CANADA

House of Commons Debates

VOLUME 133 • NUMBER 019 • 2nd SESSION • 35th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Friday, March 22, 1996

Speaker: The Honourable Gilbert Parent

CONTENTS

(Table of Contents appears at back of this issue.)

HOUSE OF COMMONS

Friday, March 22, 1996

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

CANADA TRANSPORTATION ACT

The House proceeded to the consideration of Bill C-14, an act to continue the National Transportation Agency as the Canadian Transportation Agency, to consolidate and revise the National Transportation Act, 1987 and the Railway Act and to amend or repeal other acts as a consequence (with amendments) from the committee.

SPEAKER'S RULING

The Acting Speaker (Mr. Kilger): The following is the ruling on groups at report stage of Bill C-14.

There are 82 motions in amendment standing on the Notice Paper for the report stage of Bill C-14, an act to continue the National Transportation Agency as the Canadian Transportation Agency, to consolidate and revise the National Transportation Act, 1987 and the Railway Act and to amend or repeal other acts as a consequence.

[*Translation*]

Motions Nos. 16, 20, 21, 33 and 34 cannot be submitted to the House as they did not receive the Governor General's recommendation. Standing Order 76(3) requires that notice be given of the said recommendation no later than the sitting day before the day on which the report stage is to commence.

[*English*]

The other motions will be grouped for debate as follows. Group No. 2, Motions Nos. 1 and 69. Group No. 3, Motions Nos. 2, 28 to 32, and 35 to 55. Group No. 4, Motions Nos. 3 and 5.

[*Translation*]

Group No. 5: Motions Nos. 4, 9, 14, 15, 17, 27, 68, 72 and 73.

[*English*]

Group No. 6, Motions Nos. 6, 7 and 8. Group No. 7, Motions Nos. 10 to 13 inclusive.

• (1005)

[*Translation*]

Group No. 8: Motions Nos. 18 and 19.

[*English*]

Group No. 9, Motions Nos. 22, 26, 71 and 74 to 82. Group No. 10, Motions Nos. 23 and 24. Group No. 11, Motion No. 25. Group No. 12, Motions Nos. 56 and 70.

[*Translation*]

Group No. 13, Motions Nos. 57 to 66.

[*English*]

Group No. 14, Motion No. 67.

The voting patterns for the motions within each group are available at the Table. The Chair will remind the House of each pattern at the time of voting.

I shall now propose Motions No. 1 and 69 to the House.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, a point of order. After discussions with the House leaders and the party whips yesterday, I believe you will find that I have unanimous consent for my motion No. 25 to be included in group 1 for debate today.

The Acting Speaker (Mr. Kilger): I wonder if I might ask the assistance of the hon. member for Saint John. Is she referring to her motion No. 25 being in group No. 2?

Mrs. Wayne: Mr. Speaker, yes, you are absolutely correct.

The Acting Speaker (Mr. Kilger): The House has heard the request for unanimous consent to include motion No. 25 in group No. 2. Is there unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): Therefore I will present group No. 2 and No. 11 before the House simultaneously for the purpose of debate.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I have had discussions with members of other parties and I believe if you seek unanimous consent you may find agreement to refer clause 27 of this bill back to the Standing Committee of

Transport for reconsideration, given the further input that has come from the field.

The Acting Speaker (Mr. Kilger): The House has heard the the request of the hon. member for Kootenay West—Revelstoke. Is there unanimous consent?

Some hon. members: No.

Mr. Gouk: Mr. Speaker, another point of order. I understand the groupings also include voting. Group 6 contains a motion to delete clause 27(2). That same grouping contains two different motions to modify clause 27(3), which is simply a part or refers to clause 27(2).

If they are voted on together and if the government chooses to defeat clause 27(2), which I suspect it will do, it will also defeat the minister's Motion No. 7. I do not believe that is the intent. It is going to add confusion.

Could we get clarification that these will be voted on separately even though they are grouped together?

The Acting Speaker (Mr. Kilger): I believe that could be clarified at the time of voting.

● (1010)

The Acting Speaker (Mr. Kilger): In response to the intervention of the hon. member for Kootenay West—Revelstoke, in review of group No. 6, Motions Nos. 6, 7 and 8 will be voted on separately.

MOTIONS IN AMENDMENT

Mr. Vic Althouse (Mackenzie, NDP) moved:

Motion No. 1

That Bill C-14, in Clause 5, be amended by replacing lines 17 and 18, on page 3, with the following:

''persons, including elderly persons and persons with disabilities,''.

Motion No. 69

That Bill C-14, in Clause 170, be amended by replacing line 21, on page 81, with the following:

''bility of elderly persons and persons with disabilities, including''.

Mrs. Elsie Wayne (Saint John, PC) moved:

Motion No. 25

That Bill C-14, in Clause 129, be amended by adding after line 41, on page 58, the following:

''(3) For the purposes of sections 129 to 136, the former Canadian Pacific line through Maine shall be deemed to be a route wholly within Canada, and any carrier serving any portion of the line between Saint John (New Brunswick) and Montreal (Quebec) shall be deemed to be a connecting carrier and any place where the line of a railway company connects with such connecting carrier shall be deemed to be an interchange.''

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, it is proposed to amend this clause in two places, essentially where prescriptions for requiring railways providing transportation services to people are written. According to the way the bill is now presented it takes into consideration the special needs of people with special disabilities.

I have proposed to add the words ''and the elderly'', because it is not always easy to describe the problems that come with age: being slower, not able to make such long steps. There are special requirements that are caused as a result in loading and unloading of conveyances.

For that reason I thought it would be appropriate to include the needs of elderly persons as something of which providers of transportation would have to be kept aware.

I note that most of the airlines now do that to a certain extent. Elderly persons are loaded in advance but there is no requirement in the act. As the act is now written there is nothing requiring them to do this other than the exigencies of the market.

If we are going to draw attention to providers of service into perpetuity which this act will have the affect of doing, we should mention that it is a requirement of the Government of Canada for providers of those transportation services to keep the needs of elderly persons at the top of their order of priorities, along with the needs of people with special disabilities.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I am in support of Motions Nos. 1 and 69. I have a little difficulty in so far as there is a bit of redundancy in it, but I feel we should support it nonetheless.

● (1015)

The bill already contains a provision which provides no barrier to access for anyone disabled. I am puzzled as to exactly what kind of barrier we would put in front of an elderly person who was not already covered by the disabled part.

That notwithstanding, it may be possible and we should recognize nonetheless that there is a need for access for elderly people. As the hon. member has just mentioned, we certainly do not want it to appear that we have not given due consideration for their concerns. They have a right to full access to all transportation modes in this country. That would clarify it at least in the bill. I do not think they would have been unduly hurt had it not been there, but why not be generous and ensure that proper provisions are made for these people so that they are assured that they have not been left out.

With regard to Motion No. 25, I also think this is a fair consideration for Atlantic Canada. This does not provide any problems for anywhere else in Canada but it is a consideration that will have a significant impact on some of the Atlantic provinces in order to access some of the terms contained in the bill.

The bill has been put out with the idea of making the rail section of it more fair to shippers across the country. In doing so, it has certain provisions that shippers and rail companies must meet on

access to various services. To not include this would unfairly restrict Atlantic Canada.

It is consistent with the old policy held with the CPR line that ran through a portion of the United States in order to access the rest of Canada. We would be very remiss to penalize Atlantic Canada on what amounts to a technicality in the provisions of this bill. I will be supporting that one as well.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, it gives me great pleasure to speak to my motion today in Group No. 2 concerning Bill C-14, the Canadian Transportation Act. I want to thank my leader, the hon. member for Sherbrooke, for seconding my motion.

There was one major omission in the bill and that is why I have introduced Motion No. 25. The provision of the existing National Transportation Act section 134(6)(c) designates the Canadian Pacific line from Saint John through to Quebec as a route wholly within Canada for the purposes of the competitive line rates or CLRs. This existing section of the NTA has been dropped in Bill C-14.

There are serious concerns that the wording of Bill C-14 is not clear enough to protect shippers in the maritimes from the captive position they would be in if CN would be the only railway which operates wholly within Canada from the maritime provinces to Quebec.

The provisions of Bill C-14 that deal with the issue of competitive line rates are found in sections 129 to 136. These CLR provisions are basically the same as those contained in the existing National Transportation Act of 1987. The purpose of the CLRs is to protect the shippers against potential monopolistic prices by a railway which has an exclusive position with respect to a particular shipper.

Without the CLR provisions there is the potential that a railway could threaten to charge unreasonably high rates for the exclusive portion of a route served by that railway. In virtually all parts of Canada other than the maritime provinces, there are alternative rail lines wholly within Canada over which the shipper may ship goods.

For over 100 years CP Rail operated a line of railway from Montreal, Quebec to Saint John, New Brunswick. The line went through the eastern townships of Quebec, across the state of Maine in the U.S. and re-entered New Brunswick at McAdam, New Brunswick and from there down to Saint John with a spur to St. Stephen.

Maritime shippers wishing to ship their goods to Quebec and beyond have the option of shipping through Moncton on the CN line or through Saint John via the short lines which now operate along the former CP line. Following an order by the NTA, CP abandoned a portion of its line between Lennoxville and Saint John effective midnight December 31, 1994. Four days later on January 4, 1995 the line was bought by several short line operators.

Those companies bought the line with the assumption that the competitive line rate provisions would still apply. Now with Bill C-14 the CLR provisions concerning the CP line have been eliminated. There seems to be no logical reason why such reactivated lines should be excluded from access to the CLR provisions under Bill C-14.

● (1020)

I hope the example I will give will create a clear picture for my colleagues in the House of the situation we face in the maritimes. Let us take the example of a shipper located in Bathurst, New Brunswick. This shipper is located on a railway line owned by CN and wishes to ship a product to Quebec. Section 134(5) of the present legislation, NTA-87, states:

> Where the ultimate point of destination of a movement of traffic of a shipper is in Canada and there is available to the shipper more than one continuous route wholly within Canada that is cost effective and over which it is considered reasonable to move the traffic of the shipper, the shipper shall, in order to have a competitive line rate established, designate a continuous route that is wholly within Canada.

Section 134(6)(c) states that ''the Canadian Pacific line through Maine shall be considered to be a route wholly within Canada''. These sections allow the Bathurst shipper to request and obtain a CLR rate from CN for the hauling of goods.

Let us assume that Bill C-14 is law. The Bathurst shipper has put in a request to get a CLR rate. What would CN say to this request? CN would say: ''Section 131(1) of Bill C-14 denies you the right to a CLR quote unless you and all the connecting carriers have reached an agreement on shipping your goods''.

Under section 111 of Bill C-14, a connecting carrier is defined as a railway company other than a local carrier. Under section 87 a railway company is defined as a person who holds a certificate of fitness under section 92. One can only get a certificate of fitness under section 92 if one is federally regulated. The short lines that now operate the former CP line are provincially regulated, not federally regulated, and are therefore not deemed a connecting carrier.

Since the Bathurst shipper does not have an agreement with the connecting carrier under section 131(1), CN is forbidden to quote the Bathurst shipper a CLR. Thus, the Bathurst shipper would be placed at a competitive disadvantage as it would have to use the CN line and CN could charge whatever rate it wanted.

My amendment would solve this problem. It would deem the line from Saint John through to Quebec as a line considered to be wholly within Canada as it has been for Canadian Pacific. It would add a provision that carriers serving the line from Saint John to

Montreal are deemed to be connecting carriers. Thus, the Bathurst shipper would not be placed at a disadvantage.

CP's sale of the Saint John to Sherbrooke line to other railways in January 1995 should make no difference in principle to the analysis of this issue. The fact that the owner of that line is no longer CP is irrelevant to shippers. They still want the option to ship over a route they have shipped over for many years. I know the government wants the private sector to succeed. The only way those in the private sector can succeed now is that they be deemed wholly in Canada.

The purpose of my amendment is to gain a position for maritime shippers. It is not to gain a preferential position for them but merely to ensure that they have the same access to provisions of the CTA as shippers from other parts of Canada.

The short line operators that recently purchased the abandoned CP line through Maine to Quebec felt that this was the situation. There was a natural reliance on the continued existence of the current legislation.

The potential loss of domestic traffic on the former CP line would make it less viable and it is difficult to imagine how it could survive. The maritime provinces cannot afford to lose any more. We have taken unproportional cuts in the last three budgets. We have lost our regional freight rate assistance program that enabled us to get our products to market at a competitive price. The inability of shippers to get these competitive line rates will only make an already bad situation worse.

I have asked myself why the term ''wholly within Canada'' has been dropped from Bill C-14. Has it been dropped only because CP has sold that line to a number of short line carriers? Are the short line carriers not as important as CP was? Is it that the shippers are not as important in the maritimes as they are in the rest of Canada, or is it because we want CN to be more attractive for sale?

● (1025)

If the government does not accept this amendment, it will be perceived as discriminating against the maritimes. I am sure it does not want that to happen. I ask my colleagues, including government members, to support this amendment for the purposes of protecting an industry and maintaining the competitiveness of the railway and the ability of shippers to compete.

Mr. Joseph Volpe (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, the government cannot and will not support either of Motions Nos. 1 or 69.

Concerning Motion No. 1, the national transportation policy already recognizes there should be no undue obstacle to the movement of all persons. The motion does not add to that and there will be no need then to make specific reference to elderly persons.

With respect to Motion No. 69, we cannot support this motion. The government feels there is no need for a regulation which specifically addresses the mobility needs of elderly people. As I mentioned when I spoke to Motion No. 1, provisions are already in place for that kind of requirement.

With respect to Motion No. 25, while we commend the concerns of the member, the government cannot and will not support this motion because there is already a non-legislative alternative available to resolve the problem.

Specifically, the New Brunswick Southern Railway could put into effect immediately provisions that would overcome all problems the railway has mentioned to date and which the previous speaker has indicated. The Eastern Maine Railroad Company, an affiliate of the New Brunswick Southern Railway, could enter into an agreement with the New Brunswick southern to use the Saint John connection with CN. That would result in two federally regulated railways, CN and Eastern Maine Railroad Company, connecting Saint John. This would create an interchange that satisfied the eligibility requirements for competitive line rates which would then address all the concerns of the member.

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, I am disappointed in the government's response to Motions Nos. 1, 69 and 25.

Motions Nos. 1 and 69 go a step further and add to the list of people for which there would not be any barriers to transportation. The act already talks about persons of disability and the motions would include elderly people.

There was some concern mentioned earlier about why we should include elderly people, that if they had disabilities they would surely be covered under that section. There is a grey area. People are living longer. They want to stay in their home communities rather than go to care facilities hundreds of miles away.

I know several elderly people who live quite active lives but their eyesight prevents them from driving. Sometimes they might even have difficulty renewing their drivers' licences. It is not that they are totally blind, it is not that they fall into the disabled category, but there is a need there. It is also a transportation need, particularly if their eyesight is not good enough to allow them to drive on the highways. They still have this tremendous need to go to other centres for medical services or to visit family members and so forth.

The amendment simply wished to spell out that elderly people should also be included in the grouping. If the government does not accept these motions, it will be because of the bureaucrats who do not like to see any changes to what they have proposed.

Motion No. 25 was introduced by our colleague from Saint John. She made excellent sense in presenting her case. I am again surprised the government has not listened to the legitimate concerns which are being expressed. Instead, it is listening to the

bureaucrats and ploughing ahead with what the bureaucrats have deemed, which is not what common sense would dictate.

● (1030)

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I would like to add my comments to those of my colleague who asked whether the government of the day cares adequately for the needs and interests of Canadians in Atlantic Canada.

It seems the hon. member for Saint John told us very clearly why this is a rather significant issue. We should be very careful to look after all sections of Canada, not just one. I lend my support to her appeal to the House to support motion No. 25.

With regard to the other amendments being proposed to look after the interests of the elderly and put them into a situation where they are looked after and adequately provided for, the Transportation Act does deal with people who perhaps cannot move as quickly and who may be handicapped. However, we must recognize all Canadians need to be looked after.

It makes excellent sense that we have two motions dealing with the elderly, that they be treated fairly, responsibly and equally. In addition, we must look after the interests of those in Atlantic Canada who want a fair and equitable market that will provide adequate facilities, efficiency and competition in the area.

With regard to Motion No. 38, will we again see that the government does not have the interests of Atlantic Canada at heart? It is particularly significant that it recognize that all parts of Canada belong together.

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, I want to put on the record that I do not know why hon. members opposite want to discriminate against the elderly. There are people who at the age of 90 do not want to be considered disabled, who do not want wheelchairs, et cetera. Then there are people at age 60 who do require a wheelchair. For the ones who do desire assistance, it is already in the act and is already being practised. People are flying. Airlines provide wheelchairs for people of all ages.

Why would those members discriminate against the elderly? I believe the elderly would be offended if that motion were adopted.

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

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Kilger): The recorded division on the motion stands deferred. The recorded division will also apply to Motion No. 69.

The next question is on Motion No. 25. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Kilger): The recorded division on the motion stands deferred.

● (1035)

We will now move to Group No. 3, Motion No. 2.

Mr. Vic Althouse (Mackenzie, NDP) moved:

Motion No. 2

That Bill C-14, in Clause 6, be amended by adding after line 3, on page 4, the following:

''''main line'' means a railway line in Canada of a railway company under the legislative authority of Parliament that, relative to all other railway lines within the company's railway system in Canada, provides the primary means of moving goods from one or more provinces to one or more provinces.''

Mr. Boudria: Mr. Speaker, on a point of order. I wonder if the House could deem the following to have been put: Motions Nos. 28, 29, 30, 31, 32, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55.

The Acting Speaker (Mr. Kilger): Shall the House consider them as having been read?

Some hon. members: Agreed.

Mr. Vic Althouse (Mackenzie, NDP) moved:

Motion No. 28

That Bill C-14, in Clause 139, be amended by replacing lines 7 to 15, on page 64, with the following:

''Council's own initiative,

(*b*) after consultation with the minister of transportation in the provinces that will be affected, and;

(*c*) after any investigation that the Governor in Council considers necessary, request two or more railway companies to consider the joint or common use of a right-of-way if the Governor in Council is of the opinion that its joint or common use may improve the efficiency and effectiveness of rail transport, of municipal land use or of road transportation and would not unduly impair the''.

Motion No. 29

That Bill C-14, in Clause 140, be amended by replacing lines 36 and 37, on page 64, with the following:

''(*a*) a main line;

(*b*) a yard track, siding or spur; or

(*c*) other track auxiliary to a railway line''.

Motion No. 30

That Bill C-14, in Clause 141, be amended by replacing lines 11 and 12, on page 65, with the following:

''of company located in the vicinity of each of the lines identified in the plan''.

Motion No. 32

That Bill C-14, in Clause 142, be amended by adding after line 29, on page 65, the following:

''(3) Where the Agency determines that a branch line or a segment thereof is economic or that, although a branch line or segment is uneconomic, there is a reasonable probability of its becoming economic in the foreseeable future, the Agency shall, within six months after the application for the abandonment is received by the Agency, order that the operation of the branch line or segment be abandoned, unless it determines that the operation of the branch line or segment is required in the public interest.

(4) In determining whether the operation of a branch line or a segment thereof is required in the public interest, the Agency shall consider all matters that in its opinion are relevant to the public interest, including, without limiting the generality of the foregoing:

(*a*) the actual losses, if any, that are incurred by the railway company in the operation of the branch line or segment;

(*b*) the alternative transportation facilities available or likely to be available in the area served by the branch line or segment, including those proposed to be made available by the applicant, and the ability of those facilities to meet the needs of shippers located in that area;

(*c*) the extent to which the applicant would be prepared to provide and support alternative transportation facilities in lieu of operating the branch line or segment;

(*d*) whether it would be more economic to use alternative transportation facilities in the area served by the branch line or segment;

(*e*) the period of time reasonably required for the purpose of adjusting any facilities that are wholly or partly dependent on the services provided by the branch line or segment with the least disruption to the economy of the area served thereby;

(*f*) the probable effect on other lines and other carriers and on the transportation system generally of the abandonment of the operation of the branch line or segment on different dates;

(*g*) the economic effect of the abandonment of the operation of the branch line or segment on the communities and area served by the branch line;

(*h*) the feasibility of maintaining the branch line or segment as an operating line by changes in the method of operation or by inter-connection with other lines of the company;

(*i*) the feasibility of maintaining the branch line or segment as an operating line, either jointly with or as part of the system of another company, by the sale or lease of the line or segment to another company or by the exchange of operating or running rights between companies or otherwise, including, where necessary, the construction of connecting lines with the lines of other companies; and

(*j*) the existing and potential resources of the area served by the branch line or segment, seasonal restrictions on other forms of transportation in the area and the probable future transportation needs of the area.''

Motion No. 39

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''Division VI

Applications for Abandonment of Operation of Railway Lines

146.1 (1) No railway company shall abandon the operation of a main line, otherwise than pursuant to an order of the Agency made under this Division on the application of the company.

(2) For greater certainty, subsection (1) does not apply in respect of a yard track, siding or spur, or other track auxiliary to a railway line.''

Motion No. 40

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.2(1) Subject to subsection (3), a railway company shall, not less than ninety days before making an application to the Agency for the abandonment of the operation of a main line, give notice to the Agency that it intends to make the application.

(2) A notice referred to in subsection (1) shall be given in the prescribed form and manner to the Agency and to the prescribed persons or classes of persons and shall be accompanied by

(*a*) a statement of costs and revenues of the company attributable to the main line in each of the prescribed financial years of the company; and

(*b*) a statement setting out the amount of traffic moving over the line in each of those years.

(3) An application to abandon the operation of a main line shall be made in the prescribed form and manner and shall be accompanied by

(*a*) a statement of costs and revenues of the company attributable, directly or indirectly, to the main line in each of the prescribed financial years of the company; and

(*b*) a statement setting out the amount of traffic moving over the line in each of those years.

(4) Notice of an application accompanied by the statements of costs, revenues and traffic referred to in subsection (3) shall be given by the railway company in the prescribed form and manner to the prescribed persons or classes of persons.

(5) Notwithstanding subsections (2) to (4) the Agency may, in respect of a particular application, direct that notice of the proposed application or of the application be given

(*a*) in a form or manner other than the prescribed form and manner;

(*b*) only to such persons or classes as the Agency considers appropriate; or

(*c*) to persons or classes of persons other than prescribed persons or classes of persons.''

Motion No. 41

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.3 Any person may oppose an application to abandon the operation of a main line by filing with the Agency, not more than sixty days after the date of the notice given under subsection 146.2(4), a written statement setting forth the grounds, related to the statements referred to in paragraphs (3)(*a*) and (3)(*b*), on which that person opposes the application.''

Motion No. 42

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.4 Where an application is not opposed under section 146.3, and no offer to purchase the main line is made within the period mentioned in that section, the Agency shall forthwith order that the operation of the main line be abandoned.''

Motion No. 43

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.5(1) Where an application is opposed under section 149, the Agency shall

(*a*) review the statement of costs and revenues accompanying the applications and all other documents, facts and figures that in its opinion are relevant in making the determination referred to in paragraph (*b*);

(*b*) determine the amount of actual loss, if any, of the railway company attributable to the main line in each of the prescribed financial years; and

(*c*) cause such public notice of the determination made under paragraph (*b*) and of the principal factors applied in making that determination to be given as the Agency considers appropriate.

(2) In performing its duties under subsection (1), the Agency may refuse to give the company that made the application an opportunity to make further submissions with respect to the matters mentioned in that subsection.''

Motion No. 44

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.6 The Agency shall, after publication of the notice referred to in subsection 146.2(1) and after holding such hearings, if any, as are required in its opinion to enable all persons who wish to do so to present their views on the abandonment of the operation of the main line, including, where applicable, their views respecting the matters to be considered under section 146.9 to determine

(*a*) whether the main line and segment thereof, where the Agency considers that a separate determination ought to be made in respect of the segment are economic or uneconomic; and

(*b*) whether there is a reasonable probability of the main line and any segment thereof in respect of which a separate determination is made under paragraph (*a*) becoming economic in the foreseeable future, if it is uneconomic, or

(*c*) whether the continued operation of the main line or a segment is required in the public interest.''

Motion No. 45

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.7 (1) Where the Agency determines that (*a*) a main line or segment thereof is uneconomic and that there is no reasonable probability of its becoming economic; and (*b*) the main line is not required in the public interest, no later than six months after the application for the abandonment is received by the Agency, the Agency shall order that the operation of the main line or segment be abandoned

(2) The Governor in Council may, by order made on the application of a shipper, of municipal or provincial governemnt or an agent thereof, vary the date fixed in an order made under subsection (*a*) as varied by any previous order made under this subsection, before that date by fixing a later date, not later than the day that is five years after the date of the order made under subsection (1) or that of the last variation order made under this subsection, whichever day last occurs, where the Governor in Council considers that

(*a*) the actual losses, if any, that have been incurred by the railway company in the operation of the main line or segment;

(*b*) the abandonment of the operation of the line or segment would have a significant impact on a large region of Canada;

(*c*) the abandonment of the operation of the line or segment would have a major impact on shippers; or

(*d*) there is a lack of adequate alternative transportation facilities in the area served by the line or segment.''

Motion No. 46

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.8 Notwithstanding that the Agency has determined that a main line or a segment thereof is economic or that there is a reasonable probability that the line or segment will become economic in the foreseeable future, it shall not order that the operation of a main line or segment be abandoned when it has determined that the operation of the line or segment is required in the public interest.''

Motion No. 47

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.9 In determining whether the operation of a main line or a segment thereof is required in the public interest, the Agency shall consider all matters that in its opinion are relevant to the public interest, including, without limiting the generality of the foregoing.

(*a*) the actual losses, if any, that have been incurred by the railway company in the operation of the main line or segment;

(*b*) the alternative transportation facilities available or likely to be available in the area served by the main line or segment, including those proposed to be made available by the applicant, and the ability of those facilities to meet the needs of shippers located in that area;

(*c*) the extent to which the applicant would be prepared to provide and support alternative transportation facilities in lieu of operating the main line or segment;

(*d*) whether it would be more economical to use alternative transportation facilities in the area served by the main line or segment;

(*e*) the period of time reasonably required for the purpose of adjusting any facilities that are wholly or partly dependent on the services provided by the main line or segment with the least disruption to the economy of the area served thereby;

(*f*) the probable effect on other lines and other carriers and on the transportation system generally of the abandonment, on different dates, of the operation of the main line or segment;

(*g*) the economic effect of the abandonment of the operation of the main line or segment on the communities and area served by the branch line;

(*h*) the feasibility of maintaining the main line or segment as an operating line by changes in the method of operation through the interconnection with other lines of the company;

(*i*) the feasibility of maintaining the main line or segment as an operating line, either jointly with or as part of the system of another company, by the sale or lease of the line or segment to another company or by the exchange of operating or running rights between companies or otherwise, including, where necessary, the construction of connecting lines with the lines of other companies;

(*j*) the existing and potential resources of the area served by the main line or segment, seasonal restrictions on other forms of transportation in the area and the probable future transportation needs of the area.''

Motion No. 48

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.10 (1) In making an order under section 146.4, 146.7 or 146.8 for the abandonment of the operation of a main line or segment thereof, the Agency shall fix

(*a*) a date that is one year after the date for the abandonment, where VIA Rail Canada Inc. operates a passenger service on the branch line or segment or the branch line or segment is identified in a plan of VIA Rail Canada Inc., approved by the Governor in Council, for the proposed development or expansion of its passenger service as being required for the implementation of the plan; or

(*b*) in any other case, such date for the abandonment as it considers to be in the public interest.

(2) A date fixed under paragraph (1)(*b*) shall not be less than thirty days or more than one year after the date of the order.

(3) Where a date for the abandonment of the operation of a main line or segment has been fixed under paragraph (1)(*a*), VIA Rail Canada Inc. may, within six months after the date of the order, require the railway company that operates the main line or segment to transfer it to VIA Rail Canada Inc. on the date fixed, in return for the payment by VIA Rail Canada Inc. of such amount as is agreed on by VIA Rail Canada Inc. and the railway company or, where no such agreement is reached before that date, of an amount that represents no more than the net salvage value of the main line or segment.

(4) VIA Rail Canada Inc. shall, forthwith after requiring the transfer of a main line or a segment under subsection (3), notify the Agency that it has done so.

(5) Where VIA Rail Canada Inc. requires the transfer of a main line or a segment under subsection (3), the railway company that operates the main line or segment shall, on the date fixed under paragraph (1)(*a*), as varied under section 41 or subsection 146.7(2) or 146.12(2), transfer the main line or segment to VIA Rail Canada Inc.

(6) Where VIA Rail Canada Inc. and the railway company do not agree (before the date fixed under paragraph (1)(*a*)) on the amount to be paid, the Agency shall within forty-five days after receiving a request by VIA Rail Canada Inc. or the railway company, determine the net salvage value of the main line or segment.

(7) VIA Rail Canada Inc. shall, forthwith after the transfer of the main line or segment or the making of a determination under subsection (6), whichever is the later date, pay the amount agreed on or the amount determined to be the net salvage value of the line or segment, as the case may be.

(8) Subsection (5) does not apply where the order for abandonment is rescinded under subsection 146.12(1).

(9) Where a main line or segment is transferred by a railway company under subsection (5):

(*a*) the railway company shall cease to have any obligations under this or any other Act of Parliament in respect of the operation of the line or segment;

(*b*) VIA Rail Canada Inc. shall have no obligations under this or any other Act of Parliament in respect of the carriage of goods on the line or segment;

(*c*) the line or segment shall be declared to be a work for the general advantage of Canada; and

(*d*) VIA Rail Canada Inc. may, notwithstanding subsection 146.1(1), abandon the operation of the main line or segment, where operation of the passenger service is discontinued or the main line or segment is no longer identified in a plan described in paragraph (1)(*a*) as being required for the implementation of the plan.''

Motion No. 49

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.11(1) Where the Agency determines that the operation of a main line or a segment thereof is required in the public interest, it shall, within six months after the application for the abandonment is received by the agency

(*a*) where the main line or segment is economic, dismiss the application in whole or as to that segment, and

(*b*) where the main line or segment is uneconomical but there is a reasonable probability of its becoming economical in the foreseeable future, order that the operation of the main line or segment be abandoned.

(2) The dismissal under subsection (1) of an application by a railway company is without prejudice to the right of the company to make another application for the abandonment of the operation of a branch line or segment.''

Motion No. 50

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.12(1) In making a determination under section 146.6 and in determining whether the operation of a main line or a segment thereof is required in the public interest, the Agency may

(*a*) hear applications as a group, on dates fixed by the Agency, for the abandonment of the operation of railway lines that are situated in the same area or adjoining areas as determined by the Agency;

(*b*) require any company, other than the company making the application, that operates one or more railway lines in an area, as determined by the Agency, in which at least one main line with respect to which an application has been made is located, to furnish to the Agency, for such of its lines in the area as the Agency may specify, figures, for such years and in such form as the Agency may specify, a statement setting out the amount of traffic moving over the lines; and

(*c*) without limiting its power to consider applications in any order that the Agency considers appropriate, require a company that has made more than one application for abandonment to specify the order in which it desires the Agency to consider the applications.

(2) The Agency shall treat as confidential all information provided to it pursuant to a requirement under paragraph (1)(*b*), other than information relating to the main line in respect of which an application for abandonment has been made.''

Motion No. 51

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.13(1) At least once every five years after an application for the abandonment of the operation of a main line has been received by the Agency, it shall reconsider the application in accordance with this section, and shall determine the actual loss directly or indirectly attributable to the main line in accordance with subsection 146.5(1).

(*a*) the operation of the main line has not been abandoned;

(*b*) the application has not been dismissed under subsection 146.9;

(*c*) the main line has not been transferred to VIA Rail Canada Inc. under subsection 146.10(5).

(2) The Agency shall give notice of the reconsideration in the prescribed form and manner to the prescribed persons or classes of persons that it proposes.

(3) Notwithstanding subsection (2) and any regulations made under section 146.17, the Agency may, in respect of a particular application, give notice that it proposes to reconsider an application

(*a*) in a form or manner other than the prescribed form and manner;

(*b*) only to such persons or classes of persons as the Agency considers appropriate; or

(*c*) to persons or classes of persons other than prescribed persons or classes of persons.

(4) Sections 146.3 to 146.10 and this section apply in respect of the reconsideration of every application in the same way that they apply in respect of an application made under section 146.2.''

Motion No. 52

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.14(1) The Agency may rescind an order that the operation of a branch line or segment thereof be abandoned, only

(*a*) before the date for abandonment fixed therein; and

(*b*) with the concurrence of the railway company that operates the line or segment; and

(2) The Agency may vary the date fixed in an order for the abandonment of the operation of a main line or segment thereof before that date only by fixing a later date that is within two years after the date of the order for the abandonment and is not later than one year after the later of the date of the order for the abandonment and the last variation order, if any.''

Motion No. 53

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.15(1) An offer to purchase a main line or a segment thereof for a price, which shall not be more than the net salvage value of the line or segment, may be made to the railway company that operates the line or segment by any other railway company that is authorized to operate the line or segment, in order to continue to operate it, during the period beginning on the date on which the company that operates the line or segment gives notice under section 146.2 that it proposes to make an application for the abandonment of the operation of the line and ending where the application is not opposed under section 146.3, on the expiration of the period mentioned in section 146.3 and, where the application is so opposed, on the date of the order that the operation of the line be abandoned.

(2) Every railway company that makes an offer under subsection (1) shall forthwith file a copy of the offer with the Agency.

(3) Where an offer has been made under subsection (1) in respect of a main line or a segment thereof, the Agency may, after holding such hearings, if any, as are in its opinion required to enable all persons who wish to do so to present their views on the transfer of the line or segment, make an order to transfer.

(4) An order under subsection (3) shall provide that the price to be paid by the company making the offer to the company operating the line for the line or segment will be

(*a*) the amount that is agreed to by the companies; or

(*b*) where there is no such agreement, no more than the net salvage value of the line or segment, as determined by the Agency.

(5) If, pursuant to an order under subsection (3), a main line or segment operated by one railway company is transferred to another railway company

(*a*) the railway company that operated the line or segment ceases to have any obligations under this or any other Act of Parliament in respect of the operation of the line or segment;

(*b*) if the railway company to which the line or segment is transferred is within the legislative authority of Parliament,

(i) that railway company shall be deemed to have assumed all the obligations under this or any other Act of Parliament in respect of the operation of the line or segment, and

(ii) the line or segment shall continue to be a main line for the purposes of this Division, even though it is a subsidiary, secondary, local or feeder line of that railway company;

(*c*) if there is, at the time of the transfer, an agreement between the railway company that operated the line or segment and VIA Rail Canada Inc. in respect of the operation of a rail passenger service on the line or segment,

(i) the rights and obligations under the agreement of the railway company that operated the line or segment in respect of the operation of that service vest in the railway company to which the line or segment is transferred and continue, as amended by agreement between VIA Rail Canada Inc. and the company to which the line or segment is transferred, until the operation of the line or segment is abandoned or the operation of the service is discontinued, and

(ii) the line or segment is hereby declared to be a work for the general advantage of Canada;

(*d*) where the railway company to which the line or segment is transferred is not within the legislative authority of Parliament and there is not at the time of the transfer an agreement described in paragraph (*c*) in respect of the line or segment, any declaration that the line or segment is a work for the general advantage of Canada ceases to have effect; and

(*e*) the application, if any, for the abandonment of the operation of the line or segment is thereby discontinued in whole or as to that segment.

(6) The declaration referred to in subparagraph (5)(*c*)(ii) ceases to have effect in respect of a line or segment on the abandonment of the operation of the line or segment or on the discontinuance of the operation of the rail passenger service on the line or segment.

(7) Where the Agency determines under subsection (3) that the transfer of the main line or a segment thereof to the company making the offer would not be in the public interest, the Agency shall give notice of that determination to that company and the company operating the line.''

Motion No. 54

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.16 Every railway company shall abandon the operation of a branch line or a segment thereof on the date fixed in an order made under section 146.4 or 146.7, as varied under section 41 or subsection 146.7 (2) or section 146.14, unless the order is rescinded under section 41 or subsection 146.11.''

Motion No. 55

That Bill C-14 be amended by adding after line 39, on page 68, the following new Clause:

''146.17 The Agency may, with the approval of the Governor in Council, make regulations

(*a*) modifying, to such extent as the Agency deems necessary, the provisions of any of sections 146.2 to 146.14 so as to make those provisions applicable to the abandonment of the operation of main lines of railway;

(*b*) prescribing the form and manner of making applications for the abandonment of the operation of lines and the procedure to be followed in dealing with those applications;

(*c*) prescribing financial years for the purposes of section 160 and the time with reference to which those years are to be determined;

(*d*) prescribing the form and manner of giving notice for the purposes of sections 146.2 and 146.11;

(*e*) prescribing persons or classes of persons for the purposes of sections 146.2 and 146.11;

(*f*) generally for carrying out the purposes and provisions of this Division.''

Mr. Paul Mercier (for Mr. Guimond) moved:

Motion No. 31

That Bill C-14, in Clause 141, be amended by adding after line 17, on page 65, the following:

''(4) A plan prepared by a railway company that does not indicate the company's intention to discontinue operation of a line shall not be amended by the company for twelve months.''

Hon. David Anderson (Minister of Transport, Lib.): moved:

Motion No. 35

That Bill C-14, in Clause 145, be amended by replacing lines 19 to 22, on page 67, with the following:

''Canada,

(ii) land that is or was a reserve, as defined in subsection 2(1) of the Indian Act, or

(iii) land that is the subject of an agreement entered into by the railway company and the Minister for the settlement of aboriginal land claims;''.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, most of the amendments appeared in the Order Paper for the first time yesterday with the notice of intention to bring this bill forward. It has been quite a scramble with 82 amendments to come up with some reasonable debate for today. We still have to sort through many of these. We want to make sound judgment decisions on these, not snap decisions. I do ask your patience as I am sorting through these.

With regard to Motion No. 2, I do support this. Basically it brings an old and acceptable definition of a federal railway into the new act. I see no reason not to go with that.

With regard to Motion No. 28 and moving onward, I will pass over some of these very quickly because they require little comment. On Motion No. 28 I do not believe there is any justification for this. This we will not be supporting, nor will we be supporting Motion No. 29.

In the case of Motion No. 29, and this will come up often under several of the motions by this member, this is inconsistent in my opinion with the intent of the bill. The hon. member did appear at the odd committee meeting. I recognize he is not a member and that he has other obligations, but various parts of these things were discussed at length in committee by all the parties present.

Unfortunately he seems to be either missing part of it or by not taking part in the actual debate and participating did not understand the intent of what this bill is all about.

With regard to Motion No. 30, also made the member, I will be supporting it although I think it could have been better defined. It is an improvement over that section of the bill nonetheless.

Now we get into a mixture with the hon. member from the Bloc Quebecois. Motion No. 31 is a reasonable proposal as it deals with rail abandonment and I do not have a problem with it.

On Motion No. 32 from the hon. member from the NDP, once again this goes completely against the widely accepted abandonment policy this bill has attempted to bring in, one I have support.

There was a bit of controversial discussion of this during our hearings at committee, but I think the explanation was well given. Most of the witnesses who came before the committee did accept this.

With regard to Motion No. 35 presented by the minister I believe all parties are in agreement with this motion and that it should pose no difficulty.

With regard to Motion No. 36, of course I will be supporting. It was put in on very sound information; I put this motion in. We believe this provides reasonable protection for the interest of utility companies.

• (1040)

We had a lot of input on this. I have spoken with several of the hon. members from the other side. This is where I hope we do not get into what we have found in the past where individually they all agree with our position but collectively they vote opposite our position.

I hope they will give this due consideration and in the end decide to vote with the interests of the public. This is not in the interest of one or two companies. This is in the interest of the general public, the interest we are trying to protect with this motion.

Likewise, Motion No. 37 continues the same.

My hon. colleague from Okanagan Centre mentioned Motion No. 38 with regard to the Liberals' indication that they are not supporting Atlantic Canada with Motion No. 25, for which they have already indicated no support. This motion asks for a provision to continue the CN line from Montreal to Halifax for a period of five years.

Under Bill C-89, the CN privatization, I brought this up at the committee level. I asked for a 10 year of continuance at that time. The port authority from Halifax came forward and made a very sound and logical argument as to why this should be considered.

This is not something that goes against anyone. It is simply an assurance that they will have a period of time to get financing for the necessary infrastructure improvements for post-Panamax vessels in place with an assurance that there is a rail line in place to carry their goods to central Canada and the American mid-west. With the use of the CN line and the Sarnia tunnel the port of Halifax is superior to anything in the New England states or in New York.

We are moving to a deregulatory privatization or commercialization of the ports coming up very soon in the new year. The former Minister of Transport put us on notice of that in December.

For an investor to look at the port of Halifax which under this new act will have to find money in the marketplace without government guarantees, any wise investor will say: ''What guarantee of return do I have on this? What happens if that line is taken out?''

During committee study on this the head of CN Rail, Mr. Paul Tellier, came before us as a witness. He is required under this new act, when passed, to put out a three year outline of any line he proposes to sell off or abandon. I said: ''If you are to project for three years obviously you have to look beyond that, four or five or possibly beyond that. I ask you now in keeping with that, can you tell us if you have any plans over the next five years to abandon the rail between Montreal and Halifax''. His answer was an emphatic no. It is not a hardship on CN.

Some hon. members opposite, particularly when I raised this on Bill C-89, said: ''This is unbelievable, the Reform Party interfering in the private marketplace by trying to put a restriction on a private company what it can or cannot do with its rail line''.

Not only the Liberals but all governments for the past 80 years have interfered with the marketplace with CN Rail. It has caused most of the problems that we now have in our rail industry.

It is unreasonable after 80 years of interference for the government to arbitrarily cut the string with no transition period. A five year transition period is incredibly minimal, does not hurt anyone, does not hurt CN, and does not cost the government money. This is a win-win situation. I hope this time hon. members will support Atlantic Canada and give it this necessary provision so that

Atlantic Canada can become a shipping giant on the North American east coast and also a big boon for CN. It guarantees that traffic having come into Halifax must then be shipped on a Canadian rail system. I seriously ask them to consider their position on this one to make it non-partisan to support Atlantic Canada. All of Atlantic Canada will be watching.

• (1045)

Moving on to Motion No. 39, this motion by the hon. member from the NDP attempts to subvert the main purpose and intent of this bill. It carries on through Motions Nos. 40 to 55. Each of these in essence are amendments which attempt to defeat the entire bill.

I suggest to the hon. member that these are not supportable. He can vote against the bill as we may depending on what the Liberals do with certain very controversial clauses in this bill which we will be debating later on. However as the bill stands, I will not support these motions.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, for greater clarity in regard to the unanimous consent that was given some 10 minutes ago where the motions are all deemed to have been read, I believe that for the purpose of the record it should have been said at the time that Motions Nos. 2, 28, 29 and 30 should have been deemed to have been moved by the hon. member for Mackenzie and deemed to have been seconded by the hon. member for Regina—Qu'Appelle.

Motion No. 31 should have been deemed to have been moved by the hon. member for Blainville—Deux-Montagnes and deemed to have been seconded by the hon. member for Louis-Hébert.

Motion No. 32 should have been deemed to have been moved by the hon. member for Mackenzie, seconded by the hon. member for Regina—Qu'Appelle.

Motion No. 35 should have been deemed moved by the Minister of Transport, seconded by the minister of fisheries.

Motions Nos. 36, 37 and 38 should have been deemed moved by the hon. member for Kootenay West—Revelstoke, seconded by the member for Calgary Centre.

Motions Nos. 39 to 55 should have been deemed to have been moved by the hon. member for Mackenzie and seconded by the hon. member for Regina—Qu'Appelle.

The Acting Speaker (Mr. Kilger): I thank the chief government whip. I believe that procedurally now the table officers and everyone else can rest comfortably. We are up to speed.

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, I rise to support the concept that drives all of the motions which are before the House in this grouping, namely that the act should apply to main lines equally as it applies to branch lines. The abandonment of a main line would fall under the same requirements of the abandonment of a branch line.

This was a shortcoming in the previous act. Had the previous act recognized that railways may someday want to abandon main lines, the motion today by my hon. friend from Saint John would not have been required because no one foresaw that the main line to her region was in fact abandoned. No one had taken that into account and the act ignored the problem.

I am from the province of Saskatchewan which is crossed by four main line railways. The farmers and shippers who use those main lines would like to have some assurance that the railways could not just willy-nilly abandon those main lines, that they would have to submit to some sort of process.

• (1050)

These rather detailed amendments do in fact outline a process which would require those railways before abandonment to show their costs and their losses. They would have to make a case for why they think they have to abandon these lines. Those numbers would be made public so that the shippers and users of those lines would have access to them in trying to make their case for maintaining the line to the agency which will make the final decision.

With regard to the one or two amendments that refer to provinces and provincial governments being involved, you are darn right they have to be involved, Mr. Speaker. They are the ones who are going to have to pick up the slack and pay for the cost of the highways and the road system to take the place of the abandoned railway.

I make no apologies for having those requirements in there. I think the concept of railways wanting to abandon main lines is for some reason in a state of denial in this place, in spite of the fact that pieces of main lines have been abandoned and are being considered for abandonment and resale. I hope most members of the House will agree that those requirements of railways for abandoning stretches of a main line should be precisely the same requirements as we put them through when they abandon a branch line.

Just because the government members and the Department of Transport are in a state of denial saying that railways will never abandon main lines does not mean it should not be in the bill. I note the case by the member for Saint John where a main line was abandoned. There have been proposals to abandon slices of main line in northern Ontario. There are proposals to abandon here and there. We have service across the prairie region for collecting grain of four main lines.

When we look at any of the maps into the future, most of the railways are considering having to abandon some of those main lines. If they are going to be doing that, then the restrictions on abandoning a main line should at least be equivalent to the restrictions applied to abandoning a branch line.

I cannot see why some of the members would go into a state of denial by simply putting forward the same requirements for abandoning a piece of main line as we already have accepted for a number of years should apply to abandoning a branch line.

I would hope that those members who have already stated their position would reconsider. They are doing the communities served by what are known now as main lines a disservice if Bill C-14, the bill that will guide the transportation future of this country does not contain such clauses.

Mr. Gouk: Mr. Speaker, I wonder if we could seek unanimous consent to have me speak very briefly on this same set in response to what the hon. member has just mentioned. There are other members who perhaps can talk on this but I can keep it very short and succinct and address from the committee's perspective why it has taken the position it has for the enlightenment of the member who just spoke.

The Acting Speaker (Mr. Kilger): Is there unanimous consent.

Some hon. members: Agreed.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, under the former system, rail abandonment took place after the railroad could prove financial hardship. Therefore, any rail company that wanted to abandon a railroad first made absolutely certain it had financial hardship, even though it may not have existed. I have spoken to the rail companies and they will never admit this on record but it is undeniable.

What the rail companies do is they first demarcate the line. In the case of a rail line abandonment in my own riding they wrote a confidential trucking contract to a reload centre so that the customer would be gone and would not exist on that rail line.

The second thing is they do absolute minimal maintenance. They do not break any safety standards but they do the minimal maintenance which may mean running their cars at half loads, at five kilometres an hour over the track so that it requires prohibitive capital investment if someone else were to come in or if they were ordered to continue to operate that line. Ultimately, they get abandonment but by that time no short line operator in their right mind is going to come in and buy this line that needs this tremendous capital infusion and has no customers.

The intent of the new abandonment procedures contained in the bill is to ensure that does not happen. As the hon. member has suggested, if they start putting all kinds of restrictions and prohibitions in the way of the rail companies, they would simply revert to the old system and we will not get any short line development in this country.

• (1055)

The new system allows a rail company to sell off a line or abandon it. It is the company's choice. The company first has to offer the line, market it publicly by a set series of advertisements and a time parameter set out in this bill. If it does not find a customer, it then has to offer it to the federal government, then the provincial government, then the local government at net salvage value without first demarcating and running the line into the ground.

The bill will enhance the viability of any lines considered for abandonment. I have talked to short line operators who are eager to expand their networks and to increase—

Mr. Althouse: Mr. Speaker, I rise on a point of order. The House granted the hon. member the right to explain why he opposed the inclusion of main lines in the legislation. He has not once mentioned main lines. He has dealt with branch lines. He has not fulfilled the promise in his remarks. I suggest we should move on or have him get to the topic.

The Acting Speaker (Mr. Kilger): I can only apply the rules of the House. Unanimous consent was granted. Certainly that is available to each and every member at any occasion. I remind the House we only have a few minutes before we move on to members' statements and question period.

The hon. member for Mackenzie respectfully was engaging in debate.

Mr. Gouk: Mr. Speaker, I will wrap this up and address—

Mr. Althouse: Mr. Speaker, I rise on a new point of order. Perhaps I was not clear enough. The reason the House granted the member the right to additional remarks was for him to clarify the position on main lines. He has not once mentioned main lines and I—

The Acting Speaker (Mr. Kilger): Again we are engaging in debate. With the greatest respect to all members of the House, the Chair does not grant unanimous consent; the membership, the House itself, grants one of its members unanimous consent. The Chair cannot withdraw that unanimous consent.

With the greatest of respect again, the hon. member for Mackenzie has a point a view but which very respectfully is not a point of order.

I see The Speaker is now here and I assume we will now proceed to members' statements and question period. I will be back following that and we will resume the debate at report stage.

S. O. 31

The Speaker: Colleagues, it being 11 a.m., we will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

IMMIGRATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, this morning the Minister of Citizenship and Immigration announced the establishment of four centres of excellence for research on immigration and integration.

Located in Montreal, Toronto, Edmonton and Vancouver, these centres represent the combined talents of 15 of Canada's leading universities. Their objective is to examine the impact of immigration on cities around the world and to identify the best ways to promote successful integration. Their partners include local community groups, private sector organizations, international experts and governments at all levels.

A number of federal departments and agencies are collaborating to fund this visionary project because it has enormous practical applications in city planning, health services, housing and education to mention a few. Numerous countries will watch and learn from the work done at these centres which are Canada's major contribution to the international Metropolis research project.

* * *

MINING

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, yesterday I heard the president of the Mining Association of Canada testify before the natural resources committee. I was sorry to hear him say that the mining industry remains very disappointed at the pace of improving federal mining regulations.

The media claim that the natural resources minister wants binding timelines for environmental reviews. That would be a good start, but many other improvements are needed.

As a Liberal member of the committee pointed out, mining approvals in our NAFTA partner, Mexico, commonly take six months. In Canada it can take two to ten years.

I supported the committee's interim report on improving mining regulations which was tabled in December. The government is allowed 150 days to produce a believable response. I urge the government to use its time well and be able to announce it has achieved clarity, promptness and certainty in mining regulations, not just more good intentions tied up in government red tape.

REFUGEES

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, our country is about to close its doors to refugees who travel through the United States to get here, which is approximately one-third of refugee claimants.

The proposed Canada-U.S. agreement allows for the returning of a refugee to whichever of the two countries they had reached first. The U.S. has a sorry record when it comes to dealing with refugees, especially those from South and Central America. It has a record of rejecting and refouling 98 per cent of refugee claimants from El Salvador and Guatemala. Amnesty International has warned that the U.S. is not a safe destination for refugees.

This proposed agreement is just another example of the downsizing to the lowest common denominator. It strips away compassion from our society. It abrogates our moral responsibility to those fellow human beings fleeing danger and persecution. It makes our country less.

This agreement will be signed by a Liberal government that in opposition strenuously opposed this measure. Concerned Canadians would say, shame to this government.

* * *

WORLD METEOROLOGICAL DAY

Mr. Ron Fewchuk (Selkirk—Red River, Lib.): Mr. Speaker, every year on March 23 we celebrate World Meteorological Day, commemorating the establishment of the United Nations World Meteorological Organization.

This year's theme is Meteorology in the Service of Sports as this year marks the 100th anniversary of the modern Olympic Games.

Weather is important in the world of sports. The safety of athletes, spectators and the staging of events all depend on weather forecasts and environmental information such as temperature, humidity, wind and air quality. The Department of Environment Canada receives 50 million calls per year on its weather lines.

This year marks the 125th anniversary of the Canadian Weather Service, one of the oldest national institutes in Canada. It is fitting to salute Canada's 125 years of expertise in providing weather information to Canadians. Environment Canada, your window on the weather since 1871.

* * *

[*Translation*]

FRANCOPHONES OUTSIDE QUEBEC

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, la Semaine nationale de la Francophonie, which is drawing to a close, provides an opportunity to emphasize the key role played by the

Francophonie in Quebec and Canada, which, it must be emphasized, ranks second in the world after France.

Beyond the statements and the official ceremonies, this event makes us realize how extremely vulnerable the French language is in Canada. On Wednesday, the Journée internationale de la Francophonie, I shared with this House distressing statistics regarding the rate at which francophones are being assimilated outside Quebec, especially in British Columbia, where the assimilation rate of francophones is as high as 75 per cent.

That was the precise moment that one of our colleagues from the Reform Party picked to utter in a very loud voice: ''It can't be soon enough'', suggesting by this petty and uncalled for remark that francophones can never be assimilated quickly enough and that a 75 per cent rate of assimilation is not high enough.

I am sure that you will want to join me, Mr. Speaker, in condemning such deplorable expressions of intolerance.

* * *

[*English*]

INDUSTRY

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I rise today to congratulate the industries in Carleton—Charlotte that have recently expanded, announced expansion or have rebuilt.

Sabian Cymbals in Meductic, New Brunswick has relocated its new, expanded and ultra modern facility, employing an addition 12-15 people. McCain Foods recently announced that it will substantially expand its Florenceville, New Brunswick data processing centre, thus allowing for the addition of 30 new employees. Briggs and Little Woolen Mills of York Mills recently rebuilt following its fall of 1994 fire, and will soon be reopening, allowing for several area jobs.

These and the many other examples in Carleton—Charlotte, indicate the upward trend of economic growth and job creation.

We offer our congratulations to these companies and to the hundreds of other companies across Canada that are expanding, creating economic growth and productive full time jobs.

* * *

● (1105)

[*Translation*]

SEMAINE NATIONALE DE LA FRANCOPHONIE

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, we are now celebrating the Semaine nationale de la Francophonie. I am taking this opportunity to make my first statement in French and to emphasize the contribution made by French speaking people of all origins to Canadian society.

There are currently more than 8.5 million French speaking people in our country; one Canadian in three speaks French. As a founding member of the Francophonie, Canada actively promotes the French language and culture. Canada is the only French speaking country to be a member of both the Francophonie and the Commonwealth.

Our unique multicultural heritage and our linguistic duality eloquently show the world that to be different does not mean to be divided. During this Semaine nationale de la Francophonie, let us stress the contribution made by French speaking people to Canada and to the whole world.

* * *

[*English*]

REVENUE CANADA

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, the Liberal government is undertaking a major tax grab by reassessing thousands of Canadians in the oil patch who were past recipients of the overseas employment tax credit.

Revenue Canada claims that these people were not entitled to the credits so ''pay up''. Why did it wait for three years? Is it that hard to trace Canadian based subsidiaries? Now it is a hardship on these taxpayers. Cannot the department handle the complexities of its own tax act? Another argument for a simplified tax system.

Let us not complain. In a way, the government may be doing us a favour. It is saying that if an individual has obtained moneys from the taxpayers improperly then the money must be paid back with interest and penalties.

The MPs gold plated pension plan has been improper since the 1970s when its provisions began to exceed those permitted in the private sector. I hope the Liberals and their friends will not scream too loud if the tax man finds a loophole and comes after their fat pensions in a few years retroactively.

* * *

[*Translation*]

QUEBEC WEEK FOR THE MENTALLY IMPAIRED

Mr. Philippe Paré (Louis-Hébert, BQ): Mr. Speaker, last Sunday, close to 1,000 people from the Saguenay-Lac-Saint-Jean area got together to mark the beginning of the Quebec week for the mentally impaired.

Under the theme ''Formerly excluded, now integrated: together we make changes'', various activities took place throughout the week in Quebec to make people more aware of the problems

related to the integration of the mentally impaired. If we respect our differences and stand united, we can provide an egalitarian environment for these people, so that they can have the social life they are entitled to.

The Bloc Quebecois also wants to pay tribute to organizations such as the Saguenay association for the development of the mentally disabled, which celebrates its 20th anniversary this year. We say 1,000 thanks to Louisette Couture, Stella Beaulieu and the members of their board, for their dedication to this noble cause.

* * *

[*English*]

RACIAL DISCRIMINATION

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, I pay tribute to the day observed around the world as the International Day for the Elimination of Racial Discrimination.

I stand as a Canadian aware of my own cultural origins that makes me unique and distinct and, at the same time, an integral part of the greatest nation in the world.

As a country, we have come a long way in our journey toward respect for diversity but we still have a distance to go. There are still racial tensions in our schools, some of our communities ghettoize themselves because of anxiety.

As a model to the world, we must remember to look closely in the mirror. As a society, we have a role to play in effecting change, to bring people together to talk about hopes, aspirations, challenges and fears and to find Canadian solutions to eliminate racism.

* * *

RACIAL DISCRIMINATION

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, today is an important day. It is the International Day for the Elimination of Racial Discrimination. When I look around at my colleagues in the government, I can see what we have achieved as a country.

People talk about a melting pot as the answer to our racial problems. If we are all alike, we will surely get along. However, we are not all alike. That is the beauty of Canada.

We talk about being one people but we also allow ourselves to be unique and different. That is what I respect. Instead of a melting pot, Canada is just a great stir-fry with many colours and textures cooked together in one pot but letting the individual flavours remain distinctive. That is Canada's secret.

• (1110)

I believe that if any country can eventually eliminate racism we can. We have the right recipe. The main ingredient is not tolerance which means merely putting up with something, but a respect that says that I admire you, you have something to offer. We can share and learn from each other and create a wonderful new reality.

* * *

NISGA'A LAND CLAIMS

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, today history is being made in British Columbia with the signing of an agreement in principle by the Minister of Indian Affairs and Northern Development, the provincial Minister for Indian Affairs and the Nisga'a people.

The way is being paved for the first modern day treaty in that province. Today's signing marks an important step in the long struggle of the Nisga'a people to have their rights to the beautiful Nass river valley formally recognized.

The agreement which is being signed today follows extensive consultations with members of the wider British Columbia community. Today's ceremony takes us a long way to achieving certainty and establishing stability, and with these a new era of growth and prosperity can begin.

I would like to congratulate all parties to this historic agreement, particularly the Nisga'a people who have persevered for so long and have overcome so much.

* * *

[*Translation*]

CORRECTIONAL SERVICES

Mr. Bernard St-Laurent (Manicouagan, BQ): Mr. Speaker, according to Statistics Canada, there were 14,016 adults in federal penitentiaries as of March 5, 1996. There is a prison overpopulation of 1,553 inmates in Canada.

The number of prisoners increases annually by 6 per cent. Before long, the Solicitor General will have no choice but to build new prisons or renovate existing ones in order to absorb this population increase.

Overpopulation in prisons threatens the lives of correctional officers and leads to conflicts between inmates. I call on the minister to put his intention to work with the provinces into effect to reduce the costs of inmate imprisonment and of prison overpopulation by signing an agreement with the Government of Quebec to use the facilities offered by the new provincial prison in Rivière-du-Loup.

* * *

[*English*]

EMPLOYMENT EQUITY

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, on April 18 of this year my wife and I, along with our new daughter-in-law, will be attending a graduation ceremony for my son. This

graduation is from his training in the United States army in Fort Leonardwood, Missouri.

Unfortunately, regardless of his work in cadets and militia in this country, he was unable to fulfil his dream of being a soldier in the Canadian army simply because he is a white male. He therefore did not qualify according to the regulations brought about by this government and its employment equity quota system. As a result, this country will lose two citizens to the United States where he was able to enlist immediately.

Equality for all is obviously a meaningless term to this Liberal government. In its efforts to fight discrimination it has managed to create more. Canadians are a tolerant people but because of the ignorance of this Liberal government and its failure to hear the cries of the people, legislated discrimination will continue.

Let us all work for equality by replacing the government in power as soon as possible.

* * *

NISGA'A LAND CLAIMS

Mr. Russell MacLellan (Cape Breton—The Sydneys, Lib.): Mr. Speaker, today in the Nisga'a village of New Aiyansh the Government of Canada, the province of British Columbia and the Nisga'a Tribal Council sign the first agreement in principle negotiated in British Columbia. This is truly an historic occasion and one which all members should celebrate.

The Nisga'a agreement in principle lays a solid foundation for achieving the certainty that the users of land and resources need and marks an historic step in the process of building a new relationship between the Nisga'a and other aboriginal peoples and B.C.

Negotiated settlements are by far the best way to resolve outstanding aboriginal issues. This agreement is reasonable and complies with the government's directive that unresolved claims like those of the Nisga'a should be addressed in a manner that is fair and equitable to everyone in British Columbia.

A full reading of the agreement clearly demonstrates the balance which has been struck between varying interests and objectives. There will be refinements—

The Speaker: The hon. member for Brandon—Souris.

* * *

HEALTH

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, I rise to congratulate the minister of agriculture and the federal department of agriculture for their leadership in protecting Canadians from the mad cow disease. I recall the criticism of the opposition parties in 1994 that thought Ottawa was being far too tough on the ban of importation of cattle from Great Britain. The government stood firm and took the necessary precautions and today Canadians can be thankful for that leadership.

• (1115)

This is a good example of the benefits of having a federal department of agriculture that can withstand local criticism and protect the long term well-being of the cattle industry and the public health of Canadians. It is also an example of good government that restores the faith of Canadians in federal institutions.

ORAL QUESTION PERIOD

[*Translation*]

VOLUNTARY INTOXICATION

Mrs. Pierrette Venne (Saint-Hubert, BQ): Mr. Speaker, yesterday the Supreme Court of Canada brought down a landmark decision concerning voluntary intoxication in murder trials, in connection with the McMaster, Robinson and Lemky cases. The judges of the highest court have decided that, in future, an accused may more easily use a state of intoxication to reduce murder charges.

Does the Minister of Justice not agree that making it easier for an accused to plead voluntary intoxication is deplorable?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, no. When read properly, I suggest the judgments that were released yesterday simply confirm the practice in most Canadian courts already. It clarifies the instructions to be given to a jury in cases where the defence of intoxication is raised and makes technical adjustments to the way the law is put to juries in such cases.

What is most important of all is that there are some crimes in the Criminal Code that by their very definition require the formation of specific intent. That is just the state of the law. If one is incapable of forming that intent, it is clear that one cannot be convicted of that crime.

However, it is also true that by reason of the statute that was passed by the House of Commons last year with the support of parties opposite, we made it clear that if you intoxicate yourself voluntarily and then commit a crime of violence toward another you cannot escape criminal liability.

That is the effect of Bill C-72 and the state of the law in Canada today.

[*Translation*]

Mrs. Pierrette Venne (Saint-Hubert, BQ): Mr. Speaker, does the Minister of Justice not agree that the Supreme Court has quite simply made murder more commonplace, by making it possible from now on for murderers who were intoxicated to get out of

prison earlier, because being found guilty of involuntary homicide will make them eligible for release after serving only one third of their sentences?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, once again I cannot agree with the suggestion made by the hon. member.

The Supreme Court of Canada yesterday did not change the law with respect to liability for murder. It simply clarified the technical instructions that judges must give to juries in cases where the defence of intoxication is raised.

In manslaughter the maximum sentence is life imprisonment. It is open to the court in the facts of any given case, and the circumstances can vary widely, to determine the appropriate sentence. Sometimes that will not involve incarceration as in the recent case in Hamilton where a woman took the life of her terminally ill husband. In those circumstances the court felt that in that manslaughter case, incarceration was not appropriate.

[*Translation*]

Mrs. Pierrette Venne (Saint-Hubert, BQ): Mr. Speaker, since the beginning of his mandate, the Minister of Justice has done no more than pass legislation piecemeal. Here are a few examples of this: Daviault, DNA, genital mutilation.

When will the Minister of Justice shoulder his responsibilities and propose the appropriate measures?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, at the foundation of the hon. member's question is an interpretation of these judgments that I do not share. So we start from different points of departure.

● (1120)

With reference to her suggestion that our approach has been piecemeal, in the case of Daviault the House at the initiative of the government took specific steps to deal with the decision that we thought resulted in a criminal law that was inappropriate. There should be responsibility for acts of violence committed when one induces one's own intoxication.

In other instances we have taken a very comprehensive approach, for example in Bill C-41 where we comprehensively reformed the whole structure of the sentencing process in the criminal law, and as in Bill C-68 where we entirely took a new and comprehensive approach toward the control of firearms.

Our approach has been responsible, it has been coherent and it has been effective.

* * *

[*Translation*]

CANADIAN ARMED FORCES

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, my question is for the Minister of National Defence.

While the military police are investigating initiation rituals in poor taste at CFB Gagetown in New Brunswick, we now also learn that two officer cadets are facing court martial and that eight others were apparently found guilty of harassment for their participation in other hazing incidents that took place at the same base last June. One cadet was apparently even tortured and beaten by his colleagues.

How can the minister explain that his directives against hazing are not always respected, and what excuse can the minister give the House this time?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I remind the hon. member that in these cases there are ongoing investigations. There has yet to be a resolution in one particular matter. It would be very wrong for me to comment in any way on the substance because I may prejudice the examination and the judicial process.

My parliamentary secretary really hit the nail on the head yesterday in answering a similar question from the official opposition. All manner of procedures can be put in place, all manner of regulations can be put in place, but people sometimes commit errors of judgment.

The issue here is to make sure that when errors of judgment occur, when offences occur, they be investigated thoroughly, promptly and that disciplinary action be taken where warranted.

[*Translation*]

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, are we to understand, in light of this other disgraceful incident that reflects poorly on the reputation and credibility of the Canadian Armed Forces, that the minister did not draw the obvious conclusions from the events in Petawawa, and that he was unable to get his defence staff—because that is what is now in question—to take the action necessary to avoid other unfortunate events of this sort?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I think we have

learned a lot in recent years from earlier examples of where behaviour was unacceptable. Procedures have been put in place.

We do our best to ensure those procedures, those codes of conduct, are followed but when they are transgressed it is dealt with promptly and in the appropriate way.

* * *

GOODS AND SERVICES TAX

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, how much do you think the government is willing to spend to try to hide its broken GST promise, $50 million a year, $200 million a year, $500 million a year?

The government is so desperate to whitewash its promise on the GST, perhaps to save the political career of the Deputy Prime Minister, it will pay the Atlantic provinces hundreds of millions of taxpayer dollars if they agree to harmonize the GST.

Why is the government spending taxpayer dollars to harmonize the GST when it clearly promised to save taxpayer dollars and kill, scrap, abolish it?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I am really not very interested in the speculation in the press reports. We are interested, however, in negotiations with the provinces to harmonize the GST.

I know members across the way will be very disappointed when we are successful in harmonizing the GST because they will not have any questions to ask any more.

The report the hon. member refers to is pure speculation.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the unfortunate part is that the Liberals used to be interested in scrapping it when they sat on this side of the House before they formed the government in 1993.

It is evident here that desperate men do desperate things.

● (1125)

The Deputy Prime Minister knows the voters of Etobicoke North and Newfoundland and Labrador will be thinking about the Liberal's broken promise when they go to the polls on Monday. They will not be fooled by talk of harmonization.

The government is so desperate that it willing to spend truckloads of taxpayer dollars to get the Atlantic on side. When the minister says the rest of the Canadian public will harmonize gleefully, he is dreaming. The government is so desperate that the Prime Minister might just pop up in Etobicoke North on Saturday right at the end of the campaign.

Instead of spending millions on harmonization, instead of engaging in PR exercises for the byelections, why does the Deputy Prime Minister not simply live up to her word and kill, scrap, abolish the GST?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I hate to read page 22 of the red book again for the hon. member and so I will not do so.

I will, however, quote from a minority report of the Reform Party: ''While the replacement goes part of the way in responding to concerns presented to the committee, many of the concerns will only be addressed by future negotiations with the provinces''.

That is what we are doing. We are negotiating with the provinces and we will harmonize the GST. I know the Reform Party will be disappointed.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the provinces will certainly talk about harmonization; their answer will be no. They want no part of harmonization. They made it very clear.

When the government talks about page 22 of the red book, that it will replace the GST, it is the same letters, the same meaning. GST perhaps means ''give Sheila time''. How much time does the Deputy Prime Minister need?

The Speaker: The hon. member should put her question.

Miss Grey: Mr. Speaker, these people know exactly what they campaigned on in the last election. It is on tape. We saw it on television last night. Unlike Richard Nixon's, these Liberal tapes cannot be erased. Over two years have passed and nothing has happened.

How can the Deputy Prime Minister lie awake at night knowing that she has broken promises?

Some hon. members: Oh, oh.

The Speaker: A lot of the time different emphasis is put on words. Although I am sure *Hansard* will show the words ''lie awake'', I caution hon. members to stay away from the word ''lie'' as much as you can.

The term was ''lie awake'. I accept that. If the honourable Deputy Prime Minister wishes to answer, fine. If not, we will proceed.

* * *

[*Translation*]

SUMMER JOBS FOR STUDENTS

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

In a press release dated March 12, the minister announced that he would increase funding for summer jobs for students to $120

million. Curiously enough, the amounts allocated by the government add up to $105.65 million and not $120 million, a $14.35 million shortfall. How can the minister explain this shortfall in his release concerning summer jobs for students?

Hon. Douglas Young (Minister of Human Resources Development, Lib.): Mr. Speaker, the hon. member should send me a copy of the press release he is referring to. All I can tell him is that, this year, we managed, with the finance minister's help, to contribute another $60 million to the creation of summer jobs for students.

In total, $120 million will be spent this summer on jobs for young people attending post-secondary institutions.

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, since the minister is cutting post-secondary education in Quebec by $150 million this year alone, how can he brag about doubling to $120 million the amount allocated to summer jobs for students, when the former Conservative government used to spend more than $180 million a year?

• (1130)

Hon. Douglas Young (Minister of Human Resources Development, Lib.): Mr. Speaker, the amount distributed to post-secondary institutions still falls under the responsibility of the provinces. Of course, some of the money comes from the Canadian government through transfers to the provinces.

How this money is managed is up to each province, since we do not want to interfere in areas of provincial jurisdiction. If he hon. member is suggesting that we revert to the ways of the old administration, I can only tell him not to hold his breath, because we have no intention of acting as the former Tory government did for nine years, from 1984 to 1993.

* * *

[*English*]

NISGA'A LAND CLAIMS

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, officials from Ottawa, Victoria and the Nisga'a people are scheduled to sign the Nisga'a land claim agreement today.

However, there is widespread opposition to the radical constitutional precedent which will be set here. There has been insufficient meaningful consultation with all of the people who will be affected by this agreement.

Will the Deputy Prime Minister instruct the minister of Indian affairs to postpone today's signing?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the signing will proceed as scheduled today.

Prior to this agreement in principle, over 200 public meetings were held, a number of open houses, a number of consultations to keep all of the interested parties totally posted on the process involved.

As I am sure the hon. member knows, the negotiators will continue to ensure that public information is available and that the consultations will continue right through to the signing of the final agreement.

I am sure the hon. gentleman would want to agree with me that this is a major move forward in the history of the country, one I am sure the Reform Party would want to support.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, it is very interesting that the minister believes there has been consultation.

Here is what a forestry industry representative from the treaty negotiations advisory committee said about the process: ''I cannot say we worked on this document because we never saw any of it until February 15, just hours before it was signed; not one page, not one paragraph''.

The government has given the separatists a constitutional veto. Why is it denying the people of B.C. a say before this agreement is signed? Postpone it.

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, on behalf of my colleague, the Minister of Indian Affairs and Northern Development, the hon. gentleman knows this is an ongoing process. What is being signed today is the agreement in principle.

There have been consultations and public information processes conducted up to this point. That process will continue. In the public interest of the country it is vital that this major initiative be carried through to a successful conclusion. Obviously further consultation which is a part of the process is necessary to ensure that successful conclusion.

* * *

[*Translation*]

REFUGEE STATUS

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is directed to the Acting Prime Minister or the Deputy Prime Minister. In 1992, the current Liberal member for Notre-Dame-de-Grâce stated: ''We do not believe it is reasonable to deport legitimate refugee claimants to the U.S. on the assumption that it is a safe third country''. In other words, the hon. member recognized that the American legislation was deficient and objected to any reciprocal arrangement as long as legislation in both countries had not been harmonized.

Could the minister tell us what major changes have been made to the American legislation since 1992 that would now justify his party's about face?

[*English*]

Hon. Douglas Young (Minister of Human Resources Development, Lib.): Mr. Speaker, the question of changes to the legislation that would affect this kind of case in the United States would be rather technical and lengthy.

If there are specific parts of the American legislation that she would want to be made familiar with I am sure my colleague, the minister of immigration, would be very pleased to prepare a package of information and allow for a briefing to be held so that she could be familiar with the American legislation.

● (1135)

[*Translation*]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, last week, in her testimony before the Standing Committee on Citizenship and Immigration, the minister suggested that the arrangement was about to be finalized. However, the United Nations High Commissioner for Refugees in Canada told the same standing committee just the opposite regarding the harmonization of this legislation.

Does this mean that the minister now condones U.S. practices that contravene the international convention relating to the status of refugees, for instance, automatically returning Cubans and Haitians to their country of origin without even having established whether or not they are legitimate refugees?

Hon. Douglas Young (Minister of Human Resources Development, Lib.): Mr. Speaker, I think that we can all agree that the refugee determination rules vary greatly from country to country. The approaches taken by various countries are often very different.

In response to the hon. member's question dealing specifically with the approach taken by the Government of Canada, over the years, we have always seen our role as that of one of the most welcoming countries in the world for refugees. As Canadians, we have a duty to keep playing this humanitarian role we have played on many occasions already.

Regarding practices in the U.S. and elsewhere, I do not think it is appropriate for us or for me to comment on them at this time.

* * *

[*English*]

NISGA'A LAND CLAIMS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, my question is to the Deputy Prime Minister.

There has been a shroud of secrecy over the Nisga'a deal. The process has been manipulated by the politicians and taken out of the hands of Canadians.

Nisga'a members have said they did not even know they were to vote on this agreement. They were invited to an informational meeting. The vote was by show of hands instead of a secret ballot. This is not democracy, it is a fraud.

Will the government respond to these disturbing allegations and resubmit the deal to the Nisga'a people for real consultation and for a real vote?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, again on behalf of my colleague, the minister of Indian affairs, the hon. member will know that in this process of dealing with this settlement we have been negotiating with representatives of the Nisga'a who are democratically elected under their own processes every year.

Given the very broad scope and importance of the negotiations, some disagreement within the Nisga'a community is naturally to be expected. The agreement in principle ratification by the Nisga'a was an internal process which the Nisga'a have designed for themselves to inform and seek the support of their constituents.

After the final steps are taken in the development of a final agreement on the land settlement, that final agreement must be formally ratified according to a formula that calls for 50 per cent plus 1 of eligible Nisga'a voters.

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, once the agreement is ratified today it will be very difficult to change anything.

This agreement in principle will encode different treatment of Canadians based on race, different constitutional status based on race, different taxes based on race. If this is put into the Constitution Canadians will never again be one people. We will be permanently divided by race. This will affect our children and our grandchildren, all of us.

On behalf of all Canadians, will the government postpone the signing of this agreement until a broad consultation of all Canadians has occurred? This is too important to leave in the hands of a few politicians. Postpone it.

Hon. Sheila Copps (Deputy Prime Minister and Minister of Canadian Heritage, Lib.): Mr. Speaker, on behalf of all Canadians, I congratulate the parties who after decades of unresolution have finally reached an agreement which should be celebrated by the people.

When the aboriginal people were driven off their lands and when the aboriginal people were put into a situation that was not of their choosing, they asked for justice. Finally we have a minister for Indian affairs who is delivering that justice. We think he should be congratulated. Today should be a day of celebration for the Nisga'a and for Canadian justice.

● (1140)

[*Translation*]

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is for the Acting Prime Minister.

On February 16, Canada and the United States reached an agreement in principle on softwood lumber. The five year agreement seeks to restrict Canadian softwood lumber exports to the U.S. It provides for an increase in stumpage fees in Quebec, Ontario and Alberta, and for the implementation of a quota system of sorts in British Columbia.

Does the minister realize that letting British Columbia set up such a system violates the free trade agreement itself, which is precisely based on the elimination of control measures at the border?

[*English*]

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, the hon. member obviously knows that the question he is posing is based on a false premise and a false fact.

The reality is that agreements have been negotiated with the provinces. Their interests have been totally taken into account. Negotiation is now simply being worked out in detail between the representative spokespersons for the two countries.

The hon. member might want to go back and check what he is saying because it does not relate to truth.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, we do not question the fact that this was done in co-operation with the provinces. We question the federal government's approval of new barriers in a free trade context. The federal government was ill advised in that regard. If you set up barriers, it is no longer a free trade environment. At first it was wheat, and now it is softwood lumber.

Will the minister recognize that the current agreement will not solve anything, since Americans are still not happy with the concessions made so far, and will he also recognize that his government is opening the door to similar agreements in other economic sectors?

[*English*]

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, the whole point of having the agreement is to allow us to have a process through which we can work out agreements so that trade can flow.

There is not some kind of arbitrary ideological perfect world. The reason the NAFTA agreement was put into place was to ensure that the immense flow of commerce between the two countries can be organized by a set rules, a set of practices and a set of institutions. The minister of trade is using those rules and those practices to negotiate a deal that will allow us to continue the very lucrative and very important trade with the United States in softwood lumber.

* * *

[*Translation*]

FRANCOPHONES OUTSIDE QUEBEC

Mr. Patrick Gagnon (Bonaventure—Îles-de-la-Madeleine, Lib.): Mr. Speaker, my question is for the Deputy Prime Minister and Minister of Canadian Heritage.

I would like to know her intentions with respect to the negotiations with the Franco-Columbians, who are anxious to know what stage the negotiations affecting their future have reached. I am well aware of the importance the minister attaches to francophones, particularly those outside Quebec. As we know very well, there are very nearly one million francophones outside Quebec, and some people at least are concerned about their future.

The Franco-Columbian community is anxiously awaiting the outcome of the negotiations with the federal government. Is the Minister in a position to inform us of the status of these negotiations?

Hon. Sheila Copps (Deputy Prime Minister and Minister of Canadian Heritage, Lib.): Mr. Speaker, during this Semaine de la Francophonie, it is important, I believe, to celebrate the agreements already in place between Canada and various communities, and those which are still under negotiation.

We are very pleased today, during this special week, to announce that, within the hour, the Secretary of State for Multiculturalism and the Status of Women will be making an announcement in Vancouver, at la Maison de la Francophonie. The matter has been settled, and there will be good news within the next hour.

* * *

● (1145)

[*English*]

CANADIAN ARMED FORCES

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, my question is for the Minister of National Defence.

The minister has known about last weekend's hazing incident at CFB Gagetown and has been investigating it since Sunday, Monday, Tuesday, Wednesday, Thursday, Friday. Media reports tell us today that there was another hazing incident in June at CFB Gagetown. The minister has known about this and has been investigating it since July, August, September, October, November, December, January, February, March.

Will the minister admit defeat and acknowledge that he is unable to manage this issue?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, after that question, one thing I can admit is that contrary to my earlier opinion, the hon. member does know the days of the week and months of the year.

Some hon. members: Oh, oh.

Mr. Collenette: These questions were answered yesterday by my parliamentary secretary and earlier this morning. The fact is that an incident occurred last weekend at Gagetown and we view any incident as described to be quite serious. The matter is being investigated not by me but by the military police. The hon. member should know, being an ex-serviceman, how the military justice system works. When the matter is fully investigated, then the judicial proceedings will take place.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the sad reality is that the minister only acts when these incidents are brought forward by the media.

Ninety-nine point nine per cent of the Canadian forces personnel are not participants in these activities nor do they condone these activities.

Today the base commander declared that he has no explanation on how to prevent these incidents.

This is beyond hazing. This is about the chain of command in the Canadian Armed Forces and it is failing under the leadership of this minister. What is this minister going to do about it? Canadians want to know.

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, when incidents such as this happen in the armed forces, the minister obviously is fully informed and the investigative process takes place.

As my parliamentary secretary said yesterday, the very good procedures that have been put in place especially as a result of some problems we have had in recent years cannot always be seen to be working if certain people in the forces display errors in judgment. There is very little we, the chief of the defence staff and other senior officers can do about errors in judgment in the same way that I cannot do anything about the hon. member coming to the House of Commons and asking rhetorical and fatuous questions.

* * *

[*Translation*]

AÉROPORTS DE MONTRÉAL

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, my question is for the Minister of Transport. ADM, the organization that manages Dorval and Mirabel airports for the federal government, recently decided to move international flights from Mirabel to Dorval, unfortunately without consulting the public.

Given the government's continued political and moral responsibility in this matter and the prime concern—to repair the past errors of this very government—will the minister ask ADM to hold real consultations with the public concerned before making any final decision?

Hon. David Anderson (Minister of Transport, Lib.): Mr. Speaker, Dorval and Mirabel belong to the federal government, but their management and development have been the responsibility of Aéroports de Montréal or ADM since 1992 under the terms of a 60 year lease.

My job, as the federal minister, is to ensure that issues concerning security, individuals and aircraft are addressed. I would like to give the member more information, if I could do so. However, responsibility was transferred to ADM a few years ago.

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, on February 22, the minister agreed to study the possibility of compensating the operators of concessions that might be affected by ADM's decision.

Would the minister at least acknowledge that the government is still open to such compensation?

• (1150)

Hon. David Anderson (Minister of Transport, Lib.): Mr. Speaker, up to now I have received no report on the concession operators at the two airports. Do not forget that Mirabel is not being closed. It will continue to be a major airport in Quebec and in Canada. All charter and cargo flights will leave from Mirabel.

A change is being made, but it is a change implemented by ADM and not the Department of Transport.

* * *

[*English*]

NEWFOUNDLAND

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, in the Newfoundland and Labrador government throne speech on Wednesday of this week, that government said it would change the name of that province from Newfoundland to Newfoundland and Labrador, and rightly so. The people of Labrador have felt left out for years.

Will the Deputy Prime Minister for the federal government accept the will of the people of Newfoundland and Labrador and recognize Labrador by this name change?

Hon. Sheila Copps (Deputy Prime Minister and Minister of Canadian Heritage, Lib.): Mr. Speaker, I am sure we will use the same open approach that we used with Nunavut.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, that open approach sounds pretty vague and very typically Liberal. The Deputy Prime Minister should be aware that many Quebec provincial maps do not recognize the Quebec-Labrador border. All that is required to change the name of the province according to section 43 of the Constitution is simply a bilateral agreement between the federal government and the province.

I will ask the Deputy Prime Minister again, will she commit the federal government today to accepting this provincial initiative?

Hon. Sheila Copps (Deputy Prime Minister and Minister of Canadian Heritage, Lib.): Mr. Speaker, first I want to congratulate the member for finding Labrador on the map for the first time in four years.

The member will know that not only have we had very strong Liberal interests in Labrador for many years, but we have had excellent representation in the person of the former member and current senator, Bill Rompkey. We fully expect that tradition will continue on Monday.

When I said earlier that we would respect the process as we did with Nunavut, there is a process in place. It does require resolutions by respective Parliaments. I am sure the member would not want us to get up 48 hours prior to a byelection simply so he could score some cheap political points.

* * *

AGRICULTURE

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, given the necessity to eliminate large government subsidies including those that have existed in agriculture, can the minister of agriculture assure both the grain producers and the dairy producers that they are being treated in a fair and equitable manner?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, this is an extremely important question.

With respect to prairie grain producers, their former transportation subsidy under the WGTA was cancelled in one fell swoop on August 1 of last year. To help them adjust to a totally non-subsidized environment, we put certain WGTA adjustment measures into place. In the case of the dairy subsidy, it is not being terminated all at once. It is being phased out gradually over what is effectively a seven year period.

When we compare the federal money being provided for the so-called one time buyout of the WGTA versus the federal money being provided for the phase out of the dairy subsidy, the values are very much comparable, equitable and fair.

[*Translation*]

RADIO CANADA INTERNATIONAL

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, my question is for the Deputy Prime Minister and Minister of Canadian Heritage.

The Minister of Canadian Heritage has just deferred the shutting down of Radio Canada International for one year, since the funding allocated is only for a year. This announcement does nothing at all to reassure the spokesperson for the Coalition to save Radio Canada International, and his concerns are justified, for this settles nothing.

Why is the minister not able to provide permanent funding for Radio Canada International?

• (1155)

Hon. Sheila Copps (Deputy Prime Minister and Minister of Canadian Heritage, Lib.): Mr. Speaker, I announced yesterday precisely what I had promised at the beginning of my mandate as Minister of Canadian Heritage, namely that we would start with one year of funding.

If I had the least bit of Bloc Quebecois support for the long term funding of Radio Canada International, it is absolutely certain that this matter could be settled for the long term.

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, like the Conservatives, two years and a half after the election of this government and despite the commitments made in the red book, the Minister of Canadian Heritage is still leaving Radio Canada International, the CBC, the National Film Board and Telefilm Canada hanging.

Where does the difference lie between the Liberal and the Conservative approach to culture, despite its acknowledged importance?

Hon. Sheila Copps (Deputy Prime Minister and Minister of Canadian Heritage, Lib.): Mr. Speaker, I understand the importance of culture, and that is why I support the creation of a special fund for culture. What makes it difficult, every time we seek new avenues of funding, is the block we run into, the Bloc Quebecois.

* * *

[*English*]

JUSTICE

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, so now the supreme court has decided that killers need yet another loophole to escape justice, despite the fact that Parliament, which I thought was running the country, passed legislation that stopped killers from using drunkenness as a defence.

Will the Minister of Justice commit today to act to ensure that killers cannot use drunkenness as a way to escape the justice that is due to them? Will he do it?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I think it is far better to take the supreme court judgments and read them rather than misread them. If that is done, one will know that the organizing principle of the criminal law in Canada is that those who do harm to others are held accountable for their misconduct.

I was very grateful to the hon. member last year when he stood with others to support the government's initiative to change the Criminal Code by Bill C-72, and ensure that those who intoxicate themselves are held accountable in the criminal law. That is the law of Canada today.

The judgments yesterday, if one goes beyond the headlines and looks at the substance of what was done, simply clarified the technical elements of charges to the jury, when juries, people from our communities, have to decide whether someone was able to form the specific intent to murder. If they were not, then they are culpable for manslaughter which is punishable by life imprisonment.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, stable waste has reached a new height in this Chamber. Canadians have lost all faith in the justice system and they are looking to Parliament to restore some of that faith.

I ask again, so that Canadians can be sure that the justice system is going to work to protect the victims of crime and protect Canadians from becoming victims, will the minister do something to ensure that killers will not escape justice by simply claiming they were drunk? Will he do it?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it is my perception that Canadians have not lost confidence in the justice system. Canadians are losing confidence in politicians who engage in sloganeering and fear-mongering for narrow partisan purposes.

The hon. member must allow himself to at least be distracted by some of the objective facts. I suggest that when he does that, when he takes his eyes from his slogan filled question sheet and looks at the judgments of the court and the reality of the law, he will see that those who commit the crime of taking another life in this country, intoxicated or not, are held accountable in the criminal law.

* * *

INCOME SECURITY PROGRAM

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

As the minister must be aware, the moving of the some 50 jobs of the income security program from Regina to Winnipeg has become a major issue. The cost of the move could climb as high as $2.6 million and will certainly result in the deterioration of services to seniors and the disabled in Saskatchewan. Will the minister rescind this move of jobs from Regina to Winnipeg, a move that will squander scarce dollars?

• (1200)

Hon. Douglas Young (Minister of Human Resources Development, Lib.): Mr. Speaker, I understand the concerns. The Minister of Agriculture and Agri-Food has expressed his views on this matter. The decision was made some time ago.

The number of jobs that are actually affected and that would be moved are less than half of the number attributed to this situation by the hon. member in his question.

Any job that is being rearranged is always the grounds for great concern. I want to assure the hon. member that the purpose of making changes throughout the delivery system of human resources development is to improve service and to manage those scarce dollars, to which the hon. member referred, in the best way possible.

The department will be doing some work in Regina that is new, that is innovative, that will support the people to whom the hon. member has referred and that will actually increase the number of jobs in that sector.

There will always be an ongoing exchange of responsibilities and jobs, but in the final analysis, money will be spent wisely and as fairly and equitably as it can be to workers in all of the provinces of Canada.

* * *

AUTOMOTIVE SAFETY

Mr. Dan McTeague (Ontario, Lib.): Mr. Speaker, my question is for the Minister of Transport.

Can the minister inform the House if his department has undertaken an investigation of reports of failure in rear door latches on certain Chrysler minivans and if the Department of Transport has the authority to order automobile manufacturers to conduct an immediate recall of all automobiles found to have safety hazards?

Hon. David Anderson (Minister of Transport, Lib.): Mr. Speaker, I would like to thank the hon. member for his concern about safety which is the primary duty of Transport Canada and its main responsibility.

With respect to the question of all issues relating to automobile safety, investigations of accidents are carried out for all categories of motor vehicles so that a safer fleet can be created.

More stringent standards have been applied to minivans. In 1994 roof strength standards were introduced and next year a slide

protection standard is proposed for the 1997 model year. This spring the rear door latch regulation for the 1998 model year will be introduced.

As you can see, Mr. Speaker, there has been a continuous improvement through regulation for safety of minivans.

The Speaker: This brings question period to a close.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Ovid L. Jackson (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to two petitions presented during the first session.

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

HUMAN RESOURCES DEVELOPMENT

Mr. Maurizio Bevilacqua (York North, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the second report of the Standing Committee on Human Resources Development on Bill C-3, an act to amend the Canada Labour Code (nuclear undertakings) and to make a related amendment to another Act, which agreed to report it without amendment.

* * *

TOBACCO PRODUCTS CONTROL ACT

Hon. David Dingwall (Minister of Health, Lib.) moved for leave to introduce Bill C-24, entitled an act to amend the Tobacco Products Control Act.

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

* * *

● (1205)

[*English*]

REGULATIONS ACT

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) moved for leave to introduce Bill C-25, an act respecting regulations and other documents, including the review, registration, publication and parliamentary scrutiny of regulations and other documents, and to make consequential and related amendments to other acts.

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

* * *

CANADA ELECTIONS ACT

Mr. Ian McClelland (Edmonton Southwest, Ref.) moved for leave to introduce Bill C-243, an act to amend the Canada Elections Act (reimbursement of election expenses).

He said: Mr. Speaker, in accordance with the special order of March 4, 1996 relating to the reintroduction of private members' bills, it is my pleasure to reintroduce this bill which is in the same form as Bill C-319 at the time of prorogation of the first session of the 35th Parliament. It will be coming back after report stage.

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

The Acting Speaker (Mr. Kilger): The Chair is satisfied that this bill is in the same form as Bill C-319 was at the time of prorogation of the first session of the 35th Parliament.

Accordingly, pursuant to order made Monday, March 4, 1996, the bill is deemed to have been read the second time, considered by the Standing Committee on Procedure and House Affairs and reported with an amendment.

* * *

PETITIONS

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present two petitions to the House today.

The first petition comes from Calgary, Alberta. The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home for preschool children, the disabled, the chronically ill and the aged.

LABELLING OF ALCOHOLIC BEVERAGES

Mr. Paul Szabo (Mississauga South, Lib.): The second petition, Mr. Speaker, comes from Sarnia, Ontario.

The petitioners would like to bring to the attention of the House that consumption of alcoholic beverages may cause health problems are impair one's ability and specifically that fetal alcohol syndrome and other alcohol related birth defects are 100 per cent preventable by avoiding alcohol consumption during pregnancy.

The petitioners therefore pray and call on Parliament to enact legislation to require health warning labels to be placed on the

containers of all alcoholic beverages, to caution expectant mothers and others of the risks associated with alcoholic consumption.

CONSTITUTIONAL AMENDMENTS

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present a petition on behalf of the people of my riding of Brandon—Souris.

A number of constituents from Waskada, Deloraine, Goodlands and area pray that Parliament enact legislation providing for a referendum to accept or reject constitutional amendments.

GASOLINE TAX

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, pursuant to Standing Order 36, as I am duty bound, I wish to present to Parliament a petition signed mainly by constituents from Regina, Saskatchewan and district.

The petition, as many others presented to this House, implores the government not to increase the tax on gasoline. It notes that the excise tax on gasoline has risen by some 566 per cent over the last 10 years.

While this petition has come to me after the budget, I suspect the petitioners are concerned about next year's budget. Therefore, I present this petition to the House.

• (1210)

MINING INDUSTRY

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I have five petitions but they will be presented as one.

The petitioners call to the attention of the House of Commons that the mining industry is the mainstay of 150 communities across Canada, an important contributor to Canada's gross domestic product and a cornerstone of our economic future. Canada's investment climate is now forcing many mineral industry people to look for opportunities elsewhere in the world.

The petitioners therefore call on Parliament to take action that will encourage employment growth in this sector, promote exploration, rebuild Canada's mining and mineral reserves, sustain the mining communities and keep mining in Canada.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Ovid L. Jackson (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, I ask that all questions be allowed to stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADA TRANSPORTATION ACT

The House resumed consideration of Bill C-14, an act to continue the National Transportation Agency as the Canadian Transportation Agency, to consolidate and revise the National Transportation Act, 1987 and the Railway Act and to amend or repeal other acts as a consequence, as reported (with amendments) from the committee; and motions Nos. 2, 28 to 32 and 35 to 55.

The Acting Speaker (Mr. Kilger): I see the hon. member for Kootenay West—Revelstoke rising. Before he resumes his intervention and just to situate us all, the hon. member for Mackenzie had a response in terms of the unanimous consent that was granted. I think the words from the hon. member for Kootenay West—Revelstoke were to the effect that he asked the House for a ''brief intervention''.

I would remind the hon. member of the sensitivities that have been raised by other members so that we could pursue this debate at report stage. I would ask him to please keep that in mind in his closing remarks on this intervention.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I will make it extremely brief. I have actually finished except to comment on the intervention by the hon. member from the NDP.

When I spoke, I spoke not of branch lines or specifically of main lines, I spoke of railway lines. It does not matter if it is main lines, branch lines or the line that the hon. member gave you, his motion subverts the whole intent of this bill.

The Acting Speaker (Mr. Kilger): I am a little confused. One moment no one is rising. The very next moment everyone is rising. Let us start all over.

[*Translation*]

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, the intent of our Motion No. 31 is to improve clause 141 of the bill, which we support entirely and which we aim simply to improve.

The clause in question is very short, and I quote:

> A railway company shall prepare and keep up to date a plan indicating for each of its railway lines whether it intends to continue to operate the line or whether, within the next three years, it intends to sell, lease or otherwise transfer the line—or take steps to discontinue operating the line.

This clause is all the more needed, because, up to now, under the present legislation, when a railway company wished to stop operations or sell or lease its facilities, public hearings were held

by the National Transportation Agency. This is no longer the case, and this discrepancy will be covered by another of our motions.

As regards Motion No. 31, which applies to the plan the companies are required to prepare, the aim of our amendment is to avoid untimely and premature changes to the plan proposed by the company, and the motion provides that: ''A plan prepared by a railway company that does not indicate the company's intention to discontinue operation of a line shall not be amended by the company for twelve months''. It is simple and is intended solely to improve the clause.

[*English*]

Mr. Joseph Volpe (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I am sorry that you were confused by those of us who were eager to enter into the debate. Just take it as an indication that we wish to represent our constituents with the kind of enthusiasm they have come to expect, at least from those on this side of the House.

• (1215)

[*Translation*]

If I may, I would like to express the government's position on Motion No. 31. The government cannot support this motion. This requirement would unreasonably restrict the railway's ability to change its activities.

[*English*]

After hearing the witnesses in full deliberations, the standing committee reached a conclusion about amendments to the conveyance provisions of the bill including the time periods that the committee member considered appropriate. This side of the House values the deliberations of the committee and must agree with its decisions. Therefore, we cannot support this motion.

On Motion No. 2, the section sets out a definition that differentiates between main lines and branch lines of the railways. The distinction provides the basis for a different treatment of main line and branch line tracks under other motions. There is no practical reason for treating main lines and branch lines differently. The government does not support this motion because a different treatment will discourage the formation of short line railways. I thank our colleague from Kootenay West—Revelstoke for supporting the government's position on this because it reflects the committee deliberations on the matter.

With Motion No. 28, the proposal is redundant. The opening words of the section already allow for an ''interested person'' to present applications to the governor in council. Again the government cannot and will not support this motion.

On Motion No. 29, I have already indicated that separate treatment of main line and branch line tracks for the purpose of sale or abandonment is unwarranted. The government again supports the standing committee's reflections and amended versions of the conveyance provisions and therefore will not support the motion.

On Motion No. 30, this would potentially require railways to have a plan available for inspection in every office since every line will be included in the plan, even those the railway intends to keep operating. In our view that would be excessive and an unwarranted burden on the railway. Again, I make reference to the standing committee's amended version of the conveyance provisions. Since the government supports the standing committee's deliberations, it will not support this motion.

I now turn to Motion No. 32. The hon. member for Kootenay West—Revelstoke made reference to the government's or Parliament's concern for the Atlantic provinces in terms of linking them with the rest of Canada. That has been a tradition of policy development with this government and this party ever since Confederation. We keep those considerations very much in the forefront whenever we make pronouncements on legislation like this. I would not want the member to think or to attempt to convey the impression that members of the Liberal Party have forgotten their roots. The reason we are still very much acceptable in Atlantic Canada is precisely because we consider its needs and its interests first and always.

After hearing witnesses on Motion No. 32 and after full deliberations, the standing committee reached a conclusion about the amendments on the conveyance provisions of the bill which I mentioned earlier. It did not support renewed regulation by the agency. Therefore, in support of the standing committee's amended version, the government will not support this motion.

The government does not support Motion No. 36 because property negotiations generally occur on a case by case basis in the commercial world and are not placed in any uniform, regulatory scheme that the utilities propose to apply to the railways. Utilities face the same problems in their dealings with municipalities and other property owners. The utilities as property owners are under no similar obligations as to the timeliness or quality of easements that they must provide to other parties.

• (1220)

If there are problems with the genuine transportation dimension to be addressed, the agency should assess them as a matter of course in its annual review and with any amendments carried out at the time Bill C-14 goes through its final review.

On Motion No. 37, I can offer the same kind of rationale. Therefore I can advise the House that the government will not support this motion.

On Motion No. 38, the government cannot and does not support this amendment because it runs contrary to one of the main thrusts of the bill, which is to allow railways to rationalize their network as commercial transactions. The best way to assure the continued

operation of the CN Halifax to Montreal line is to allow an unfettered rationalization of underutilized track.

I consider Motions Nos. 39 through 55 as one in the interests of time and offer the comment that would apply to all of them. I hope that members of the House will accept that the government does not support any of Motions Nos. 39 through 55 because Bill C-14 recognizes, as I said earlier, that railways are commercial enterprises and must have the freedom to adjust their networks under change of conditions. I can further add that these motions would require the railway whose lines are uneconomical to operate them without being compensated for losses. This would be in direct conflict with the existing national transportation policy. I repeat that the government will not support Motions Nos. 39 through 55.

Hon. David Anderson (Minister of Transport, Lib.): Mr. Speaker, I would like to take a moment today to speak to a few issues relating to Motion No. 35.

To provide some background, the present Railway Act is a piece of virtually historic legislation. It provides railway companies with their own independent powers to expropriate land. This dates from the era when railways were used for the purpose of nation building when just about any government would make just about any deal to achieve the construction of a railway. Under the Railways Act, private land can be taken by the railways. However the Indian Act requires that governor in council approval is needed for taking of reserve lands.

Over the years statute for water related facilities like ports and bridges, although not rail or transportation, adopted the expropriation provisions of the Railway Act. This means that other private companies and some public corporations can also use the Railway Act as an expropriation mechanism to take private and reserve lands pursuant to the wording of other acts.

Bill C-14 is primarily a transportation bill and it cannot advance measures that potentially set important precedents with respect to aboriginal rights. That having been said, the bill does attempt to address some of the longstanding problems which are found in the Railway Act with respect to reserve expropriation. It also attempts to address several other issues which are of interest to aboriginal peoples.

First, the bill eliminates the private expropriation power of railway companies. These companies in future will have to apply to the Minister of Transport following which the provisions of the government's Expropriation Act will be the governing statute rather than the Railway Act, which is to be repealed with the passage of Bill C-14. Other private interests and some public corporations would, like railway companies, also fall under this expropriation mechanism and would lose under the Railway Act approach the rights that they now have.

• (1225)

Second, the new sale and discontinuance process under Bill C-14 requires that if a private sale of a line cannot be made, federal, provincial and municipal governments will sequentially have 30 days to exercise an option to purchase the line for no more than the net salvage value.

Initially under former Bill C-101 from the first session of this Parliament, the federal option applied only if the line crossed a provincial or international boundary. During the review of the former bill, the Standing Committee on Transport approved an amendment which expands the federal option to include reserve lands. This amendment is being made to address the concerns which have been expressed by some aboriginal groups that land in reserves over which rail lines pass might otherwise not be protected when the rail operations cease.

Third, section 96 of Bill C-14 states that a railway company cannot alienate land taken from the crown, except to transfer the land for continuing railway operations or to transfer the land back to the crown. Following review by the standing committee, section 97 of the bill was amended to indicate that nothing in this section would be construed to negate any pre-existing right or interest that anyone might have in the lands transferred under this section. That of course includes aboriginal rights.

Fourth, amended section 145 with one further proposed amendment will require an offer to the minister of any line or portion of a line which passes through land that is or was part of a reserve or that occupies land which is affected by land claims, provided the minister or the railway's owner have entered into agreement for the minister to recover the land.

I believe that Bill C-14 as amended is further evidence of the efforts of the government to accommodate the special concerns of a particular group in our society in transportation policy.

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, I do wish to present a few points in this debate. Most have already been made by my colleague for Mackenzie in whose name several of the amendments have been presented.

We have been accused by the transportation critic of the Reform Party of trying to subvert the bill. Indeed we are. We feel that the bill before us does not meet the needs of Canadians and we make no apologies that as an opposition party we are opposing it. Had members of the Reform Party spent a little less time listening to bureaucrats in committee in Ottawa and gone to the prairies and to the back roads and listened to the people in the coffee shops, maybe they would have heard an entirely different requirement of how rail transportation should be dealt with.

In essence, the bill is everything the railways want. It totally ignores the needs of the users. Let us not forget that a tremendous amount of public money has gone into both of the major railways. There is a tremendous amount of public investment and public interest which has been backed up by Canadian tax dollars in the

rail transportation system. The users, the public, the people of Canada have some legitimate rights on the question of rail transportation.

That is why many of our amendments tried to create two classes of rail lines for the purposes of abandonment so that the main lines are considered in a separate category. These are not just the veins, they are the arteries of the system. We could lob off a finger and bits of pieces of the rail transportation system but when we start attacking the main line, we are attacking the essential structure of our transportation system. That is why many of our amendments tried to create two different categories for the purposes of abandonment.

Among many other things we tried in the amendments to make it a little more user friendly. One example is Motion No. 30. The act now states that if there is a plan for abandonment, the railway company has to prepare and keep up to date a plan and they shall make the plan available for public inspection in offices of the company that it designates for that purpose. We want to make certain that the plan is also available in the affected communities and that the plan is not just tacked on a bulletin board in head office in Montreal and the local people have no idea what is going on.

• (1230)

Our amendments are intended to make this act more user friendly, to protect the interests of the users, the communities, especially rural communities whether they are in the maritimes or in northern Quebec, Ontario, on the prairies or in the interior of British Columbia, communities that depend on the railway, that their interests are also taken into account, as they certainly are not in this present legislation. That is why we are opposing this legislation.

It would be interesting as well to see how the Reform Party will end up voting on it. We are being accused of trying to sabotage a bill that I suspect the Reform Party in the end will also be voting against.

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

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The recorded division stands deferred. The recorded division will also apply to Motion No. 29.

The next question is on Motion No. 28. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

I declare the motion defeated.

The next question is on Motion No. 30. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

I declare the motion defeated.

[*Translation*]

The next question is on Motion No. 31. Is it the pleasure of the House to adopt the motion?

Some hon. members: Yes.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The recorded division on the motion stands deferred.

[*English*]

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 32. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

I declare the motion defeated.

The next question is on Motion No. 35. Is it the pleasure of the House to adopt the motion?

• (1235)

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

I declare Motion No. 35 carried.

The next question is on Motion No. 36.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Kilger): The recorded division on the motion stands deferred.

The next question is on Motion No. 37.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Kilger): The recorded division on the motion stands deferred.

The next question is on Motion No. 38. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Kilger): The recorded division on the motion stands deferred.

The next question is on Motion No. 39.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): I declare Motion No. 39 defeated. I therefore declare Motions Nos. 40 to 55 defeated.

We will now move to Group No. 4.

Hon. David Anderson (Minister of Transport, Lib.) moved:

Motion No. 3

That Bill C-14, in Clause 7, be amended by replacing line 5, on page 5, with the following:

''(*a*) not more than seven members appointed''.

Motion No. 5

That Bill C-14, in Clause 8, be amended by replacing line 36, on page 5, with the following:

''pointment of up to seven members under para-''.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): I declare Motion No. 3 carried. I therefore declare Motion No. 5 carried.

[*Translation*]

We are now going to Group No. 5.

Mr. Paul Mercier (for Mr. Guimond) moved:

Motion No. 4

That Bill C-14, in Clause 7, be amended by replacing line 13, on page 5, with the following:

''(3) The Governor in Council shall, with the agreement of the lieutenant governors in council of Quebec and Ontario and with the consensus of the lieutenant governors in council of the four provinces in western Canada and the four provinces in eastern Canada, desig''.

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ) moved:

Motion No. 9

That Bill C-14, in Clause 47, be amended by replacing line 18, on page 16, with the following:

''47. (1) Where the Governor in Council, after consultation with the committee of Parliament that normally considers matters relating to transportation and with the government of a province that is affected by an order of the Governor in Council made under this section, is''.

Motion No. 14

That Bill C-14, in Clause 53, be amended by replacing line 14, on page 20, with the following:

''force, appoint one or more persons, after consultation with the Agency and the government of each province, to carry''.

Mr. Boudria: Mr. Speaker, I wonder whether the House would give its unanimous consent to have Motions Nos. 9, 14, 15, 17, 27, 68, 72 and 73 deemed to have been moved, seconded and read in this House, as you indicated.

The Acting Speaker (Mr. Kilger): Moved, seconded and read.

Is it agreed?

Some hon. members: Agreed.

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ) moved:

Motion No. 15

That Bill C-14, in Clause 53, be amended by replacing line 34, on page 20, with the following:

''transportation services, the government of each province and any other persons''.

Motion No. 17

That Bill C-14, in Clause 89, be amended by replacing line 11, on page 39, with the following:

''way is declared by an Act of Parliament, after obtaining the approval of the province concerned, to be''.

Motion No. 27

That Bill C-14 be amended by adding after line 2, on page 64, the following new Clause:

''138.1 (1) A railway company under the authority of a provincial legislature may apply to the Agency for the right to run and operate its trains over and on any portion of the railway of any other railway company in order to facilitate the interchange of traffic or to procure a competitive interswitching point with another railway.

(2) Where the parties do not agree on the conditions or the amount of compensation to be paid, either party may apply to the Agency in writing to have the matter adjudicated by the Agency.''

Motion No. 68

That Bill C-14, in Clause 160, be amended by replacing line 26, on page 76, with the following:

''the government of a province or a railway company under the legislative authority of a province; or''.

Motion No. 72

That Bill C-14, in Clause 228, be amended by replacing line 26, on page 101, with the following:

''(*b*) the Governor in Council and the province affected consent to''.

Motion No. 73

That Bill C-14, in Clause 228, be amended by adding after line 27, on page 101, the following:

''(3) The Minister of Transport shall not proceed with the expropriation of the interest in land under subsection (2) without the prior agreement of the province in which the land is located.''

● (1240)

Mr. Speaker, I have nine minutes to deal with ten motions, or a little than a minute per motion. I will therefore group them, starting with Motions Nos. 4, 9 and 14, which deal with the administration of railways and assign certain powers to the governor in council and the minister.

These three clauses assign the power to appoint the chairperson and the vice-chairperson of the agency, to make orders on the steps to be taken in any extraordinary disruption to operations, other than a labour disruption, that would be contrary to the interests of users and operators, and thirdly, in No. 14, to appoint those who will

review the act to determine whether it is properly adapted to the situation, and to recommend amendments if required.

We are in agreement with this, except that we want the government to have the possibility of doing what it always says it is going to do, yet never does, which is, if not to decentralize, to at least consult provincial authorities on issues that are of concern to them.

That is the aim of Motions Nos. 4, 9 and 14, to associate the provinces in an advisory role with the exercise of these powers awarded to the governor in council and the minister, as well as to provide the agency with certain additional powers.

Now, turning to Motion No. 17, which addresses clause 89, one so interesting and significant that I am going to read it, despite the time constraints:

> 89. If the construction or operation of a railway is authorized by a Special Act passed by the legislature of a province—

If the construction is declared by an Act of Parliament to be ''a work for the general advantage of Canada, this Part—in other words, this act—applies to the railway to the exclusion of any general railway Act of the province and any provisions of the Special Act that are inconsistent with this Part''.

Clearly, we cannot accept this, for it is such clear evidence of how the government is taking advantage of this bill to satisfy its appetite for swallowing up the powers of the provinces. Our amendment is aimed at modifying the situation by adding the words ''way is declared by an Act of Parliament, after obtaining the approval of the province concerned, to be''. This strikes us as both obvious and minimal.

Now, moving to Motion No. 27, which is aimed at smooth continuity of services between the railway companies' systems and the short line railways. This is a text to be added after clause 138, which would give the short line railways the authority, for a fee of course, to operate on the facilities of the railway companies up to an interswitching point. This is the purpose of Motion No. 27, to ensure reciprocal rights for the short line railways equal to those given to the railways over them, which is totally justified.

Passing to Motion No. 68 on arbitration, I shall read my comment on this. It is merely a clause to ensure cohesion, given the amendments we have proposed to clause 138. We are amending clause 160 to ensure conformity with the preceding amendment.

I hope to have the time to say a couple of words on Motions Nos. 72 and 73, which address clause 228. If it becomes necessary to expropriate land for the construction of a railway, the company may ask the minister to have the land expropriated. According to the bill:

• (1245)

''The Minister, with the consent of the Governor in Council, has the land expropriated''. The purpose of the amendment is to require the minister to also obtain the consent of the province concerned. It would be unreasonable for the situation to be otherwise, when we think of the provinces' responsibilities in the areas of urban planning and land use, as well as those of the municipalities under their jurisdiction.

This way, the province will have some say in what is done with its land. The provinces are the ones most directly responsible for regional development and land use, and it is therefore logical for the federal government to obtain their consent.

I think I have touched upon everything now.

[*English*]

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I will quickly touch on some of these grouped motions so it is very clear to everyone exactly where we stand.

The hon. member for Mackenzie put a substantial number of amendments together. While we rejected the majority of them, we have carefully examined each one and will support those that are supportable. This is the same in the case of the Bloc Quebecois' amendments.

We do not support Motion No. 4. This motion might be an aid in trying to prevent government patronage. We certainly are not in favour of supporting government patronage but unfortunately this motion would create such a stalemate that there would be a total lack of consensus within the CPA, which would basically grind it to a halt.

We are also opposed to Motion No. 9. It is very vague and cumbersome in how the consultation would take place and would bog the entire thing down.

We also oppose Motions Nos. 14 and 15. They are not necessary amendments.

We support Motion No. 17 because it is very compatible with the Reform Party's constitutional proposals. These are changes that should take place on a much broader basis and certainly are within the scope of Bill C-17.

Motion No. 27 deals primarily with running rights. As I explained, under the old problem of rail line abandonment, the railroads had to prove financial hardship. Therefore before they applied for abandonment they ensured they had financial hardship. This was contrary to the creation of short lines, an objective which we all wanted to see accomplished.

If it is not feasible for a main federal railway to continue to operate a line we want to try to ensure whenever possible that a

short line operation would take it over and continue rail services to the various communities on that line. If running rights are given to these short lines, they would take the customers of the former main line operator.

The main line operator that sold this line could then be forced to carry the goods of its formers clients over its rail line. These new short line operators could connect with the main company's competitors and it would simply revert to the old process. The main line operator would demarket and reduce the maintenance on these lines so that they would be shut down rather than having a new short line operator running over its tracks, carrying its former client's goods to its competitors, interfering with its operating schedules and many other problems.

I consulted with many of the short line operators in this country. With the exception of one I did not find any other operator that was interested in having these running rights. Therefore, we will not be supporting this motion.

We support Motion No. 68. It clarifies jurisdiction.

We oppose Motions Nos. 72 and 73 because certain things should be within federal jurisdiction, notwithstanding that we would like to see a lot of things taken from the federal government and given back to the provinces where they belong. The items covered under these two sections are not in that category. We should not be involving the provinces in something which is the clear responsibility of the federal government.

• (1250)

[*Translation*]

Mr. Joseph Volpe (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Speaker, I would like to thank my colleague for Kootenay West—Revelstoke for his support not only of the government but of the standing committees of the House.

Motion No. 4 proposes sharing with the provincial governments the power to designate the members of the agency to act as the chairperson and vice-chairperson of the agency. The proposal would mean that a provincial impasse could block the management and day to day operations of the agency. Accordingly, the government cannot support this motion.

This also applies to Motion No. 9. It would introduce considerable procedural delays in the powers aimed at enabling the federal government to intervene quickly and effectively in the event of a transportation emergency.

Motion No. 14 proposes giving an official role to the provincial governments in decisions on the way federal legislation is reviewed and the choice of persons to review it. This proposal would simply complicate and delay the review provided for by the act. Therefore, the government cannot support this motion.

As regards Motion No. 15, the wording of the clause as it stands already provides for the consultation with the provincial governments my colleague would like. There is, accordingly, no need to mention the provincial governments separately. Therefore, the government cannot support this motion.

Motion No. 17 proposes limiting Parliament's ability to declare by act that a particular work is for the general advantage of Canada, in other words, that it comes under federal jurisdiction. We cannot support this motion.

With respect to Motion No. 27, the existing railway companies have stated clearly that allowing secondary provincial railroads to operate on portions of federal lines would discourage the selling of tracks for secondary lines. This would go against one of the prime objectives of Bill C-14. It would simply cut the traffic and revenues of federal railway companies and deny them the opportunity to access other markets through the principle of competition. As you will understand, we cannot support this motion.

As regards Motion No. 68, mutually acceptable commercial arrangements between federal railways and provincial secondary lines are vital to the successful operation of the secondary lines. Accordingly, an arrangement imposed by an outside arbitrator on the federal carrier and the secondary line would not promote long term co-operation. The government cannot support this motion.

Motions Nos. 72 and 73 propose an official role for the provincial governments in the process of determining whether expropriation is to come under federal legislation. Existing legislation on expropriation already provides procedures for parties with an direct interest in the matter to be heard. These motions are not necessary, in our opinion, and the government supports neither Motion No. 72 nor Motion No. 73.

• (1255)

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

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on Motion No. 4.

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

Some hon. members: Yea.

Some hon. members: Nay.

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

Some hon. members: Yea

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Kilger): The recorded division on the motion stands deferred. The recorded division will also apply to Motions Nos. 9, 14 and 15.

The next question is on Motion No. 17.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Kilger): The recorded division on the motion stands deferred. The recorded division will also apply to Motions Nos. 72 and 73.

The next question is on Motion No. 27. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Kilger): The recorded division on the motion stands deferred.

The next question is on Motion No. 68. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Some hon. members: All those opposed will please say nay.

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Kilger): The recorded division on the motion stands deferred.

[*English*]

We now move to group No. 6.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.) moved:

Motion No. 6

That Bill C-14, in Clause 27, be amended by deleting lines 34 to 42, on page 10.

Hon. David Anderson (Minister of Transport, Lib.) moved:

Motion No. 7

That Bill C-14, in Clause 27, be amended by replacing line 45, on page 10, with the following:

''section (2) may include but are not limited''.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.) moved:

Motion No. 8

That Bill C-14, in Clause 27, be amended by replacing lines 9 and 10, on page 11, with the following:

''native means of transporting the goods;

(*f*) the nature of the goods being transported;

(*g*) the number of markets served by the applicant shipper;

(*h*) the number of other potential carriers available to the applicant shipper;

(*i*) the rate differential between potential carriers;

(*j*) the competitive effects of a rate increase on the destination market, whether domestic or export;

(*k*) whether a rate increase would impair the ability of the applicant shipper to penetrate or to expand into domestic and export markets;

(*l*) the financial and competitive impact of the rate increase upon the short-term and the long-term viability of the applicant shipper;

(*m*) any other matters that appear to the''.

He said: Mr. Speaker, I would like to deal first with motion No. 6 which amends clause 27(2). Members of Parliament debate legislation in the House, they vote on it in the House and then the legislation is referred to a committee.

I have to accept that they do this for some reason other than the exercise of carrying the paperwork out of the House up to another committee room and then back down to the House. I have to assume that they have some rationalization for doing this.

Subject to being corrected by the Minister of Transport, who is no doubt going to speak to this, I assume that in committee, when this is opened up for discussion and when witnesses have been

invited to come forward, they are going to listen to what those witnesses have to say.

If 100 witnesses come in and five want this and seven want something else, then the committee has to make a decision.

● (1300)

If 100 people come in and a significant majority of those people tell you there is something in that bill that is catastrophically harmful to them, you have to listen to them.

If you do not, why did we go through the cost of transportation, costs of the meetings, the interpreters, the technical people, the research people, the clerk and tying up the time of the House and its members? Why do we bother to go through that exercise if we are not going to listen to the people who come before that committee?

The strong majority of people who came before the committee said section 27(2) is a disaster. We cannot have it. It will cause us a tremendous amount of harm. They talk now of significant harm. It started as significant prejudice and now it is significant harm.

They do not need to show significant harm later on by the actions of a rail contract, they are getting it from the government if section 27(2) goes through. I believe that section 27(2) is very divisive on the government side. There are many members who have said they are rethinking this and who have some problems with it.

That is why I tried this morning to find a face saving way for the government to take this off the table, take it back to committee in an all-party jurisdiction and agree to make these changes the majority of the witnesses who came before that committee asked for and then bring it back to the House. No holding their feet to the coals. No saying you were wrong, I was right, I forced you to do something.

That was not my intent. I made it very clear I will try to find the most palatable way for them to make this change in the interest of democracy and in the interests of the shippers right across the country. They rejected that offer.

I said I am not here to make political points. I am here to pass a bill that will satisfy the majority of Canadians affected by it. They did not avail themselves to that offer.

When Bill C-101 was taken from the Order Paper because of prorogation Moya Greene, an assistant deputy ministers in the transport department, one I have a measure of respect for, called me in British Columbia and asked whether I would agree to unanimous consent to bring Bill C-101 back on the floor. I asked if section 27(2) had been taken away. She said: ''No. Why would you want it taken away?'' I said it is not acceptable to the majority of people who came before the committee. She said: ''But we fixed it. We made amendments to it and we fixed it''.

I made her perhaps the most generous offer she has ever had as a member of Parliament: ''If you believe you have fixed it, of all the numbers of people on record as objecting to section 27(2), if you can get me two or three who say they now accept it I will reconsider my position''. Her response to me was: ''I do not think I can do that''. To which I said: ''Then you have not fixed it''. The government has not fixed section 27(2).

The new Minister of Transport has listened to people. They have come out of that meeting telling me they have some cause for hope that the government is to redress what is an intolerable clause in an otherwise generally good bill.

I hope members will take this opportunity not to make a partisan decision, not just to support the Reform Party, because we are not here to bring our agenda forward. We are here to represent the people who came before that committee, as I hope the hon. members on the other side are. If they are intent to do that I congratulate them. I hope they support the removal of section 27(2).

With regard to Motion No. 7, the Minister of Transport's motion, and Motion No. 8 which is mine, both dealing with section 27(3), in essence supplements to section 27(2), section 27(2) should be taken away but if it is not we should at least try to make it as palatable as possible keeping in mind these changes are not satisfactory to those witnesses who came before the committee and asked that section 27(2) be removed.

We will support in sequence each of these motions. The most important way is to remove section 27(2). Knowing the government can pass anything it wants, knowing that even if we vote against the entire bill because of section 27(2) it can still pass it, we will at least try to disguise the bad tasting medicine a little.

● (1305)

During the committee meeting one of the witnesses who came forward was from the National Transportation Agency. At that time section 27(2) was still called significant prejudice. It was the same thing but by a different name. I asked him to define significant prejudice. His response was that it would be argued by lawyers for years to come. One of the primary reasons section 27(2) must be removed from this legislation is to make it a better piece of legislation.

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, I also had a motion similar to Motion No. 6 to pull section 27 out of the bill. I do not believe it has served users very well.

When the bill was introduced the minister at the time said that the old transport bill had been too much in the interest of shippers and that this piece of legislation would be the railways bill.

With the inclusion of section 27 it may not only be the railways bill but also perhaps the legal professions and negotiators bill. The activities will go on, meeting the requirements of section 27, to identify what a lot of those words mean, words that are not now identified in the bill or in the section describing what words mean. There is no mention of what the words commercial harm or substantial commercial harm mean. Yet that is the basis on which the agency is required to intervene on behalf of a shipper with the new wording of section 27(2).

Some of the shippers made it quite clear in a press release yesterday that sections 27(2) and (3) of Bill C-14 will significantly hinder the ability of shippers to use the shipper protections of the bill. They said the spirit of Bill C-14 is to create a more market oriented, efficient transportation system. ''We strongly support that'', said the president of the Alberta Wheat Pool, Alec Graham, ''however, clauses 27(2) and 27(3) fly in the face of the whole purpose of the legislation''.

The grain shippers made it abundantly clear that these sections would not increase competitiveness or financial viability of the railways and would not do anything for the shippers except impose extensive, expensive and lengthy legal battles over what is subjective language.

Given that, I suggest we spend a fair bit of time on this and that government members pause before bringing this one to a vote. The new minister has perhaps not had a chance to do the amount of background work and research necessary for him to make a decision on this. This should not be proceeded with at the moment. We should pause the debate at this stage and bring it forward after the weekend so that the minister can again have a chance to revisit this and to pay further attention to the concerns of shippers.

Mr. Joseph Volpe (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, after an impassioned plea by the hon. member for Kootenay West—Revelstoke I have to remind the House that on clause 27(2) and his Motion No. 6 there was a lot of testimony before the standing committee. There were a lot of deliberations. After much debate the committee came to a unanimous conclusion about the best way to amend this section.

• (1310)

It is incumbent on the government to respect the unanimous decision of that committee and to incorporate it in the bill. I think all of his concerns are already incorporated in the bill. Therefore the government will not support Motion No. 6.

On Motion No. 8, keeping in mind what I have already said, we are talking about an unnecessary expansion of detail. Three of the existing criteria well known in legislative language are taken verbatim from section 5, whereas these proposals have no history of court interpretation and therefore lead to introduced legal uncertainties.

Long lists of criteria tend to be treated as check lists and increase the likelihood of rejections simply on the basis that an applicant does not meet the majority of criteria. This is something that was discussed as well in committee.

The legal obligation then to put forward evidence against a long list of technical points as required by this motion can be both costly and burdensome to the applicant and in the end acting as, if I might use a phrase, a chill against the availability of relief. For those reasons we will not be supporting Motion No. 8.

Hon. David Anderson (Minister of Transport, Lib.): Mr. Speaker, I thank the hon. members opposite, the hon. member for Kootenay West—Revelstoke and the hon. member for Mackenzie, for their kind words. I did meet with a large number of people who had concerns about this area of the bill and I did have a completely fresh look at it.

I concluded after that examination that the decision of the committee was the appropriate one. As my hon. friend from Eglinton North stated so eloquently a moment ago, it was a decision of the committee and all members of that committee.

They did take the time to examine potential alternate wordings in great detail and they came to a compromise solution which in my mind is a very appropriate one. After considering the representations made I decided the members of the House who took part in that committee discussion were correct in their assessment of what should be done.

Let me quickly go on to the issue in Motion No. 7. Section 27(2) of former Bill C-101 contained the words ''significant prejudice'' as a factor in the regulatory disposition of complaints. This subsection was the main target of criticism for most of the shippers. They viewed it as barring access to the agency rather than a factor in the agency's decision making.

Concerns also tended to centre on whether the meaning of the term significant prejudice was clear and precise enough in law. They were worried also that the section would be applied to final offer arbitration.

Section 27(2) was and is intended to give procedural direction to the agency and not to prevent people from getting before the agency. Section 27(2) applies to all agency decisions concerning rates and services, whatever the mode of transportation. It is an interpretive section. Its purpose is to assist the agency in carrying out its regulatory duties in an expeditious manner.

The provision as amended is consistent with objectives of the bill. One is to streamline the regulatory process to establish more commercially oriented relations between shippers and carriers. Another is to reserve regulatory intervention to cases where there is a lack of effective competition. Another is that economic regulation should always be a last resort and mindful of that policy backdrop but also of the need to respond to concerns about section

27. It was amended by the Standing Committee on Transport in several important respects. I will deal with these briefly.

• (1315)

First of all, the term ''significant prejudice'' was replaced with the term ''substantial commercial harm''. The term, of substantial harm, is more familiar to the industry. Second, to add further precision, a new subsection 27(3) was introduced. It sets out factors that the agency is to consider when determining whether an applicant would suffer substantial commercial harm were the relief not to be granted.

The criteria introduced are: first, the market conditions relating to the goods involved; second, the location and the volume of traffic of the goods; third, the scale of operations connected with this traffic; fourth, the type of traffic or service involved and the availability to the applicant of alternative means of transporting the goods.

It should be noted that three of these criteria merit points now found in the policy statements at the beginning of the National Transportation Act and as such they are well grounded in law. While the criteria give the agency more precise guidance, the agency will still have discretion to consider any other matter that is relevant to a specific case. The wording of the subsection precludes any all-encompassing statutory definition since the agency's determination needs to be made in light of all the circumstances of each case. That is only fair to all parties affected by such an application.

Third, as originally worded, some argued that subsection 27(2) would require the agency to proceed with a two-step approach. The section was therefore also amended to address that concern and to make it perfectly clear that it was not a bar to access to the agency.

Furthermore, section 161 on final arbitration was amended to more explicitly stipulate that it does not apply to agency decisions such as section 27 on ''substantial commercial harm''.

While some may have preferred that the whole section simply be deleted, I believe the Standing Committee on Transport has done an admirable job in finding compromise wording that adds the precision wanted and yet at the same time respects the policy intent behind the new legislation, Bill C-14.

This motion which changes the word ''shall'' to the word ''may'' will allow the agency the discretion to consider the criteria set out in subsection 3 for determining ''substantial commercial harm'' where it considers it appropriate to do so.

In my mind, the bill, as amended, will continue to strike that appropriate balance among these competing interests.

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

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The vote is on Motion No. 6. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Kilger): The recorded division on the motion stands deferred.

The next question is on Motion No. 7. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

I declare the motion carried.

(Motion No. 7 agreed to.)

The Acting Speaker (Mr. Kilger): The question is on Motion No. 8. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Kilger): The recorded division on the motion stands deferred.

The House will now move to group No. 7.

● (1320)

Mr. Vic Althouse (Mackenzie, NDP) moved:

Motion No. 10

That Bill C-14 be amended by adding after line 6, on page 18, the following new Clause:

''49.1 (1) Where the government of a province requests information

(*a*) relative to the costs of a railway company in respect of the transportation services and operations of that company, or

(*b*) relative to the costs of the company in moving specified commodities generally or between specified points, the Minister may, in writing, request the company to furnish the Minister with the information in such manner and to such extent as the Minister may specify.

(2) The Minister may, on receipt of the information requested by the Minister from the company, release the information to the government of the province that requested it, if that government has undertaken to treat the information as confidential.''

Motion No. 11

That Bill C-14 be amended by adding after line 6, on page 18, the following new Clause:

''49.2 Where the Minister considers it expedient to do so in the public interest, the Minister may, in writing, request a railway company to furnish the Minister with such information concerning its costs as the Minister may specify.''

Motion No. 12

That Bill C-14 be amended by adding after line 6, on page 18, the following new Clause:

''49.3 (1) Subject to this section and subsection 49.1(2), no person shall knowingly publish or allow to be published, or communicate or allow to be communicated to any person, any information provided under section 49.1 or released under section 49.2.

(2) Subsection (1) does not apply so as to prohibit the communication of information to

(*a*) a minister of the Crown in right of Canada or any province, or

(*b*) an officer or employee of Her Majesty in right of Canada or any province who is required in the course of his duties to receive the information referred to in that subsection.

(3) Any information furnished under section 49.1 or 49.2 that is relevant to any proceedings under this Act may, for the purposes of those proceedings, be published or communicated by the government of the province to which it was released pursuant to section 49.1, or by the Minister.''

Motion No. 13

That Bill C-14 be amended by adding after line 6, on page 18, the following new Clause:

''49.4 (1) A railway company to whom a request is made by the Minister under section 49.1 or 49.2 shall forthwith comply with that request.

(2) Where a railway company to whom a request is made by the Minister under section 49.1 or 49.2 fails to comply with that request, the Minister may, without prejudice to any penalty to which the company may be liable under this Act, exercise all the powers referred to in this Act to obtain that information.''

He said: Mr. Speaker, these motions require making information readily available to the ministers of transport in the provinces where changes to the rail system may occur.

I believe this makes some sense. The information has to be available as soon as the railway has made the decision to abandon. It allows for discussion within the province and allows for planning to get the alternative transportation modes in place with the provinces and the municipalities. It is something that might happen without it being required if the public relations department of the railway thinks it is important but it would be much better if it was required to happen.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the Reform Party will be opposing all four motions. We are opposing motion No. 10 simply because we cannot find any rational justification for this amendment whatsoever.

In the case of motion No. 11, the authority being asked for already exists through the agency and that is where it belongs. The minister does not need to have the lever of power on everything which is what this motion asks for.

Motions Nos. 12 and 13 relate to previously insupportable motions by the member.

Mr. Joseph Volpe (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, the government will not support motion No. 10 because section 50 of the act already allows for all information that is legitimately required to support transportation policy discussions be collected.

The integrity of every kind of confidential reporting to government depends on the circulation of data being kept to the essential minimum to ensure against risks of intentional and unintentional disclosures.

As members know, some provinces already operate transportation enterprises that compete or negotiate with the federal carriers and would have at least the appearance of being in a conflict of interest if they would receive confidential data in the manner prescribed by this motion.

The government does not support motion No. 11 because, as I said earlier, section 50 allows for the collection of all information that is legitimately required. The proposed authority under motion No. 11 to separately specify the collection cost data for railways is obviously redundant.

Similarly, for motion No. 12, I refer to what I said with respect to motion No. 10. The government will not be supporting motion No. 12 either.

What I said about motion No. 10 applies to motion No. 13. Already there is a section in the act which allows for the collection of all information, and as responsible representatives of the people, we are required to ensure that there is a reduction of risks of intentional or unintentional disclosures of data that would put people in an embarrassing situation or in a conflict situation.

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, I am surprised to hear both the spokesperson for the government and for the Reform Party joining again together to protect the interests of the large railway companies at the expense of the people who are affected by those decisions, in this case the provincial governments.

• (1325)

All of our motions have been requested. The inclusion of the three new clauses were called for by the representatives of the three prairie provincial governments in their submission and appearance before the transportation committee. These new clauses are extracted from the previous Railway Act provision, sections 351 to 354.

Also under these provisions, provincial governments which have since 1972 been receiving confidential cost information concerning the railways would continue to do so.

There has never been a question of the confidentiality of this information ever being compromised by the prairie governments. For the government and the Reform Party to raise the issue now is nonsense. It has never been a problem.

The information is required if the provinces are to continue to have meaningful input with the Canadian Transportation Agency when the agency establishes maximum grain rates and interswitching rates, for example. There are some real reasons why we are introducing the motions.

The prairie provincial governments had requested them and it will make things easier for them. I understand why the government and the bureaucrats are not interested. I suspect that what we are hearing from government members is what the bureaucrats have been telling them. However, I am really surprised to hear the Reform Party members consistently coming out in favour of the interests of the large railway companies.

Maybe it is the fact that they are just paying off the debt of $40,000 that the CPR donated to the Reform Party last year. Perhaps today is the payback period.

The Acting Speaker (Mr. Kilger): The question is on Motion No. 11. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

I declare the motion defeated. I therefore declare motions Nos. 12 and 13 defeated.

(Motions 11 to 13 inclusive negatived.)

The Acting Speaker (Mr. Kilger): We will now go to group No. 8.

[*Translation*]

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ) moved:

Motion No. 18

That Bill C-14, in Clause 98, be amended by replacing line 37, on page 42, with the following:

''the Agency, the obtaining of an environmental assessment and compliance with zoning by-laws in the municipalities in any province affected by the railway line.''

[*English*]

Mr. Gouk: Mr. Speaker, a point of order. Since there are about three minutes left for debate, would it be in order to suspend debate now rather than having about a sentence and a half said by the first intervening member, only to resume later? Would it not be better to end it now?

The Acting Speaker (Mr. Kilger): Would it be helpful if I presented the last motion and then see the clock as being 1.30 p.m.?

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.) moved:

Motion No. 19

That Bill C-14, in Clause 101, be amended by adding after line 19, on page 44, the following:

''(5) The Agency may make regulations requiring railway companies to include in agreements relating to the construction or maintenance of a utility or infrastructure crossing prescribed terms and conditions specified or referred to in the regulations or to make such agreements subject to these prescribed terms and conditions.''

The Acting Speaker (Mr. Kilger): Shall I call it 1.30 p.m.?

[*Translation*]

The Acting Speaker (Mr. Kilger): It being 1.30 p.m., the House will now proceed to the consideration of private members' business as listed in today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

PEARSON INTERNATIONAL AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.) moved:

That in the opinion of this House, the government should strike an impartial public judicial inquiry into the total process of awarding and cancelling the 1993 Pearson airport redevelopment contract, leading up to and including the allegations that the Prime Minister of Canada solicited a $25,000 campaign contribution from Paxport Inc. just prior to the last Liberal Party leadership race and the awarding of the Pearson airport contract to Paxport.

He said: Mr. Speaker, I believe that the only way we are ever going to clear the air on this whole odour of the Pearson development contract is to have a full, genuine, public judicial inquiry. I have called for that for over two years.

I am going to do a little bit of crystal balling. I suspect that in responding to this today the government will say that there has been an investigation, that the Senate held a full hearing.

Let us see how impartial the Senate investigation is. On one side the Liberal senators are justifying what the government did. On the other side the Conservative senators are trying to justify what the Conservative government did just before its defeat in 1993. But who is really interested in Pearson airport? That is the real question. Somebody needs to be concerned about Pearson airport, about the right of law, about the people in metro Toronto, about the flying public and about the Canadian taxpayer. Who was there representing them? Nobody.

Before I leave the subject of the Senate inquiry, I might add that at the inquiry the senators on both sides were able to call any and as many witnesses as they wanted to call. Despite having that ability, the Liberals only managed to pull in two or three people out of all the witnesses who came forward who supported their position, and they were on the Liberal payroll. I do not think that was a particularly good defence for the Liberals.

There was another investigation. Perhaps this one was more impartial. There was an investigation when the government first took office. The government said it was going to investigate this deal and if it found it was not a good deal for the Canadian taxpayer, it was going to cancel it. Was it an impartial investigation? Let us see. The investigation was done by one person, Mr. Robert Nixon. Mr. Nixon had 30 days to investigate this deal but he actually took a little less time. He received $80,000 for doing it.

Who is this Mr. Nixon, this impartial investigator? It seems he is a long time Liberal supporter, party fundraiser, treasurer for the Liberals in Ontario, father of a sitting Liberal member of Parliament in the current Liberal government. What did he get for doing this? He got $80,000, but the government will argue there were a lot of costs so he really did not make a huge amount of money.

Did he get anything else? Immediately after he put in his report with no substantiating evidence whatsoever, which said that it looked like a bad deal which he thought the government should cancel, the government responded by saying: ''Good enough, Mr. Nixon. For that we are now making you the chair of Atomic Energy of Canada''. That is really impartial.

How did we get into this mess in the first place? During the 1993 election the Liberals needed an issue. They needed a few issues. Everybody needs issues at election time. The Tories were really on the outs. They were accused of anything and everything and I suspect they were guilty of most of what they were accused of.

One of the things the present government accused the Tories of was having a corrupt deal in the Pearson development contract. The Liberals accused them that it was a pay off for their Tory friends and supporters and said that they were going to investigate it. I do not argue with the premise to look at it.

We started to investigate the contract in the House under the guise of Bill C-22, probably the most undemocratic piece of legislation this government has brought forward since 1993. I wanted to see if there was justification for the $30 million these very generous Liberals on the other side were going to give the consortium. I questioned whether those in the consortium should even get that, given all the things they were accused of. When I began to investigate this to decide if I should be arguing against giving them that much, to my surprise I could not find one single solitary piece of evidence to justify cancelling the contract in the first place.

I have never questioned the government's right to cancel the contract, only the relative wisdom of it. I certainly questioned the passing of a piece of legislation that enabled the government to cancel the contract retroactively which in effect would say that it never existed, that would set the compensation by legislation and that would ban the consortium from seeking redress from the court. The Minister of Transport then proceeded to call them corrupt and a great number of other names. He then took away their ability to defend themselves in court. We have found absolutely no justification for this.

● (1335)

However secret government documents came to me. When I say secret I mean documents that came to me stamped ''secret''. They

cannot get more secret than that. When we finally got our hands on these documents they did not support the government's position. They in fact clearly instructed the government beforehand that it was making a bad move.

After two years the Prime Minister, who has not produced one single piece of supporting evidence to justify the legislation dealing with the Pearson airport, has not been able to get royal assent. When the government brings forward legislation and it is defeated, that is a motion of non-confidence. After two years the government cannot get the bill through the Senate. It has never passed. After two years it has failed. That is as close to a message of non-confidence we can give to this government as it is likely going to get in this session.

I am using the Prime Minister primarily because the then Minister of Transport and the now Minister of Transport, who no doubt are going to end up trying to support the Prime Minister on this sad piece of legislation, it is not their bill. It was the Prime Minister's bill all the way and there should not be any misunderstanding about that.

The Prime Minister and his lackeys have repeatedly attempted to justify the cancellation of the Pearson contract by saying it is far too rich a deal, that it is taking far too much taxpayers' money and shoving it into the pockets of Tory supporters, that it is just too great a return on their investment to justify letting it proceed.

A few things have turned up. When we investigate this we find that there are more Liberals than Tories in this. Now it has gone to court. A lot of people are not aware because the bill never passed, which amounts to a non-confidence motion on the government, that it went to court in Ontario.

The contract holder sued the government for breach of contract and the court said: ''Guilty. The federal government is in breach of contract''. Of course the federal government has tons and tons of taxpayers' money and it just trots down to the justice department and says: ''Start preparing our appeal''. When the government has unlimited funds it can prepare the best appeals in the world and it did. The courts again said: ''Guilty. You are wrong. It is a breach of contract and you are going to have to pay''. The matter is now in court to decide on the damages. The government is being sued for $600 million to $650 million.

The government has a defence. Members opposite should have some patience because we are going to defend the government. We are going to tell everybody what the government is using for this wonderful defence. Again, the government has all the justice resources in the world available to it. Keep in mind what I mentioned earlier about how the Prime Minister and his lackeys said the reason to cancel this deal was because it was far too rich and gave those Tory hacks far too much money, that the rate of return was way too high for the investment. What did the justice department come up with for a defence?

An hon. member: A drunken defence?

Mr. Gouk: Maybe a drunken defence would be good. That might explain some of it.

The justice department went into court and said: ''Your Honour, we should not be paying any compensation to the contract holders because they are mainly looking for compensation for lost profit and the actual fact is this was a terrible contract. They would have gone broke, lost their shirts and would not have made any profits so why should we compensate them for any?''

Is it not interesting that the government talks out of both sides of its mouth at the same time. That is quite a trick. Mind you, the Liberals have had decades and decades to practise with many years in opposition. I do not know how well they could practise it on this side of the House because when they go to the other side they say everything differently. Perhaps they got confused and thought half the time they were on this side of the House and the other half they were on that side and that is why they have two different stories on the same thing.

The Prime Minister has repeatedly misinformed the public on the matter of lease revenues. He said that we are giving up all these revenues that we currently get. That is a—well, I cannot say what I was going to say; I almost let it slip out. That is wholly inaccurate. I think that term is acceptable. It is wholly inaccurate because we have public government documents which clearly show that the lease payments are deferred during the construction period but they are repaid with interest. That is hardly what the Prime Minister has been telling everyone.

• (1340)

The Prime Minister also deliberately disregarded government reports. Again these were stamped as secret all over them. These government reports clearly pointed out that cancellation of the contract would leave the government open to damages ranging from $500 million to $2 billion of taxpayers' money. Right now it is in court defending an action for over $600 million plus the cost of defence.

The manner in which the Prime Minister cancelled the contract brings into question the value of a contract signed by the government in the event that the government changes. The Prime Minister again deliberately disregarded secret government documentation which pointed out that the legislation limiting the government's liability left the crown open to many problems, including severe capacity and congestion problems at Pearson, increased construction costs and the danger of undermining the government's future leasing and contracting process. This is in a report that went to the government before it brought forward this odious piece of legislation.

The Prime Minister has spent $2 billion on false government job creation, the infamous infrastructure program. Call it infrastructure, fine. If we need some money to kickstart the infrastructure repairs in this country that is one thing, but to call it job creation is an absolute farce. The government spent $2 billion on this and it has virtually no permanent jobs. It is something like 4,500 permanent jobs.

The cancelled Pearson contract would have created 14,000 person years of construction employment with 1,200 new jobs at absolutely no cost to the Canadian taxpayer whatsoever. Now the government, in addition to this $600 million or $700 million worth of compensation that it could lose in court, in addition to all the legal costs that it is incurring, still has to do something about terminals 1 and 2. The consortium was going to spend $850 million of private investors' money in that.

The costs have gone up so we are now looking at $1 billion, or $1.2 billion which was the last estimate I heard. Where is the government going to get this money? It is not in its wonderful budget. Maybe it is going to spend the surplus money, but gee, it cannot. That is the money it is giving to Atlantic Canada to try to buy away the GST. I do not know where the government is going to get it.

The Prime Minister's mishandling of the Pearson contract has jeopardized 1,140 airport jobs, 560 direct off airport jobs and over 3,000 indirect jobs in the metro Toronto area. It also results in a tri-level government tax loss of $72 million a year.

Bill C-22 works against the interests of metro Toronto and all Canadians because after introducing open skies, things that have been long awaited for in the aviation industry, it has now jeopardized the future potential of Pearson airport as Canada's primary hub.

The final point I would like to raise is an allegation. I stress it is only an allegation that has come from many sources. The allegation is that the Prime Minister solicited a $25,000 contribution from one of the principals in the Pearson consortium for his leadership campaign fund.

There have been lots of allegations of this. The Prime Minister had the opportunity to at least partially dispel this. Part of the reason we cannot prove this one way or another is that his law partners refused to disclose documents because they are confidential. They are covered by the Privacy Act of lawyer-client confidentiality. The Prime Minister could have released all those documents to the public but he did not choose to do so. I think we should have a full and proper investigation to determine what these are.

I will close by making the same offer to the new Minister of Transport which I made to the old Minister of Transport. It can be the Prime Minister, I do not care who it is, who stands. If he is going to defend this then he had better be prepared to defend it publicly. I offered to publicly debate this with the previous Minister of Transport anywhere, anytime. One of the nation's television networks was prepared to cover it. I pointed out to him then as I point out to the new minister now, that the balance should be in their favour.

• (1345)

The Minister of Transport can go armed with all his assistants, the deputy minister, the assistant deputy ministers, all his special assistants, executive assistants, all the justice department lawyers, and I will come armed only with the truth. The venue for the new minister, if he wishes, can be the University of Victoria in his riding or it can be one of the lighthouses he vowed to save after they pulled his bacon out of the straits when he was about to go under.

The offer is open and it stands but there needs to be full public disclosure on this. It has not happened and I suspect with the Liberal government it never will.

Mr. Joseph Volpe (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I hope I will not collapse to the same sort of seductive attraction that rhetoric holds for my colleague opposite. I hope we will be able to look at the facts rather than engage in disparaging repetitions of allegations from sources he well knows are suspect at the very best and at the very least motivated by self-interest.

We can address the issue in the motion presented by the member but we would also have to take a look at the premises he has cast forth in the House about the process. He says this has been an undemocratic system. He says that in the House where people get elected, where people have to go through a lot of trials to get the public to appreciate the position they will present in this place, in a place which is open and being televised today all over the country. Nothing is being hidden.

This is a House which authorizes committees both from the House as well as in the other for public inquiries that he requests. Then he says the system is undemocratic, it does not work. His colleague beside him says this place does not work. Why did you seek office? You come here to make it work.

The Acting Speaker (Mr. Kilger): I take note on this Friday afternoon, as the week draws to an end, that there is a difference of opinion, but please express it through the Chair.

Mr. Volpe: I guess I was letting the truth, the facts and the evidence that have come forward over the course of the last several months influence my approach to this discussion. It is unfortunate that my colleagues are not infected by the same kind of democratic disease.

My good friend from Kootenay West—Revelstoke admits the Prime Minister and the government were well within their rights to cancel this deal. He questions whether deals with governments can be considered legitimate because they are prone to be cancelled. Can anyone imagine that, in 1993 right in the middle of an election campaign in which the Pearson airport deal was a nationwide issue?

As one who comes from Toronto and was very much in tune with what was going on at Pearson, I see a colleague opposite refer to an issue that was of national significance, controversial to say the very least, and the government of the day proceeded, nonetheless, to sign a deal. Can anyone imagine that he would then be surprised that it would be cancelled because it had been advertised that it would be? He should direct his anger at the former administration, but unfortunately there are none of them any longer in this place to take some accountability.

I hope members will forgive me if I chastise or perhaps simply chide my colleague and ask him why he continues to defend the indefensible.

I am astounded that the member is asking for yet another review.

• (1350)

The first review was in the public context of the election. It was there for everyone to see, but it was not sufficient. Even though we followed through on our promises, the member asks for continuing expenditures of taxpayer money on an inquiry that has already been held.

We should not be considering a judicial inquiry or a Senate inquiry. That has already been debated in the Senate and it was decided the Senate inquiry would have the power to send for people, for papers, for records to examine witnesses under oath and heaven knows what else.

As the hon. member knows, on May 4, 1995 the special committee of the Senate on the Pearson airport agreement was formed with the following mandate: ''That the special committee of the Senate be appointed to examine and report upon all matters concerning the policies and negotiations leading up to and including the agreements respecting the redevelopment and operation of terminals 1 and 2 at Lester B. Pearson International Airport and the circumstances relating to the cancellation thereof''.

That committee sat between July and November and heard testimony from over 60 people including all major private sector participants involved in that project, from former ministers and senior public servants who acted on the government's behalf to the people who were protecting their own private interests. That was fine.

In addition, the committee reviewed thousands and thousands of pages of documentation. The evidence demonstrated conclusively that the Pearson airport deal was not in the best interests of the country in terms of substance and process.

An hon. member: That is a bald faced lie.

Mr. Volpe: I am speaking the truth. This is an open place and if we do not speak the truth we are very quickly found out.

The notable achievement of this special committee is that it heard more than 130 hours of testimony given under oath by 65 witnesses.

The public following this debate may be shocked to hear these kinds of things after having heard the rhetoric from the member opposite. From witnesses from both the public and private sector, those most knowledgeable on all the issues, all of the negotiations and all of the decisions made about Pearson, that committee saw an abundance of evidence including construction management contracts, architectural and engineering service contracts, other management contracts. Shall I go on?

The inquiry revealed to the public the role of lobbyists in the Pearson airport agreement. The report of the special Senate committee on the Pearson airport agreement is a very thick volume and I recommend it for the member's reading. This is a product of extensive inquiry which examined all of the relevant players and over 10,000 pages of documents, and which addressed all the motions put before the committee. I think that is very thorough.

An inquiry has been done. It has been open. It has followed the process of judicial inquiries. It has followed the process required by an open democratic system.

Given all the time and extensive consideration already devoted to such a comprehensive inquiry, I do not understand, but maybe other members do, how a member can demand that the government be expected to use millions more in taxpayer dollars to have yet another inquiry to come to the same conclusion. Need we go through this again? The answer is clearly and absolutely no. No further review is required.

Through the entire process, the allegations with respect to wrong doing have been substantiated by evidence that has been put forward. My colleague opposite is trying to score points in this political arena where we never take a partisan side. He introduces that element in this political forum.

• (1355)

I should advise him that some of these allegations attack individuals whose known service in the public domain at the provincial level such as the first individual who looked at the impartial agreement. We cannot cast aspersions on people who dedicate themselves to public service. They are under constant

scrutiny. If we want to cast aspersions, let us do so outside the Chamber.

The government has gone through the entire system as is required by the taxpayers and citizens of the country. It has acted responsibly, followed all the processes and it is being held accountable. All the procedures are maintained in their integrity and the public interest is first, foremost and always safeguarded.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I am pleased to speak in support of the motion put forward by the member for Kootenay West—Revelstoke.

What we have here will undoubtedly go on for a while and will probably be viewed like a television mini-series by the time we get through. It has all the elements. It has intrigue, influence peddling, patronage and unholy relationships between very strange bedfellows and their respective party friends, the Liberals and the Tories. This could win an Oscar by the time we are through.

When this story is finished I do not think there is an author in the world who could write anything as intriguing that would carry all the elements that people look for as entertainment.

Unfortunately this is not something the Canadian people look on as entertaining, and it should not be something the Liberals and the former government smile smugly about, thinking all the bases are covered and that this will not come out into the open. It will. Something as unholy as the relationship in the Pearson Airport deal cannot be covered up forever. It will come up.

I am familiar with this issue, having sat for a number of months on the transport committee. I appreciate the opportunity to contribute to the debate and probably expand on the truths coming from this side of the House so that the Canadian people following the debate in the media and on television will get a real grasp on what actually has happened and what will happen around the Pearson airport deal.

We are talking about something the Liberals talked about prior to the election. The Liberals actually put this in their red book. They called for openness and transparency in the operation of government. How good they said it would be to get a Liberal government that would operate in an open and transparent manner, something that has been missing in all other governments that were not Liberal.

Quite frankly, we think that is a good idea. That is why the member for Kootenay West—Revelstoke has put forward a motion that calls on the government to deal with the Pearson airport deal, this whole mess, by establishing an impartial public judicial inquiry to look at all the events surrounding this apparently clandestine deal.

My hon. friend is asking for nothing different from what the Liberals promised in their campaign, openness and transparency and truth. This type of inquiry is needed when we consider how the matter has been handled up to now by the government, the Senate and the committees. A lot of time and money was wasted on the issue. To this date we are no closer to the truth than we were before this whole thing started.

• (1400)

The Liberals blame the Tories, which is not surprising. The Tories blame the Liberals, which is not surprising. I am surprised that both of them do not blame the Reformers and we were not even here yet. Make no mistake, Reformers are here now and the government has to deal with Reformers when it comes to openness, transparency and truth. There will be no more getting away with the stuff that the Liberals and their Tory friends have been doing for decades.

As I indicated, if the truth were known it would clearly show, not to the surprise of too many people, that the Liberals and Tories have been, still are and will continue to be in bed with each other until maybe we are no longer a country. Hopefully that will never happen, although the way the Liberals are treating the Bloc and the relationship developing between them, we never know what can happen.

This entire affair has been under the control of the government since the start. If there was ever a time to take an impartial look, an open look, a transparent look, a look where the criteria is truth, the time is now.

As members know, the previous Tory government signed a deal with a private sector consortium to take over Pearson International Airport. What upset the Liberals was the fact that this contract was signed during the 1993 election campaign. Their spin doctors and their strategists probably got them together and said: ''You might lose some votes around the Toronto area if this thing gets signed by the Tories, so what can we do to turn this thing around? We will call it a lousy deal and we will threaten to cancel it''. They have the money to get good spin doctors. They did put a different spin on it. They made the contract an election issue. They promised to scrap it should they be elected.

This is surprising. It seems to me they made a similar promise about the GST before the election. Am I mistaken that they were going to scrap the GST?

Nevertheless the airport deal was scrapped. In order to justify the termination of this project the government thought after it was done that perhaps some people were wondering about it. They thought they had better bring someone in to back them up, someone who would speak the truth, who would be impartial, who would be open, who would show transparency and truth, someone people could trust. They picked Robert Nixon, Liberal Robert Nixon.

Is it true that this Mr. Nixon was a Liberal member? He could not have been a Liberal member. There are allegations that he was a Liberal bagman. Could that be true? There are allegations that he had some very strong ties to the Liberal Party. Let us not forget where he is now. He could not be the CEO of some crown corporation that is controlled by the Liberal government? Could the recent round of ministerial appointments be in any way affected by the fact that Mr. Nixon was a long time friend of this Liberal government? Perish the thought.

The Liberals have said and of course everyone must believe them—

Mr. Szabo: Mr. Speaker, a point of order. I apologize for not being very familiar with the rules but this particular line is getting very close to casting aspersions upon an hon. member of this House and I think improperly.

The Acting Speaker (Mr. Kilger): I give my assurance to the entire House that I am listening to the debate with great attention. Respectfully the member does not have a point of order. He is engaging in debate.

● (1405)

Mr. Harris: Mr. Speaker, I was asking questions that had been raised.

Mr. Nixon reported back to the Liberals in 30 days—that was quick work—with a report that argued in favour of terminating the contracts. Were we really surprised? This was because of undue influence peddling among the chief players in the consortium and the Tory government. Can we be surprised about that?

I will not stand here and deny that I do not have any doubt that the previous Tory government may have ventured into patronage payoffs to friends of the party. Mr. Nixon had this in his report which took only 30 days and nevertheless cost $82,000. I am sorry, he got a bonus. After his bill was paid, he was then appointed as chairman of Atomic Energy of Canada Limited. I missed that earlier.

He issued an 11-page report which works out to $7,000 per page—

The Acting Speaker (Mr. Kilger): Order. I regret interrupting but member's interventions are limited to 10 minutes and I must resume debate. The hon. member for Mississauga South.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to participate in the debate on Motion No. 167 which proposes the government strike an impartial inquiry into the process of awarding and cancelling the 1993 Pearson airport redevelopment contract.

I have every sympathy for the hon. member's idea of an impartial inquiry. I am all for openness and impartiality. However, I am also in favour of protecting the Canadian taxpayer from a terrible waste of money. The motion would inflict this waste on the Canadian taxpayer because the cancellation of the Pearson airport contract has already been reviewed. It has been reviewed by the Senate and now it is being reviewed by the general division of the Ontario Court of Justice.

First I will discuss the Senate inquiry. The issue of the awarding and cancellation of the Pearson airport redevelopment contract was subject to a very lengthy inquiry by a special committee of the Senate. The special Senate committee was created for the express purpose of looking into all aspects related to policies and negotiations which led to the conclusion of the Pearson airport redevelopment contract, as well as the circumstances which led to its cancellation.

The committee was given the power to compel witnesses to appear under oath and to produce documents. The special committee heard more than 130 hours of testimony given by more than 65 witnesses, including all of the main players in this matter. Among the witnesses to appear were interveners from the private sector involved in the redevelopment project as well as high ranking civil servants representing the government. The witnesses who were called and who appeared were the people who were most aware of the stakes, the negotiations and the decisions surrounding the contracts. Their testimony was given in a very public manner with ample media coverage.

The inquiry resulted in the facts coming to light in a very detailed manner. The volume of documents alone provides evidence of the thoroughness of the review conducted. In order to assist the inquiry, the government reviewed hundreds of thousands of Department of Transport documents. It organized and shipped roomfuls of these documents to the Senate committee. I understand those documents are available to the public. The hon. member is perfectly free to visit that document room and review each and every one of those documents if he so wishes.

After such extensive consideration of the awarding and cancellation of the redevelopment contract, it would appear to me to be a waste of time and money for another inquiry to be called to look into the same issue. The process was very open and public and Canadians are now well aware of the main elements of the awarding and cancellation of that contract. To contend that another inquiry would somehow be beneficial to Canadians is to say the least misleading. Furthermore such an exercise would be a waste of precious tax dollars at a time when fiscal responsibility is the order of the day.

● (1410)

In the same breath with which the Reform Party is calling us for cutting spending, it is again also calling for the government to take steps which would involve the irresponsible spending of precious dollars in an inquiry into an issue which has already been the subject of very extensive and public inquiry. This is difficult to understand, irresponsible, and I stress, another clear indication that

the Reform Party is out of touch with what is most important to the Canadian people.

Let me turn to the other important review that the hon. member appears to have forgotten in presenting this motion to the House. The crown and the T-I, T-II partnership are currently engaged in litigation in the Ontario Court of Justice, general division. In short, the issues raised by this motion are already the subject of court proceedings. Why would the government duplicate that court process with a separate, expensive judicial inquiry? Surely a judicial inquiry is completely redundant to the process that is presently under way.

I would like to review very briefly what is at stake in the ongoing litigation. Hon. members opposite should know that the damages, if any, to the partnership will be very thoroughly reviewed by the court. The partnership originally informed the judge that it intended to present over 50 days of testimony to her. That is 50 days of examination by the partnership's lawyers, 50 days of detailed information by expert witnesses and others on the ins and outs of the Pearson agreement. Those 50 days do not even include the cross-examination by the crown's lawyers.

Now that the court has begun its hearings it is clear to everyone that those hearings are going to stretch well into the summer and likely into the fall. The first witness for the T-I, T-II partnership testified for over 10 days before the crown's lawyers even had a chance to cross-examine. Many other witnesses will be put through a similar process by the lawyers. Surely the hon. member does not really intend to duplicate that process.

Once the partnership has submitted its case, the crown will put its case to the judge. The Department of Justice has its own team of expert witnesses who will testify in open court. Those witnesses will also be cross-examined in detail by the lawyers for the T-I, T-II partnership. Then after all the examinations and cross-examinations, the lawyers on both sides will make weeks of closing arguments on the evidence and on the law.

The hon. member opposite surely cannot be seriously asking that we duplicate this process on the backs of the Canadian taxpayers.

In summary, the hon. member's motion is asking Canadians to pay for yet another expensive inquiry into the Pearson airport transaction. The Senate has conducted an extensive and expensive public inquiry already. The Ontario Court of Justice, general division, is currently reviewing the contracts in detail. These issues have already been very thoroughly reviewed.

Therefore, this House should conclude that the review proposed by this motion is in fact redundant. The taxpayers of Canada should not be asked to spend any more money on yet another review.

In the last moments that I have in the time allotted to me I want to comment on the last speaker's presentation to the House. I can tell you as a member of Parliament I was quite disturbed by the references to a member sitting in this place by casting aspersions on the minister of revenue's personal integrity and ability to do the job.

As a seatmate of that person over the last two years, and having participated with that member in the finance committee and in other matters to do with this honourable place, I can tell you I know of no finer, capable minister of revenue.

Mr. McClelland: Mr. Speaker, a point of order. I listened intently to the speech previous to the one of the hon. member. I did not detect the slightest reference to the present minister of revenue.

Mr. Szabo: Cabinet appointments.

The Acting Speaker (Mr. Kilger): Respectfully I would rule that the member for Edmonton Southwest does not have a point of order. It is a matter of debate.

Let me take the occasion, as members from both sides of the House have intervened, to remind hon. members to be judicious with their our words.

• (1415)

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I have just a few words I would like to have on the record.

My experience in the House with the Minister of National Revenue would reflect the same as the member who just spoke: a very capable and a very hardworking member. I do not think we should leave on record the thought that there is any aspersion cast on that particular minister.

Having said that, there is aspersion all around. There is a saying that if it walks like a duck, talks like a duck in so far as it quacks, if you find it in your water and you see it in a group of other ducks, the chances are it may well be a duck. That is the underlying principle this motion tends to speak to.

We know full well, and those who have been in politics understand, that it is possible to promise much during an election campaign and deliver little or nothing after the election. The important thing is getting elected. Once you have been elected and if you have power then, as members opposite and the government have so ably shown in the distasteful handling of the GST promise, you can promise one thing and then do quite another and claim all kinds of reasons for doing this.

In the case of the Pearson airport deal, a deal was launched for well over a year. Whether we liked it or not, there were people involved from both political parties, the Liberals and the Tories, who had in good conscience come together to take over the Pearson airport.

This deal was signed by a Conservative Prime Minister. There are those around who feel that signing it during an election campaign, which I submit was very poor timing although the deal had been concluded by Treasury Board officials well before the election was called, did not show good judgment. In any event, it did become a political football during the election campaign.

During the campaign, the Liberals decided they would cancel the deal. This points out one of the weaknesses in the political process in our country. If someone of high enough stature within any political party, including our political party, but in the political world says something and then instead of saying: ''Whoops, maybe I should not have said that'', or: ''Whoops, I was wrong'', all the king's horses and all the king's men are rallied to support whatever position the person in power might have presented. Whether that position was right or wrong, good or bad, whether it was wise or just ill-tempered, it always seems that we have to salute the flag. No matter what flag is on the pole when we go by it we salute it. This is the genesis of the whole Pearson airport problem.

During the thrust of the election debate, because of the perception that this was an ill-timed move by the Conservatives to perhaps reward their friends before their government fell, the Liberals during the heat of the campaign said that they would cancel the Pearson airport deal. It was a campaign promise just like: ''We will scrap, abolish, get rid of the GST''.

Had the Liberals opposite worked with the same dispatch to get rid of the GST, there would be rejoicing in the land. But they did not. What they did do was work with dispatch but without much reason to cancel the Pearson airport deal. Why? Pourquoi? Because it was perceived to be a sweetheart deal that would favour some of the Tories that were part of it. That is the political reality of the situation.

• (1420)

As it turns out, this whole deal starts to unravel. After it was cancelled, and after the people who were negatively impacted were able to prove that they had gone into a deal with the Government of Canada in good faith, the Government of Canada in order to save any semblance of face or any semblance of honesty to ensure that the Government of Canada's word was its bond, had to buy its way out.

Now we have a situation where the taxpayers of Canada have to cough up something like half a billion dollars or $800 million because someone, probably the Prime Minister and those on the Liberal side, made an ill-timed, ill-tempered campaign promise. He should have said: ''We will review it carefully and if it turns out that it is wrong, we will cancel it''. He did not. He said: ''We are going to cancel it''. Eight hundred million dollars later we have no change in the airport, we have no new airport. It is the busiest airport in the country and nothing is happening.

This motion and the situation represented by the Pearson airport deal is perhaps a lesson to all of us in politics. Our fiduciary responsibility is not to ourselves, it is not to the parties that we represent, it is to the people whom we represent. It is to the individual citizens of Canada whether they voted for us or not.

We are charged with the responsibility of using our best efforts to do the right thing for the right reason at the right time. We need to put politics behind us and put principle ahead of us. That is what this issue is all about: politics before principle. In my opinion, we should be making sure that the foundation of everything we do is based on principle and not politics.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I am pleased to have the opportunity to participate in this debate.

Mr. Gouk: Oh no, not the red book.

Mr. Thompson: Put it down, put it down.

Mr. Boudria: I hear a few cat calls from across the way. I cannot understand why I would get Reform MPs so agitated. That being said, I want to assure my colleagues that I do not intend to agitate them any more than is absolutely necessary.

The motion before us today proposes that the government establish an inquiry into the process of awarding the Pearson airport contract, an award that occurred under the previous Tory government.

I have had some opportunity to deal with the issue of judicial inquiries. I would like all Canadians to understand the following.

The commission of inquiry into the Sinclair Stevens affair which I think was quite necessary was not exactly free. It cost the taxpayers of Canada millions of dollars. The commission of inquiry into reproductive technology I believe cost the taxpayers of Canada $97 million—

Mr. McClelland: What did it happen to do? It happened to get the Liberals elected. And you would put a price on integrity.

Mr. Boudria: The hon. member across asked whether I would put a pricetag on integrity. No, because the integrity is already there, it is not necessary to put a pricetag on it. The integrity is there. That is not the issue.

The issue is whether in addition to the inquiries that have already been held we need to waste taxpayers' dollars so that we can please the hon. member across the way. For months and months he was asking questions here in the House, questions that the lobbyists for the Pearson airport project just loved. They were applauding all over the place. They were breaking open the bottles of champagne

after listening to the hon. member from Kootenay West asking all those questions. The lobbyists loved him.

• (1425)

I was not elected to please those lobbyists. The hon. member across the way is quite free to love lobbyists. However, when we on this side of the House were elected during the 1993 election—

Mr. Gouk: It was a mistake.

Mr. Boudria: No, the people of Canada when exercising their democratic rights do not make mistakes. I have more respect for them than that. Notwithstanding what the Reform Party just said, that the people of Canada made a mistake in electing the present government, I do not think they did. Had they elected the people across the way, even though I would not have particularly cherished that proposition, I would not have called that a mistake either.

That would be disrespectful of my constituents and I do not intend to do that. I do not intend to leave a remark like that on the floor of the House of Commons without responding to it. I am sure on second thought the hon. member will want to withdraw that remark.

Let us get back to the issue at hand.

[*Translation*]

The issue before us is as follows. A contract was signed by the previous government at a most inappropriate time—a few days before an election, which it knew it would lose. This contract was particularly rewarding—juicy even—for those who stood to benefit from it.

When we came to power, we did what the Prime Minister had promised we would: we set up a commission of inquiry headed by Mr. Nixon, a very distinguished Canadian, a former minister of finance in Ontario, the son of a former premier of Ontario. I would add, without fear of contradiction, that Mr. Nixon is probably Ontario's most respected citizen.

Mr. Nixon conducted the inquiry and concluded that the Pearson contract was particularly generous to those who had signed it and not so to Canadian taxpayers.

The government therefore took the necessary measures and proposed the bill before this House. The House passed it and sent it to the other place, which chose not to pass it. They will get to it later, no doubt, but in the meantime the House, the Prime Minister and all of us on this side of the House did what had to be done for Canadian taxpayers, that is to say, we cancelled this contract. I think that that was the right decision.

Now, the hon. member across the way, who for months has been siding with the lobbyists, would like another inquiry. One has to ask oneself what is the reason for this inquiry, which is being requested by someone who is sympathetic to the lobbyists, someone who kept telling us for months that the contract, which had already been signed, the lucrative contract which benefited the companies in question, should go ahead.

Why did he want this contract to go ahead? I do not know. Today he wants a commission of inquiry, he wants to spend more of the taxpayers' money, on top of the money that would have been squandered if we had allowed the airport contract to go ahead. No, Mr. Speaker, I myself am not ready, in any case, to launch into something like that, which would waste perhaps $100 million of the taxpayers' money, when we already know that the people of Canada did not want the Pearson contract. The people of Canada elected us to office, and one of the things they asked us to do was to examine it. We did so, we cancelled it, and we are proud to have done so. Now we must see to it that the people in the other place respect the wish of Canadians and of parliamentarians in this House.

Let us leave all this behind and move on with an offer of good government for the people of Canada.

[*English*]

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired. The order is dropped from the Order Paper.

[*Translation*]

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

(The House adjourned at 2.30 p.m.)

CONTENTS

Friday, March 22, 1996

GOVERNMENT ORDERS

STATEMENTS BY MEMBERS

ORAL QUESTION PERIOD

PRIVATE MEMBERS' BUSINESS

MAIL POSTE
Canada Post Corporation/Société canadienne des postes
Postage paid Port payé
Lettermail Poste–lettre
8801320
Ottawa

If undelivered, return COVER ONLY to:
Canada Communication Group — Publishing
45 Sacré–Coeur Boulevard,
Hull, Québec, Canada, K1A 0S9

En cas de non–livraison,
retourner cette COUVERTURE SEULEMENT à:
Groupe Communication Canada — Édition
45 boulevard Sacré–Coeur,
Hull, Québec, Canada, K1A 0S9

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

Also available on the Parliamentary Internet Parlementaire at the following address:
Aussi disponible sur le réseau électronique «Parliamentary Internet Parlementaire» à l'adresse suivante :
http://www.parl.gc.ca
