr. Dupuy	11938
Mr. Duceppe	11938
Mr. Dupuy	11938
Mr. Hill (Prince George—Peace River)	11938
Mr. Manley	11938
Mr. Hill (Prince George—Peace River)	11939
Mr. Manley	11939
Mr. Laurin	11939
Mr. Dupuy	11939
Mr. Laurin	11939
Mr. Collenette	11939

Seagram

Mr. Solberg	11939
Mr. Dupuy	11939
Mr. Solberg	11940
Mr. Manley	11940

Telecommunications

Mr. Ménard	11940
Mr. Manley	11940
Mr. Ménard	11940

Mr. Manley 11940

Gasoline Prices

Mr. Bellemare 11941

Mr. Manley 11941

Seagram

Mrs. Brown (Calgary Southeast) 11941

Mr. Dupuy 11941

Mrs. Brown (Calgary Southeast) 11941

Mr. Dupuy 11941

Telecommunications

Mr. Leroux (Richmond—Wolfe) 11941

Mr. Manley 11941

Mr. Leroux (Richmond—Wolfe) 11942

Mr. Manley 11942

Seagram

Ms. Meredith 11942

Mr. Dupuy 11942

Ms. Meredith 11942

Mr. Manley 11942

Goods and Services Tax

Mrs. Brushett 11942

Mr. Anderson 11942

Immigration

Mrs. Debien 11943

Ms. Clancy 11943

Seagram

Mr. Abbott 11943

Mr. Dupuy 11943

Gasoline Tax

Mr. Solomon 11943

Mr. Manley	11943
------------------	-------

ROUTINE PROCEEDINGS

Government Response to Petitions

Mr. Milliken	11943
--------------------	-------

Standing Committee on Industry

Government Response

Mr. Manley	11943
------------------	-------

Members of Parliament Retiring Allowances Act

Bill C-85. Motions for introduction and first reading deemed adopted	11944
Mr. Gray	11944

Canadian Dairy Commission Act

Bill C-86. Motions for introduction and first reading deemed adopted	11944
Mr. Goodale	11944

Business of the House

Mr. Milliken	11944
Motion	11944
(Motion agreed to.)	11944

Petitions

Bill C-58

Mr. Allmand	11944
-------------------	-------

Canadian Armed Forces

Mr. Frazer	11944
------------------	-------

Assisted Suicide

Mr. Rideout	11944
-------------------	-------

Repeat sex offenders

Mr. Rideout	11944
-------------------	-------

Same–sex relationships	
Mr. Abbott	11944
Assisted suicide	
Mr. Abbott	11944
Protection of the unborn	
Mr. Abbott	11944
Bill C–240	
Mr. Abbott	11944
Budget	
Mr. Abbott	11944
Ms. Meredith	11945
Sexual orientation	
Ms. Meredith	11945
Protection of the unborn	
Ms. Meredith	11945
Bill C–41—sexual orientation	
Ms. Meredith	11945
Questions on the Order Paper	
Mr. Milliken	11945

GOVERNMENT ORDERS

Lobbyists Registration Act

Bill C–43. Consideration resumed of the motion	11945
Mr. Bellehumeur	11945
Mr. Epp	11947
Mr. Ménard	11952
Mr. Bellehumeur	11955
Mr. Bernier (Mégantic—Compton—Stanstead)	11955
Mr. Boudria	11956

Mr. Bellehumeur 11959
Mr. Epp 11960
Mr. Epp 11962