



CANADA

House of Commons Debates

VOLUME 134 • NUMBER 084 • 2nd SESSION • 35th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Wednesday, October 9, 1996

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Wednesday, October 9, 1996

The House met at 2 p.m.

Prayers

The Speaker: As is our practice on Wednesdays, we will now sing O Canada, which will be led by the Secretary of State for Asia-Pacific.

[*Editor's Note: Whereupon members sang the national anthem.*]

STATEMENTS BY MEMBERS

[*English*]

THE LATE FRITZ ZIEGLER

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, the late Fritz Ziegler of Vancouver, who died while in his early nineties, was one of the last of the west coast romantics who helped lay the foundations for B.C.'s current economic prosperity. He was also tireless in promoting co-operation between the province's many different ethnic communities and in heading fundraising drives for community health and charitable organizations.

Honorary Consul for Monaco and Grand Prior for the Americas of the Sovereign Order of St. John of Jerusalem, his imaginative and his practical construction skills are symbolically combined in the Gothic castle, King Ludwig of Bavaria style, that he built in the forests above Langley, B.C., and that one understands will eventually be devoted to public educational purposes.

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[*Translation*]

THE LOWER LAURENTIANS REGIONS

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, the Lower Laurentians region is facing a dramatic situation after being hit by three major economic setbacks in the past few months.

First, Kenworth went out of business. Quebec is trying to save this company but needs the co-operation of the federal government to do so. Second, all international flights were transferred from

Mirabel to Dorval following an ADM decision. Despite being asked to do so by the official opposition, the federal government has not seen fit so far to demand public hearings so people could be heard. Third, a strike recently broke out at GM.

I wish to express my solidarity with the people in my riding who are affected by this triple tragedy. I call on all those concerned at Kenworth, GM and ADM to adopt a conciliatory attitude and show they care about the public interest, as this is the only way to meet this triple challenge and save our region from the threat of economic stagnation.

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[*English*]

TOBACCO ADVERTISING

Mr. John Cummins (Delta, Ref.): Mr. Speaker, research tells us that tobacco product advertising tends to associate smoking with a wide range of desirable traits: beauty, popularity and even health. Research also shows that young people are twice as likely to be influenced by cigarette advertising as they are by peer pressure.

In recognition of the impact of tobacco advertising on youth, the U.S. FDA is banning all tobacco company sponsorships.

To date the government has done nothing. Why? Is it because the Minister of Citizenship and Immigration has a big Imperial Tobacco plant in her riding? Is it because the Minister of Finance was a member of the board of Imasco and expressed concern over the health of the tobacco industry at the time that tobacco taxes were being debated in 1994? Is it because the Liberal senator from South Shore, Nova Scotia, is on the board—

The Speaker: My colleague, I think we are stretching the rules a bit.

* * *

CANSAVE CHILDREN AWARD

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, on October 10 Senator Landon Pearson will receive the CanSave Children Award from Save the Children Canada.

Senator Pearson has had a long and distinguished career in promoting the interests of children. She is a founding member and chairperson of the Canadian Coalition of the Rights of the Child and was president of the Canadian Council on Children and Youth.

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This award acknowledges individuals who have made significant contributions to the objectives of the Declaration of the Rights of a Child adopted by the United Nations in 1959. The first award was given to Senator Pearson's father-in-law, former Prime Minister Lester Pearson.

I congratulate Senator Pearson on this important achievement.

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CANADA POST

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, yesterday the government released the report of the Canada Post mandate review. The report made a number of recommendations, including privatizing some of Canada Post's commercial activities, which the minister says she will study. She also hinted that the government might consider privatizing Canada Post if it ceases to fulfil a public policy role.

The Liberals seem to be moving in the direction of withdrawing government from providing a public service, with decent jobs and decent wages, toward a low wage environment that would only benefit the large corporations and would not guarantee adequate service.

We have seen this movie before. With cuts to the CBC and the privatization of CN, Air Canada and Petro-Canada, this Liberal-Tory government's ideology is to destroy everything of importance to the Canadian interest and to move away from its core public policy responsibilities.

This ideology of the market rather than of the citizen is wrong and must be abandoned.

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• (1405)

HABITAT FOR HUMANITY

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, Habitat for Humanity is a charitable organization dedicated to the elimination of poverty housing by empowering people through home ownership.

This past summer from August 12 to 16, under the Jimmy Carter work project, 10 homes were built in Vac, Hungary. Six hundred volunteers worked on the homes and 19 of those volunteers were from Canada.

One of the 10 homes built was named Canada House and was financed mostly by Canadians with Hungarian backgrounds. The building of Canada House was truly a labour of love as Marcus and Lisa Shantz demonstrated. They spent part of their honeymoon building Canada House under the supervision of Milo Shantz, Marcus' father.

Habitat for Humanity is an example of creativity, generosity and accomplishment in making our world a better place. I congratulate the people who were involved in Habitat for Humanity in Vac, Hungary as well as the people who volunteered for Habitat for Humanity world wide.

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THE ENVIRONMENT

Mrs. Karen Kraft Sloan (York Simcoe, Lib.): Mr. Speaker, the Mackenzie basin impact study released last spring documents irrefutable evidence that the impacts of climate change are happening in the area now.

Some of the study's results show that the permafrost is thawing, landslides and forest fires are increasing, caribou are subjected to rising levels of disease and more insect pests. Communities will suffer from negative economic and social consequences as these impacts grow in severity.

Nations from around the world agree that human interventions create conditions that cause global warming and climate change. We all share in creating this problem. We must all take responsibility in solving it.

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[*Translation*]

INTERNATIONAL DAY FOR NATURAL DISASTER REDUCTION

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, the United Nations has proclaimed the second Wednesday in October as International Day for Natural Disaster Reduction.

Under the theme "cities in danger", this day brings to our attention the extremely perilous situation of giant urban centres. According to some estimates, by the year 2000, 17 out of the 20 largest cities in the world will be in developing countries; this represents a significant challenge.

The "cities in danger" campaign provides an opportunity to take action before disaster strikes. Much more than a mere 24-hour period, this day is the culmination of all the efforts invested in emergency preparedness throughout the year.

Closer to home, the flooding in the Saguenay—Lac-Saint-Jean region showed the importance of prevention and the need for solidarity.

This day underlines our responsibility toward all of humankind.

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[*English*]

CANADA POST

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, the Canada Post mandate review report released yesterday recom-

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mended that Canada Post be made subject to the Freedom of Information Act and to an annual audit by the auditor general.

It is interesting to note that last March I tabled a private members' bill to amend the Access to Information Act that would bring all crown corporations under the jurisdiction of access to information.

The Radwanski report on Canada Post made a number of recommendations that merit serious consideration, most of which have been ignored by the minister, including the recommendation to open Canada Post to public scrutiny.

Canadians have a stake in how crown corporations are run. They have a right to know what is going on, and the Radwanski report makes clear they have legitimate concerns regarding Canada Post.

The Liberals promised open government. Now is the time to deliver on that promise and to bring Canada Post under the jurisdiction of the Freedom of Information Act and under the scrutiny of the auditor general.

* * *

EMPLOYMENT

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, the finance minister will be presenting an economic statement today to the finance committee. He will tell the committee about the excellent work the government has done with respect to deficit reduction, and that it will beat its targets.

What he will not be saying is that he has reduced the deficit on the backs of the unemployed. The surplus of \$5 billion in the EI account is padding his deficit figures. He will not be telling the committee that the unemployment rate has remained above 9 per cent for more than 72 consecutive months, the longest stretch since the 1930s, despite the promise to create jobs.

We have been told by the Conference Board of Canada that the real unemployment rate among young Canadians exceeds 25 per cent. This government promised jobs. Instead, it is killing jobs by keeping payroll taxes higher than need be.

• (1410)

Will the finance minister do the right thing, lower EI premiums and restore hope to those who are desperately seeking jobs?

* * *

FIRE PREVENTION WEEK

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, as many members already know, this is Fire Prevention Week and everyone in the country can take part.

Fire Prevention Week is a joint project of your community, provincial fire services and Fire Prevention Canada. Those experts wish to remind Canadians that it takes just a few minutes to follow a few simple steps.

One, install smoke alarms on every floor and outside each sleeping area in your home. I want to remind everyone to put the battery back in the alarm after you burn the toast.

Two, test smoke alarms regularly. I know the noise is annoying but it could save your life.

Three, make a home fire evacuation plan and have the whole family practice it. This is particularly important for families with small children.

These actions will cut a needless and tragic toll. In 1993, 417 Canadians died in fires and more than 3,400 were injured. I know now that all my hon. colleagues will join me to encourage Canadians to make their homes safe every week, not just during Fire Prevention Week.

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ETHANOL

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, I rise today in the House to recognize yet another milestone for the agriculture technology industry in Canada.

I would like to congratulate the city of Chatham and the company Commercial Alcohols for their recent announcement of the construction of a new \$153 ethanol production facility. The plant will be one of the largest and most efficient manufacturing facilities in the world. It will benefit the corn industry by utilizing up to 15 million bushels of corn per year.

The winners of this deal are corn producers from all across Ontario, including the ones in my riding of Elgin—Norfolk. In the long run, the environment will win as well as Canadians move from burning hydrocarbons to renewable carbohydrates.

The Liberal government has encouraged ethanol development in Canada with the introduction of a national biomass ethanol program. This has meant 400 permanent jobs per plant and could create up to 6,000 temporary construction jobs in the future.

This is another great example of the Liberal government's commitment to jobs.

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CALL TO REMEMBRANCE PROGRAM

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I rise to bring to the attention of the House a new quiz program being organized by the Royal Canadian Legion.

The Call to Remembrance Program is a nationwide project aimed at helping to ensure that Canadians, particularly young

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people, understand the value and the sacrifices made on their behalf during the wars of this century.

I am proud to say that this concept originated with the members of the Hants Branch 009 in the town of Windsor in my riding of Annapolis Valley—Hants.

Commencing in 1997 the Call to Remembrance quiz competition will kick off in communities across Canada. Call to Remembrance will ensure that future generations will know of the extreme sacrifices of Canadians and our national effort during the wars of this century.

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[Translation]

INTERNATIONAL NATURAL DISASTER REDUCTION DAY

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, today is International Natural Disaster Reduction Day, a day celebrated world-wide since the beginning of the 1990s. This year, the theme is “cities in danger”.

In the year 2000, half of the world’s population will be living in urban areas representing merely 3 per cent of the earth’s total surface. Many of these areas are at risk; they could be the site of earthquakes, floods, landslides and other natural disasters. Last year, such disasters claimed many lives and caused damage estimated at \$65 billion.

Our vulnerability in the face of natural disasters is very real. Prevention, foresight and education should be our tools of choice. International Natural Disaster Reduction Day is a time for all of us to become more aware.

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[English]

NATIONAL FAMILY WEEK

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, during National Family Week it is necessary to remind the Liberals that they have failed to give ordinary Canadian families a sense of real hope for their future.

It is a shameful record: unemployment above 9 per cent for almost six years, staggering taxes, record bankruptcies. It is obvious the combination of cabinet salary and a rich MP pension plan has hardened the government to the economic trials that Canadian families face each and every day.

The most shocking data comes from a Fraser Institute study that shows that the average Canadian family’s disposable income has plummeted \$3,800 in the three years the Liberals have been in power. This is a disaster.

• (1415)

Canadian families need lower taxes and good permanent jobs created by a vibrant private sector. They want the option of caring

for their children, buying a home, paying for their children’s education and saving for their retirement. They want a smaller government that stays out of their face.

It is time to reform the government—

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[Translation]

SOCIAL INSURANCE NUMBERS

Mr. Raymond Lavigne (Verdun—Saint-Paul, Lib.): Mr. Speaker, I am pleased to inform this House that an excellent initiative was recently announced by the Minister of Human Resources Development.

A violent spouse will no longer be able to use computer technology to locate his wife. The department has just announced that steps have been taken to make it impossible for an individual to use his spouse’s former social insurance number to obtain her new one and use it to locate her.

I commend Human Resources Development Canada for this contribution to our relentless fight against violence and crime.

* * *

THE PREMIER OF QUEBEC

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, the premier of Quebec, Mr. Bouchard, asked businesspeople to make efforts to help create jobs. The leader of the Quebec government is seeking help to create jobs and reduce the deficit. He is asking for help and support, because of the cuts he will make regarding education, health and social programs.

Businesspeople and Quebecers in general do not forget that Mr. Bouchard’s primary objective is the separation of Quebec from Canada and that, because of this option, the economic situation will continue to remain difficult. Will Mr. Bouchard realize that such a contradiction is very costly to Quebecers?

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[Translation]

THE CANADIAN ARMED FORCES

Mr. Michel Gauthier (Leader of the Opposition, BQ): Mr. Speaker, the crisis affecting the Armed Forces is slowly subsiding, with the departure of the former minister of defence, and of the former chief of defence staff who, in my opinion, took the only action possible under the circumstances. There is, however, another problem: the Prime Minister’s inability to admit to the facts, because he wants to protect the integrity of his government.

Questioned in the House yesterday, the Prime Minister stated that he had been informed on the morning of October 2 that his Minister of Defence had seriously breached the Cabinet code of ethics. That same Wednesday, in the afternoon, the Prime Minister

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stated, and I quote: "I have a lot of confidence in the Minister of National Defence", adding that he would keep him in that job.

How can the Prime Minister, after learning that very morning that his defence minister had gone against the code of ethics, repeat in this House, barely hours later, within mere hours, that he had confidence in his former minister and even tell us that he would be there for a long time? How can he explain this?

Right Hon. Jean Chrétien (Prime Minister, Lib.): As I stated in the House, I was informed in the morning that there was a problem, not one connected in any way to the duties of the Minister of Defence, but perhaps one connected to the performance of his duties as a member of Parliament serving one of his constituents.

I therefore referred the problem to Mr. Wilson, the ethics counsellor. I did not know what his conclusions were going to be, but I had confidence in the Minister of Defence, as always. I repeat that he did an excellent job in his three years as Minister of Defence, both for the Department of National Defence and for Canada.

Mr. Michel Gauthier (Leader of the Opposition, BQ): Mr. Speaker, it is all very well for the Prime Minister to say that he did not really know whether what the Minister of Defence had done was a problem, when the underlying principle of his code of ethics is that ministers shall neither interfere, nor appear to interfere. The former Minister of Defence had written a letter. The Prime Minister cannot expect us to believe today that he was not really sure whether or not he had contravened the code of ethics. That is just too facile.

• (1420)

Furthermore, in response to General Boyle's letter of resignation, the Prime Minister wrote that he had served with courage, dignity and integrity.

How, knowing that the accusations made under oath by Mr. Gonzales were weighing heavily against General Boyle, could the Prime Minister be so sure and praise the integrity of the chief of defence staff without even knowing the outcome of the ongoing inquiry with respect to him?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, General Boyle had testified, and had himself said that he was not aware of certain facts which the commission was investigating in this connection.

In the performance of his duties as chief of defence staff, he has done a good job. He had a very difficult task, arriving as the new head of the Armed Forces just as the commission was starting up. That was hard. This was the first time in history that there had been an inquiry of this nature. I believe that General Boyle did his best,

and acquitted himself honourably. At the end, he realized that he was the subject of controversy and he submitted his resignation in a most honourable manner, and I accepted it.

As for myself, should the commission comment on this at some point, I shall have something to say, but it is the custom in Canada—and a very good one—that no one is declared guilty until there is a verdict.

Mr. Michel Gauthier (Leader of the Opposition, BQ): Mr. Speaker, the Prime Minister ought to take care to add to that statement: "And, if there are accusations hanging over someone's head, the Prime Minister ought perhaps to hold back on his congratulations until there is a verdict".

The House is faced with a problem at the present time, and this is it: the Prime Minister, who was aware that his minister had intervened and broken the code of ethics, admitted it only after it became impossible for him to avoid doing so, when he was forced to do so. In his letter to General Boyle, the Prime Minister was still praising the General's integrity and good service, while fully aware that there is an ongoing inquiry, which may lead to some conclusions. At any rate, there is at least some reasonable doubt.

What are we to think of such an attitude on the part of the Prime Minister? Are we to understand that, for him, the integrity of his government is intact, just as long as no one is actually caught red-handed.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, this entire incident of last week was made public, and the decisions were made before the press was informed. I was informed on the Wednesday morning. I was informed, and the Minister of Defence received Mr. Wilson's opinion on the Thursday. He came to see me at 6 p.m. and I accepted his resignation the following morning. I think that this is totally reasonable.

It amuses me a great deal that the opposition has nothing much to say against the government and has to resort to rehashing the past. I must therefore congratulate my entire cabinet for doing a good job with the rest of government, since the opposition has nothing to say these days.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Prime Minister. By the way, we noticed that he said "the rest" of affairs were being managed well, so we understand that that particular one was not.

The Prime Minister said that the decision of his former defence minister was in no way linked to the Somalia affair, but rather to the code of ethics issue.

But yesterday, the new defence minister very clearly linked the departure of the former minister and that of General Boyle to the

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Somalia affair, stating, and I quote: "In recent days, two people have taken some very difficult steps. First my colleague, the former Minister of National Defence, resigned, and now today, General Boyle has done so as well".

Is the Prime Minister aware that in his desperation to save the face of his government, he is going so far that his new defence minister no longer dares to follow him?

• (1425)

Hon. Douglas Young (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, what is very interesting in the line of questions we are hearing this afternoon is that we know that it is thanks to the actions of this government in calling for an inquiry into what went on in Somalia. That is why we have some facts and expect many more to come out.

And as for the issue of my predecessor's resignation as Minister of National Defence, there again we have an action that was undoubtedly very difficult for the former Minister of National Defence. Why did he decide to hand in his resignation? Because of the guidelines established by the Prime Minister of Canada and his government to ensure that the government runs well.

Mr. Pierre Brien (Témiscamingue, BQ): my supplementary is for the Prime Minister.

Can the Prime Minister tell us whether the fact that his new Minister of National Defence keeps coming back to the need to get to the bottom only of the events that took place in Somalia is a way for his government to divert attention and to bury once and for all the document altering and cover-up operation?

Hon. Douglas Young (Minister of National Defence and Minister of Veterans Affairs, Lib.): Not at all, Mr. Speaker. First of all, it was the hon. member and other members in this House who asked for a preliminary report from the investigators on the questions having to do with the whole situation concerning General Boyle. All I said was that, with General Boyle's resignation yesterday, this topic has obviously been dealt with to a certain extent.

I will accept the proposal of the hon. member and other members in this House and assure them that not only will we get to the bottom of what interests you today, but that we will get to the bottom of what interests Canadians: what went on in Somalia. It is for that reason that I am in agreement with those who want the Commission of Inquiry to deliver a report at the end of March, as scheduled, precisely so that when we go into an election there is no cover-up.

* * *

[English]

EMPLOYMENT

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the government now has some very serious blots on its

performance record, its broken GST promise and the fiasco at national defence to mention two.

However, the biggest blot of all is still the government's failure to deliver on its election promise of jobs, jobs, jobs. There are 1.4 million unemployed, 2 million to 3 million underemployed and 4 million workers worried about losing their jobs; almost one-half of the entire Canadian labour force.

Where is the government's plan to create the millions, not the hundreds of thousands, of new and better jobs required to fulfil its election promise?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have a very definite plan concerning that. We have managed to create 665,000 new jobs in the Canadian economy over three years. We have also managed to run the economy with 1.5 per cent inflation.

The Minister of Finance, in addressing the problem of the government's deficit, has always managed to do better than the plan he had put forward. That is the way we do things. In two years time there will be no need for the government to borrow money, something that has not been done in the last 25 years.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, there is one glaring weakness in the Prime Minister's answer. The only way to have job creation in the numbers required to satisfy Canadians is through lower taxes and through leaving more dollars in the pockets of consumers and private sector job creators. However, this government cannot deliver lower taxes. In fact, it is doing the opposite. It is taking \$25 billion more out of the pockets of taxpayers than it did in the year it was elected.

• (1430)

When is the government going to make major tax cuts to generate the millions of new and better jobs required by Canadians?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I remember campaigning, and the only problem the country faced at that time was the reduction of the deficit. That was the only speech the leader of the third party had. It is amazing that he has not found a new one.

Jobs have been created in Canada; more than in Italy, more than in Germany, more than in France and more than in Great Britain all together.

It is not a priority of this government to give a 10 per cent tax cut to those with a million dollar per year income. When we have room our priority will be to make sure that some of the benefits will go first to those in society who need them most. That is certainly not the preoccupation of the member from the third party.

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Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the real reason the Prime Minister cannot talk about tax cuts is that his government has been one of the slowest in the country at deficit reduction.

He points to European countries and yet his government is behind Alberta on deficit reduction. He is behind Ontario on deficit reduction. He is behind Nova Scotia on deficit reduction. He is behind Newfoundland on deficit reduction.

Around the kitchen table, as distinct from the cabinet table, Canadians are worried about a drop in their disposable income. The after tax income of the average Canadian family has dropped \$3,000 since the Liberals came to power.

What is the Prime Minister going to do to address the \$3,000 pay cut which his government has delivered to Canadian families?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, to give one example, because of the good management of this government the interest rate went down by 3 per cent or 4 per cent in the last year and a few months.

Somebody with a mortgage of \$50,000 will pay \$1,500 less after tax. Somebody with a \$100,000 mortgage will pay \$3,000 less after tax. Somebody who has bought a car for \$15,000 will pay \$500 less in interest each year. This is because we have a good Minister of Finance and a good government.

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

The Speaker: May I ask you, my colleagues, to please tighten up a little on the questions and on the answers.

* * *

[Translation]

THE SOMALIA INQUIRY

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

The Minister of National Defence said in the House that he wants a thorough investigation of what happened in Somalia. The official opposition agrees with him. But if he wants to find out what really happened in Somalia, he should first of all have a thorough investigation of the document tampering that went on afterwards.

Some hon. members: Oh, oh!

• (1435)

Mr. Leroux (Shefford): Mr. Speaker, I must say they are pretty touchy today!

If the minister refuses to order an interim report on the document tampering, could it be because the cover up occurred under the current Liberal government?

Hon. Douglas Young (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, like the hon. member, we want a thorough investigation of everything that happened in connection with the situation in Somalia.

The mandate of the Commission of Inquiry on Somalia is quite clear. The commission is to consider all aspects, and we hope to have some answers as soon as possible and, especially, some recommendations.

I could not agree more with the hon. member. If the members of the commission of inquiry think they should produce an interim report, that is up to them. We are not going to give instructions to the commission. I am sure all members of this House realize that one should not interfere with the work of the commission of inquiry.

That being said, I hope the hon. member will join our efforts to ensure that there is a thorough investigation of what happened in Somalia and that the commission of inquiry will report as scheduled on March 31, 1997, so that everyone, all Canadians and all members of the Canadian Armed Forces and members of this House will have the information they need to make an informed decision if by any chance an election is called in 1997.

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, will the minister admit that the government is trying to arrange things so there will be no release of any report on document tampering by the commission of inquiry before the next election, to save the face of the government and that of the Prime Minister?

Hon. Douglas Young (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I will try and do some face saving for the benefit of the hon. member. This was my answer to this question: Yes, if the members of the Commission of Inquiry on Somalia believe it is in the best interests of all concerned and it is part of their mandate, and if they wish to publish an interim report, they can go ahead. I am not asking them to do so because I do not want to interfere with the work of the inquiry. But if they think it should be done, I have no objection.

In fact, and I say this to avoid any misunderstanding, I hope to get to the bottom of all this, not only of the facts that are of interest to the hon. member but of who did what in Somalia, how this was possible, how it was covered up, if there was a cover up, who is responsible, and how we can make sure this will not happen again.

I would like to have, and I am sure all members of this House are with me on this, all the answers to everything connected with the Somalia affair before the next election. This does not mean I know the date. That is always at the discretion of the Prime Minister. It is after all his prerogative. I hope the commission of inquiry will

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publish its report on March 31, as scheduled, then we will all know where we are.

* * *

[English]

TAXATION

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, many Canadian families would like to have the option to have one parent stay at home if they so choose, but under the current tax system the typical single earner family with an income of \$60,000 a year pays \$7,000 more in taxes than does a family with the same income and both parents in the workforce.

Can the finance minister tell the House why he and his government continue to promote discriminatory tax policies that deny families the freedom to make the parenting choices for their children?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, if the member cares to take a look at the Income Tax Act or at government policy he will find out that the situation is really quite different than the one which he has described.

As an example, within the existing system, to the benefit of married families, is the married credit which reduces income taxes by as much as \$1,500 for a couple under the circumstances which the member has described.

At the same time there is a special supplement under the child tax benefit for parents who care for their preschool children at home. The child tax benefit is based on family income, so it automatically increases when a parent gives up a job to stay at home.

The fact is the tax system directly answers the member's question. He might do a bit of research before standing up so quickly.

• (1440)

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, \$7,000 may not be a lot of money to the millionaires of this world, but it is a lot of money to regular Canadians.

Can the finance minister explain to Canadians why one form of child care is worthy of a tax credit while the other is not? Can he explain why his government is yet again interfering with the private parenting choices of Canadian families? Why is there discrimination?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, again it is quite the opposite. We are not interfering with the question of choice. What we have is a system that provides considerable benefits where one of the two parents decides to stay at home for precisely the reasons which I think the member is trying to allude to.

If we immediately went to the kind of system that the member is talking about, the second spouse entering the workforce would immediately face crippling taxation. That makes no sense.

Another thing is a number of the European countries, in fact virtually all of the European countries on a family basis are now shifting to the same kind of taxation that we have in Canada, which is by far the best.

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[Translation]

THE CANADIAN ARMED FORCES

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, yesterday, the Prime Minister praised his former defence minister and said: "I hope some day I will have the opportunity to welcome him back in the cabinet".

Some hon. members: Hear, hear.

Mr. Duceppe: Mr. Speaker, perhaps the hon. member for Glengarry—Prescott—Russell should not applaud. He might be shown the door if the other one comes back.

Will the Prime Minister pledge in this House that the former defence minister will not be back in cabinet so long as a report shedding light on the whole issue of the falsification of the documents and his responsibility regarding this operation will not be made public?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is the prerogative of the Prime Minister to appoint someone to the cabinet when he decides to do so. The minister handed me his resignation for very honourable reasons and I accepted it with much regret. I maintain that he has done an extraordinary job as Minister of National Defence, under extremely difficult circumstances.

The previous government had seven defence ministers in nine years. The minister who resigned last Friday succeeded in making huge cuts and in reducing military personnel, including the number of generals, which went down from 125 to 70. The former minister has earned the thanks of this House for a job well done.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, how can the Prime Minister refuse to wait until the release of an interim report on the falsification of documents, before thinking about bringing back in the cabinet his friend, the former defence minister? After all, the Prime Minister said in this House, on October 2, and I quote: "It is exactly because I want the commission to finish its work that I will not prejudice the conclusions of the commissioners".

Perhaps it would be wiser to wait. Who knows what the conclusions of the commission might be? It might be better for the Prime Minister to not second guess these findings.

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Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as the defence minister said on several occasions two days ago, yesterday and today, the government hopes that the commission will fulfil its mandate to shed light on what occurred in Somalia.

This is the commission's mandate and we hope to get the report as soon as possible, so that, if changes must be made within the armed forces structure because of these incidents, the defence minister will be in a position to make them as quickly as possible. If the commission wants to report before March, this will be fine with us.

* * *

[English]

EMPLOYMENT INSURANCE

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, this is family week and Canadians want to know what the Liberals are doing for families who continue to support their children who cannot find jobs.

Recently the finance minister admitted that employment insurance works as a deterrent to new hiring. With the huge surplus built up in the EI fund, when will the new Minister of Human Resources Development announce a cut in the premiums so that Canadian youth can find the jobs they are so desperately seeking?

• (1445)

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, there is no doubt about the importance of reducing payroll taxes.

In the first year that we took office the UI premiums at that time were supposed to go to \$3.30 but we did not allow that to happen. In fact under this administration they have gone down to \$3.07, to \$2.95 and to \$2.90 last year. At the same time we have introduced a whole series of measures such that since we have taken office we have reduced the unemployment insurance burden on salaries by \$1.8 billion, precisely to put people back to work.

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the finance minister talks about the first year in office. The first year in office the debt was at \$490 billion. It is approaching \$600 billion and we still have 18 per cent unemployment among our youth.

The employment insurance system discriminates against young people, even those with jobs. Full time students are forced to pay premiums even though by law they are never able to collect those benefits. Premiums are monies they badly need for texts and tuition. Will the new Minister of Human Resources Development act immediately to exempt full time students from paying premiums for insurance they cannot collect?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the hon. member talks about helping young people. Let us look at the record.

The fact is when the previous Minister of Human Resources Development increased the amount of money to be made available for summer students, the Reform Party opposed it. When this government increased the tuition credits for students going to school, the Reform Party opposed it. When this government made more money available to caregivers so that they could go to school while their children were taken care of, the Reform Party opposed it.

The Reform Party has opposed every single measure brought before this House to help students, to help young Canadians. The fact is members of the Reform Party are disconnected from the reality of the Canadian public.

* * *

[Translation]

THE ELECTIONS ACT

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Minister of Justice.

We learned today that the government has decided not to appeal the Alberta Court of Appeal's decision last June to strike down the provisions of the federal law prohibiting third parties from spending more than \$1,000 on advertising during election campaigns.

Does the minister not believe that his decision not to appeal this ruling could create a situation similar to that in the U.S., where rich lobby groups can finance the candidates they want and therefore unfairly influence election results?

Hon. Alfonso Gagliano (Minister of Labour and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would like to inform the hon. member that my colleague, the Leader of the Government in the House of Commons and Solicitor General of Canada, intends to review the whole issue and propose measures to correct the situation.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, the government has an opportunity to make these changes and appeal this ruling.

Is the minister's inaction not an admission that he is quietly getting ready to support the Libman case to be heard by the Supreme Court, which challenges the provisions of Quebec's referendum legislation on expenditure limits, in order to defend his own Liberal colleagues and friends and fine tune the government's strategy in Quebec's next referendum campaign?

Hon. Alfonso Gagliano (Minister of Labour and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would like to inform the hon. member that this case

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deals only with the Canada Elections Act, and not with the Referendum Act.

So, as far as the Canada Elections Act is concerned, the Leader of the Government in the House of Commons and Solicitor General of Canada is reviewing the situation and will soon be in a position to come back with proposals.

* * *

ASBESTOS

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, since the French government announced plans to ban the use of asbestos, government officials from Quebec have been bustling about and repeating that they are actively looking into the matter. The federal government is dealing with the matter, but the thousands of asbestos workers involved are starting to lose patience.

Could the Minister of Natural Resources tell us whether the government is actively pursuing the asbestos matter and, if so, what progress has been made so far?

• (1450)

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, it is with great pleasure that I reassure the hon. member that the federal government has an aggressive strategy in relation to the asbestos issue which we are pursuing in partnership with a number of other key stakeholders, including the province of Quebec.

A few weeks ago I took the opportunity to meet with my Quebec counterpart. She and I determined that the best approach was a co-operative partnership. We are now in the process of developing that partnership.

My colleague the Minister for International Trade has made representations to many foreign governments, including France. My colleague the Minister of Health has intervened with his colleague the French Minister of Health to ensure that the record is clear in relation to the accurate and true medical and health facts surrounding the use of asbestos.

Yesterday it was with great pleasure that I announced that my department will be providing \$500,000 to the Asbestos Institute to continue a research program in relation to the controlled and safe use of substances.

* * *

ETHICS

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, yesterday the Prime Minister gave the House an unbelievable excuse for not releasing his secret ethics guidelines for cabinet ministers. He said that it was British parliamentary tradition that prevented him from making the guidelines public. The Prime

Minister must know that the British government released its guidelines in this connection in 1992.

I ask the Prime Minister again, will he now make the ethics guidelines for cabinet ministers public?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, these guidelines are instructions from the Prime Minister to his ministers and they are obliged to follow them. There is an officer who advises them and when ministers feel they have a problem, they receive guidance.

These are instructions that the Prime Minister gives to his ministers. As I said, at the end of the day, in the British tradition, it is the Prime Minister who is responsible for the conduct and I have always accepted full responsibility in those matters. The guidelines are instructions for my ministers. Communications between the Prime Minister and the ministers by the nature of our system are confidential.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister apparently feels that ethics are a private matter between himself and the ministers. He will not release the guidelines and he only uses them when it is to his political advantage, as in sacking the Minister of National Defence.

Ethics are a public matter. For the public to judge whether the conduct of the Prime Minister's ministers is ethical, they need to know what the guidelines are. How are Canadians supposed to know whether the ethics guidelines followed by cabinet ministers are ethical if the Prime Minister will not make them public?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not know if the leader of the third party is arguing that the minister should not have resigned. He gave me his letter of resignation and I accepted it. I presume from the line of questioning by the hon. member that it was not a sufficient reason to resign, but with the standards that we have, it was enough.

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[*Translation*]

EMPLOYMENT INSURANCE

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

Yesterday, the new Minister of Human Resources Development, and I take this opportunity to congratulate him—

Some hon. members: Hear, hear.

Mrs. Lalonde: —and pity him to some extent—

Some hon. members: Oh, oh.

Mrs. Lalonde: I repeat, to pity him to some extent.

Yesterday, the new minister expressed pride in the reform undertaken by his predecessors to modernize our unemployment insurance system and adapt it to what he called the new economy.

• (1455)

Does the minister realize that, under his so-called modern system, many people who have to rely on unemployment insurance, too many people really, will receive lower benefits for a shorter period because of tighter eligibility requirements?

Hon. Pierre Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, I thank the hon. member for her first question to me in this House. I am delighted.

I can assure all Canadians that our goal in introducing this new employment insurance system is to move away from passive measures and toward active measures that make work more attractive, thereby helping workers go from unemployment to employment.

This is a much more positive approach. And I would like to draw the hon. member's attention to the fact that a larger number of Canadians are covered under this system than the old one and that a larger number of women are benefiting in particular.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the minister will have to make a quick review of the issue, because I am asking him whether he realizes that these active measures planned for the next five years represent only a \$200 million increase, while at the same time more than \$65 billion will be paid out in UI benefits. The shift toward active measures is a smoke screen.

Hon. Pierre Pettigrew (Minister of Human Resources Development, Lib.): Mr. Speaker, first of all, it is not \$200 million but \$800 million that will be injected over the next few years. That is a fairly large amount designed, as I said earlier, to provide assistance in the years to come to those previously not covered by the system.

The women of Papineau—Saint-Michel certainly appreciate it, because they were not covered under the old system, and they are very grateful to the government for it.

* * *

[English]

ETHICS

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, my question is for the Prime Minister. I ask him to consider this carefully. I am not sure the Prime Minister realizes how this is playing out in the general public. I ask him to reconsider his position.

What is he afraid of? What is he trying to hide? Why will he not release the ethics guidelines for the ministers to the public?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the conduct of ministers is always the responsibility of the Prime Minister. It is for him to pass judgment and take all the

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consequences of his judgment. This is the way the system has operated for years.

Regarding communications within a government, it is very important that between the Prime Minister and the ministers there be some confidentiality. Of course members of the third party do not care much because they know they will never form a government. They are not preoccupied with the responsibility of a government that we are.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the Prime Minister talks a lot about responsibility and how he wants to shoulder responsibility. I will take him at his word.

Will he assume responsibility now for those guidelines and release them to the public so that the public can have a look at them? What is he trying to hide? There is nothing to hide, surely. Release them to the public.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there is nothing to hide. The actions of ministers become public and the Prime Minister takes responsibility. It is a very public process.

When a Prime Minister deals with members of his cabinet, he has the right and obligation to have some private conversations with them. Otherwise, there would be no government. The government is the Prime Minister assuming his responsibilities. Everybody knows I never run away when I have responsibilities to face.

* * *

HOG PRODUCERS

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, my question is for the Minister of Agriculture and Agri-Food. Canadian hog producers have been under tremendous economic pressure for several years because the U.S. government has been charging countervailing duty on all Canadian hog imports to the U.S.

What is the minister doing to protect our hog producers from the damaging results of this United States action?

• (1500)

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the U.S. Department of Commerce has for quite some time now been reviewing the countervailability of a number of Canadian farm programs both federally and provincially, particularly in that period between 1991 and 1994.

I am happy to tell the hon. gentleman that as a result of the most recent DOC review of Canadian programs there are two very important pieces of good news. First, Canadian hog producers will be receiving a refund of \$28.5 million on duty that they have already paid and that they will be getting back.

Second, in the course of its work the U.S. Department of Commerce has also taken a look at the Canadian net income stabilization account program, the NISA program, which is the

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whole farm core of our safety net system in Canada, and the DOC has confirmed that the program is not countervailable. It is trade neutral, which verifies the policy position taken by this government.

* * *

CHILD POVERTY

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, my question is for the Minister of Finance who, in a half hour from now, will likely dislocate his shoulder trying to pat his government on the back for its financial performance over the next little while.

On January 12 of this year in the *Citizen* the Minister of Finance was quoted as saying: "As soon as I can, as soon as our financial situation allows, I will address the serious issue of child poverty in Canada".

With 1,747,000 children living in poverty today, how soon will the Minister of Finance be able to act?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the hon. member's question strikes very much a resonant cord with the government. Indeed it is for that reason that over the course of the last 15 months we doubled the working income supplement for families with small children. The Minister of Justice brought in a comprehensive package dealing with guidelines on support payments for custodial parents.

There is no doubt that as a government we wish we could do a lot more and we intend to do so. The hon. member is quite right when he points out that while we are bettering the financial condition of the country we must also bear in mind the need to better the financial conditions of individual Canadians.

One of the greatest frustrations I think we have is the clean-up of the mess that somebody else created so that we can do precisely the job that the member wants us to do.

* * *

PRESENCE IN GALLERY

The Speaker: Colleagues, I wish to draw to your attention the presence in the gallery of Mr. Antonio Graziani, member of the European Parliament.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS*[English]***GOVERNMENT RESPONSE TO PETITIONS**

Mr. Paul Zed (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in

both official languages, the government's response to two petitions.

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WOMEN'S HISTORY MONTH

Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.): Mr. Speaker, I am pleased to rise today to speak to the House about Women's History Month.

Women's History Month was created in 1992 by the federal government to foster greater awareness of the historical contributions of women to our society.

The impetus for Women's History Month came from my home province of British Columbia but was soon supported by organizations across the country.

● (1505)

[Translation]

For the past five years, the month of October has been designated Women's History Month in Canada. It is a time for all of us to recognize, discover and celebrate the accomplishments of women in Canada throughout all spheres of society.

[English]

October seemed the most appropriate month to acknowledge women's achievements because October 18 also marked an historical milestone in the struggle for women's equality. It was the day women legally gained the status of persons in Canada. On that day, a short 67 years ago, five Albertan women, Nellie McClung, Louise McKinney, Emily Murphy, Irene Parlby and Henrietta Muir Edwards, finally won the long struggle to have women fully recognized as persons in their own right, no longer to be seen as chattel or second class citizens.

This is a time to recognize and celebrate Canadian women. So much of women's contributions to the economic and social development of this great nation has been overlooked by traditional historians, by the classroom and by the media.

We often have to dig deep to find the forgotten and the overlooked. But as we do we gain a greater appreciation of the vital role women have played in the shaping of Canadian society. The history of women is one of struggle, of courage and of heroism.

Women historically were denied education, barred from certain professions, denied the support they needed to enter public service and political decision making, and yet despite these tremendous barriers women managed to make important contributions to Canada's development.

Women's History Month is a time to tell women's stories and celebrate their impressive victories, to speak of their efforts in peace and in war, as pioneers and scientists and daily heroines who raised families despite poverty and deprivation, violence and exclusion.

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[Translation]

This year, the fifth Women's History Month, we are honouring women in the arts. We are honouring our cultural legacy. Throughout history, women's artistic and cultural contributions have often been undervalued and ignored, largely because of women's unequal status in society.

[English]

Women have been active participants in the cultural evolution of our country, forging our identity within Canada and to the world; women such as Emily Carr, Mary Pickford, Gabrielle Roy. From the writings of early French Canadian novelist Adèle Bibaud to the turn of the century wilderness photographs of Geraldine Moore, each has a story to tell of struggle for recognition and victory.

It has been said that history is a work in progress. Women's History Month adds fuel to that progress. Remembering, discovering and celebrating women's history has a clear impact on Canadians. Canadian women have built an astonishing cultural legacy that expresses the diverse and changing experiences of women in Canada.

I encourage all my colleagues in the House to take the time to discover and celebrate the women who have played an important role in the cultural legacy of our country, to give them a place of honour as role models to future Canadians, men and women; and in doing so, to lay the groundwork for the future, a future in which men and women are viewed as equals and with respect.

[Translation]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, October is Women's History Month. Women's names do not appear in our history books as frequently as we would like, especially not to the extent of their involvement in society.

Many women remain in the shadow, and today I would like to pay tribute to them. History books are usually written by men who make decisions without consulting half the population and leave their names behind for posterity. This is not a criticism, but merely an observation.

I wish to thank the Secretary of State for the Status of Women and Multiculturalism for taking the initiative to mark Women's History Month by making a ministerial statement today. This House, which unfortunately has few female members, will hear a little about us today thanks to the initiative to draw attention to Women's History Month.

Thinking about women's history brings to mind some heroines who, despite the difficulties that existed in their day, marked the times in which they lived and moved women closer to equality.

● (1510)

Quebec recently lost one of its greatest feminists, Claire Bonenfant, who was president of the Fédération des femmes du Québec and gave Quebec its first integrated policy on the status of women, a feminist policy called Equality and Independence. Ms. Bonenfant was supported by a champion of women's rights, Lise Payette.

These contemporary women follow in the footsteps of the professional women and ordinary citizens who invested in the betterment of their communities. From Marie Guyart, better known as Marie-de-l'Incarnation, to Agnes McPhail, Marie Gérin-Lajoie, Carrie Derick, Thérèse Casgrain and Laure Gaudreault, they all shared the same goal: improving the lives of women and children, since the two are too often linked. They all helped make our society better without regard for their own situation.

Again, I want to pay homage to Claire Bonenfant and convey our sincere thanks for her dedication, warmth and honesty. She provided us with a model of feminism by remaining faithful to her convictions, even after she became a top public servant as president of the Council on the Status of Women.

But history is a continuing process. Unfortunately, we still often talk about the first woman appointed to this or that position. For example, the hon. member for Rimouski—Témiscouata recently mentioned the appointment of Lyse Lemieux, the first woman to become chief justice of the Quebec superior court.

These women are making history, and we hope that the increasing number of such appointments will bring us closer to the day when we have a tradition of appointing women to positions of leadership and authority.

In this month of October 1996, the more specific objective is to stress the presence of women in the fields of arts and culture. We cannot help but remember the cuts imposed by the Liberal government on major cultural institutions, in spite of firm commitments made in the red book. Studio D, at the National Film Board, is unquestionably the service most affected by these cuts, as far as women and culture are concerned. Since 1974, the year it was established, Studio D, whose mandate was to produce films on the status of women, made over 120 films and won more than 75 international awards, including one Genie and two Oscars. This is a big loss for women and for the cultural world.

But the government did not stop there. Year after year and, again, in spite of the promises made in the red book, it makes cuts in the cultural sector. These cuts result in the loss of jobs and, consequently, in fewer cultural products.

According to the latest survey on the labour force in the cultural sector, women outnumber men in the visual arts and the dance and choreography sectors. It just so happens that these are the two sectors where the average income is the lowest: \$8,800 for painters, sculptors and those involved in related activities, and \$12,800 for

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dancers and choreographers. It is no surprise that visual arts are the cultural activity sector getting the least federal funding. So, the cuts imposed on culture primarily affect women.

In conclusion, I remind the government that, while ministerial statements may be encouraging for women, they do not put bread and butter on the table. Since it came to office, the government has abolished the sub-committee that reviewed issues relating to the status of women, and also the Canadian Advisory Council on the Status of Women.

Similarly, the federal government, which made firm promises concerning child care during the election campaign, today, like a spoiled child, angry because the provinces are unwilling to go through the hoops it is holding out, is taking back its child care program and sulking. But the money for child care services belongs to women and families, and the federal government must return it to them without delay.

And what can we say about the new criteria in the Employment Insurance Act, with its new rules that penalize women because of the temporary and precarious nature of their employment?

I understand that it is women's month and that this needs to be underscored, but politics is politics, and I think that the government's new policies with respect to women penalize them.

• (1515)

There are also the cuts made by this government to community groups in Canada, which are not only working to make the public aware of women's issues, such as domestic violence, but which also provide services in a number of other fields of activity. There as well, there have been cuts that hurt women.

To date, the actions of the federal Liberal government show how little importance it accords to the status of women.

To these criticisms, the federal government will reply that it has developed an equal opportunity program. But everyone knows that it has not yet produced any results. This is not surprising, because there was no financial envelope for it.

In conclusion, I would like to remind members that the history of women in Quebec and in Canada contains many acts of courage and tenacity. The work of achieving equality for women goes on daily. I take this opportunity to pay tribute to all the women working today in the women's movement. It is not easy, when the focus is on the deficit and downsizing, to generate interest in social and legal rights—

The Deputy Speaker: I am sorry, but the hon. member's time is up.

[English]

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I am glad to have the opportunity to speak about Women's History Month.

Women have worked alongside men from the beginning of time in making history and have accomplished great things, sometimes independently and sometimes in partnership with others.

I do not accept the assertion of the minister responsible for the status of women that women's contributions to history and civilization have gone largely ignored. Great women have been recognized for their greatness in every generation. Political leaders from ancient civilizations through modern times such as India's Indira Ghandi, Israel's Golda Meir, Britain's Margaret Thatcher, have all been esteemed for their unique contributions.

Many other non-political examples also exist, including Florence Nightingale, Mother Theresa and Canada's own Laura Secord whose actions saved Upper Canada from Americans invading from the south.

The primary focus of this year's Women's History Month is culture and arts but it is important to recognize the significance of women in the whole of history and recognize the extent of their success even before any affirmative action movement for women's rights came into existence. In terms of this year's particular focus, women have in fact been the most significant contributors to culture throughout history.

Most in this House are probably well acquainted with the saying: "The hand that rocks the cradle rules the world". This reflects once again the truth that the transmission of culture and tradition takes place primarily in the home. In this respect women have left an indelible mark on the lives of history makers throughout time.

Women's History Month is a celebration of women's unique and diverse accomplishments. This year the fifth Women's History Month honours women in the arts and their contribution to culture. I recognize and applaud the contribution women have made to the artistic and cultural development of our country.

In addition to the many individuals who have been mentioned today, I assert that equal recognition is well deserved for the role that women have played and continue to play in the preservation and protection of the family, a role that requires creativity, inspiration and compassion.

I salute the women who daily meet the realities of day to day living in their homes, striving to create order and harmony in an increasingly complex society. Women have a unique place in society as strategic partners in the future economic, social and cultural direction of our country. As key players in our families, they enhance this important and fundamental building block of our

society. They play a key role in the transfer of our nation's values and cultures.

Women both inside and outside the home deserve our recognition as pivotal players in the growth of our nation.

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COMMITTEES OF THE HOUSE

ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, I have two reports.

I have the honour to present, in both official languages, the fourth report of the Standing Committee on Aboriginal Affairs and Northern Development.

• (1520)

Pursuant to order of reference made Monday, June 17, 1996 your committee has considered Bill C-39, an act respecting the York Factory First Nation and the settlement of matters arising from an agreement relating to the flooding of lands and has agreed to report it with an amendment.

Mr. Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on Aboriginal Affairs and Northern Development.

Pursuant to the order of reference of Monday, June 17, 1996 your committee has considered Bill C-40, an act respecting the Nelson House First Nation and the settlement of matters arising from an agreement relating to the flooding of land and has agreed to report it with an amendment.

HEALTH

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the second report of the Standing Committee on Health.

Pursuant to Standing Order 108(2), your committee has agreed to the first report of the subcommittee on HIV AIDS on compassionate access to investigational therapy.

PROCEDURE AND HOUSE AFFAIRS

Mr. Paul Zed (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 36th report of the Standing Committee on Procedure and House Affairs, in relation to the liaison committee's quorum.

If the House gives its consent, I move that the 36th report of the Standing Committee on Procedure and House Affairs be concurred in.

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(Motion agreed to.)

* * *

PETITIONS

HUMAN RIGHTS

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I rise pursuant to Standing Order 36 to present a petition signed by 81 people in my riding.

The petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

EDUCATION REFORM IN NEWFOUNDLAND

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I have a number of petitions and I have grouped them into four separate areas.

The first group of petition is signed by residents of Saskatchewan who address the House of Commons requesting that Parliament not amend the Constitution as requested by the Government of Newfoundland and that it refer the problem of educational reform back to the Government of Newfoundland for resolution by some other constitutional procedures.

IMPAIRED DRIVING

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, the second group of petitions that I present are signed by Canadian citizens from the province of Saskatchewan.

They request that Parliament amend the Criminal Code to ensure that sentences given to anyone convicted of driving while impaired or causing injury or death while impaired reflects both the severity of the crime and zero tolerance by Canada toward this crime.

HUMAN RIGHTS

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, the third group of petitions I am pleased to present are signed by 227 concerned citizens from British Columbia to Nova Scotia who oppose the inclusion of the phrase sexual orientation in the human rights act or any other federal legislation.

These Canadian believe freedom from discrimination is already protected in the human rights act and by Canadian law.

HEALTH CARE

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, the fourth group of petitions I am pleased to present are 14 petitions signed by 300 concerned Canadians from the provinces of Saskatchewan, Alberta, Manitoba and Ontario. They wish to draw to the attention of Parliament that over 100,000 therapeutic

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abortions are performed each year in Canada at a cost of over \$50 million per year.

These petitioners and all Canadians deserve to have a voice in how their health care dollars are spent and which health care procedures they consider essential.

• (1525)

The petitioners call on Parliament to support a binding national referendum to be held at the time of the next general election to determine whether or not Canadians are in favour of federal government funding for abortion on demand.

GENERIC DRUGS

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure to present a petition on behalf of members of the Nickel Centre Seniors Club in Falconbridge, Ontario.

The petitioners draw to the attention of the House and request that Parliament regulate the longstanding Canadian practice of marketing generic drugs in a size, shape and colour which is similar to that of its brand name equivalent.

FOREIGN AFFAIRS

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I have three petitions to present today.

The first petition has 27 pages signed by many Canadians, including many from my riding. It states that whereas the human rights of the Kurdish people in Turkey, Iran and Iraq are being violated, and whereas the Canadian people strongly believe in the protection of human rights both at home and abroad, therefore they pray and request that Parliament use all the means at its disposal to encourage international mediation through the United Nations and the Canadian government for an immediate end to the Kurdish bloodshed, for the release of all political prisoners including Kurdish members of Parliament who are being held prisoner, and for the development of a permanent political solution to this problem.

HUMAN RIGHTS

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, in the second petition, the petitioners pray that the inclusion of the phrase sexual orientation in the Canadian Human Rights Act or any other federal legislation be opposed.

JUDICIARY

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the third petition draws the attention of the House to various issues.

The petitioners call on Parliament to conduct a full a public inquiry into the relationship between lending institutions and the

judiciary and to enact legislation restricting the appointment of judges with ties to credit granting institutions.

GASOLINE TAXES

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I am pleased and honoured to present to the House today a petition from constituents residing in Williams Lake, 150-Mile House and other areas of British Columbia.

The petitioners point out that over the past 10 years the excise tax on gasoline has risen by 466 per cent and that a committee of Parliament has recommended another 2 cent per litre increase in the federal excise tax on gasoline in the next federal budget.

The petitioners request that Parliament not increase the federal excise tax on gasoline in the next federal budget.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I rise again to ask the government House leader when I can expect to receive an answer to my questions on the Order Paper, Nos. Q-4 and Q-52.

I requested an answer to both questions within 45 days. As of today, Q-4 has been outstanding for 225 days and Q-52 has been outstanding for 147 days.

Instead of giving answers to my questions, the government complains that the questions are too complex, even intimating that it should consider restricting an MP's right to ask such questions. That concerns me. Frankly, if the government was as interested in gun control, public safety and fighting the deficit as it says it is, it should have the answers to these questions at their fingertips.

I am willing to compromise with the government. Give me the information that you have obtained so far, and I will give you more time to answer it. Give me the information that you already have. If you need more time to get some information on the remaining items, I am willing to make that compromise. Would you be willing to agree to that?

The Deputy Speaker: Would all hon. members please not use the word you, except when referring to the Chair.

Mr. Paul Zed (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have heard my hon. colleague and I ask that he spare us the theatrics. I have nothing further to add to what I said yesterday on the same subject on the same questions.

The Deputy Speaker: Colleagues, the hon. member for Mississauga South has a petition. I did not see him. I would ask permission to revert to petitions.

Some hon. members: Agreed.

*Government Orders***PETITIONS**

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I appreciate the consideration.

I have two petitions today. The first one comes from Edmonton, Alberta.

• (1530)

The petitioners 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 that choose to provide care in the home to preschool children, the chronically ill, the aged or the disabled.

ALCOHOL CONSUMPTION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the second petition comes from Kingston, Ontario concerning the labelling of alcoholic beverages.

The petitioners draw to the attention of the House that the consumption of alcoholic beverages may cause health problems or 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 dangers associated with alcohol consumption.

The Deputy Speaker: Evidently the hon. parliamentary secretary to the government House leader did not request that the remaining questions be allowed to stand. I wonder if he wishes to do that.

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

While I am on my feet, I ask that all Notices of Motions for the Production of Papers also be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[*Translation*]

The Deputy Speaker: I wish to inform the House that, because of the ministerial statement, Government Orders will be extended by 14 minutes.

GOVERNMENT ORDERS

[*Translation*]

THE FOREIGN EXTRATERRITORIAL MEASURES ACT

Hon. Christine Stewart (for the Minister of Justice) moved that Bill C-54, an Act to amend the Foreign Extraterritorial Measures Act, be read the third time and passed.

She said: Mr. Speaker, I am happy to speak in support of Bill C-54, an act to amend the foreign extraterritorial measures Act. There is no doubt in my mind that we must resist any foreign intervention in our affairs. Under the Helms-Burton Act, the United States is extending its reach to threaten legitimate business between companies from other countries and Cuba. We cannot accept that the foreign extraterritorial measures Act (FEMA) is our answer.

We find ourselves at loggerheads with the U.S. on Helms-Burton partly because of very different approaches to dealing with Cuba. We both share the desire for a strong democracy in that country, fully respecting human rights. But we have been taking different paths to that goal. We believe in engagement and dialogue; the United States favours isolation.

So let me talk about our relations with Cuba before I go further into FEMA.

At the outset, let me say that I am proud of our Cuba policy. It has strong support from all political parties and from interested Canadians. It is also quite similar to that of most other countries in Latin America and Europe.

Canada values its friendship and over 50 years of unbroken relations with Cuba. Unofficial links go back much further, building on trade and investment links with Atlantic Canada. For decades, Canada and Cuba have discussed common goals and interests, learning from each other. There has been co-operation to our mutual benefit in such diverse fields as international fisheries, social policies, the environment, science, culture and international arms control issues.

There are also numerous links between Canadian and Cuban organizations, research centres and universities, and between ordinary Canadians and Cubans.

Our goal overall is to help bring Cuba into the community of democratic nations with a genuinely representative government and an open economy.

• (1535)

Unlike the US approach, which has been characterized by punitive measures such as the embargo, we prefer a policy of engagement and dialogue. A significant part of that dialogue indeed focuses on human rights, democratic reform and good governance.

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Our longstanding relations, however, have not stopped us from expressing our concerns on Cuba's human rights performance.

[*English*]

Canada has publicly pressed the Cubans concerning violations, such as last February when we condemned the shooting down of two U.S. civilian aircraft by the Cuban air force and the tragic loss of life resulting from this incident. This action, taken by the Cuban government, was an excessive and inappropriate use of force which violated internationally accepted rules for the interception of civilian aircraft.

Canada has raised individual human rights cases with the Cuban government. Human rights was a major item on the agenda during the visit last year of Cuban foreign minister Robaina. I should add that during his visit minister Robaina also met with the UN commissioner for human rights, who was also in Ottawa at the time, Mr. Ed Broadbent of the International Centre for Human Rights and Democratic Development, and Mr. Jean-Pierre Kingsley of Elections Canada.

Canada was also among the first to express concern at the severe sentence handed down last year against Cuban human rights activist Francisco Chaviano. We have also responded very strongly to the harassment early this year of the Concilio Cubano, an emerging coalition of human rights activists. Canadian embassy officials in Havana also meet regularly with human rights activists and have attended trials of dissidents.

This constant dialogue which Cuba has had with Canada and other countries has helped lead to reforms. Cuba is moving ahead with changes to economic policy. There are changes as well in the human rights areas. For example, Cuba ratified the United Nations Convention Against Torture in May of 1995.

Our well known commercial ties, which are the target of the Helms-Burton legislation, are but one element in a range of connections that Canadians and Cubans have made over the years.

Parliamentary exchanges are an important part of our strategy with Cuba. They allow each country to understand better their systems of governance and perhaps benefit from each other's experience.

The president of the Cuban National Assembly visited Canada in April 1995. The Speaker of the House of Commons travelled to Cuba in October of 1995 and at the same time provided a major donation of medical supplies.

In May of this year Senator Jacques Hébert and other members of the parliamentary friendship group Canada-Cuba had the opportunity to welcome another parliamentary delegation headed by the Cuban minister of education. During these meetings Cubans posed extensive questions on the workings of the Canadian parliamentary

system, and Canadian members were able to make strong representation supporting further progress in democratic reform and in the protection of human rights.

We are also working with the Cuban government to pinpoint areas where Canadians can help Cuba modernize some of its key economic policy institutions. Assistance to the Cuban ministry of finance to develop a new taxation system has begun with technical assistance from Revenue Canada. This program will include training in tax collection and client relations and computerization of taxation information. Assistance to the Bank of Cuba from the Bank of Canada, on the other hand, is concentrating on upgrading its informatics and basic training in economics and accounting.

Encouraging Cuba to open to the rest of the world and to modernize its machinery of government and its key economic bodies will help the majority of its citizens. We are working with the Cuban government to bring about a better future for all the people.

In the area of social programs, the marked decline in the Cuban economy from 1989 to 1993 has resulted in significant underfunding of all social programs.

When I went to Cuba in June of 1994, Canada launched a small but important package of assistance channelled through the non-government sector.

• (1540)

This has allowed Canadians in the non-governmental sector to assist Cubans at a time of economic difficulty and to build bridges with Cuban institutions such as the university system. By the end of that year a small bilateral program was under discussion and this has led to the development of several projects that I have just outlined.

As a result, Canadian NGOs, churches, labour unions and universities are working with a variety of Cuban organizations, a number of which are in transition from a very close association with the Cuban government to a more independent stance. We are eager to support this transition.

Last March CIDA and OXFAM Canada signed a co-operation agreement for a major effort to strengthen the NGO sector in Cuba. With nearly \$1 million over the next three years, the project will support the work of Cuban NGOs and churches with, for example, income generation projects for poor women, training for independent small farmers and linkages with Canadian NGOs, including internships for five Cubans at Canadian agencies.

Prior to 1994 when we put in place our assistance package for Cuba, several Canadian universities already had co-operation agreements with Cuban universities. Since 1994 many more universities, community colleges and institutions have joined them.

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I could go on about the many links that Canada has now and is developing with Cuba, links with the Canadian and Cuban artistic communities for example. Jazz musicians like Vic Vogel and Jane Bunnett have travelled to play with Cuban counterparts. On a recent trip Bunnett arranged to have three Toronto technicians give much needed instrument repair workshops for young musicians in Havana. The Quebec television and film industry has shot several feature films and a major television series in Cuba. The list goes on and on.

However, there have also been linkages established between labour unions. Last year Bob White of the Canadian Labour Congress travelled to Cuba to meet with representatives of the Cuban Congress of Workers. They in turn sent a delegation to Canada on a fact finding mission.

One hundred and forty thousand Canadians visit Cuba each year.

We believe it is through this multitude of engagements at many levels that Cubans will undertake their own reform which will eventually open their society to more liberal, economic and political institutions.

As I said earlier, we do not quarrel with the American objective of moving Cuba peacefully to a more democratic society. We do quarrel with the use of Helms-Burton as a tool to fix an American problem with Cuba. Helms-Burton targets companies and other countries doing legitimate business with Cuba.

The United States could have followed the same route as other countries and settled its dispute bilaterally. Having chosen this path, the U.S. risks hurting its friends and allies while aiming at Cuba through Helms-Burton. In this situation we had to do what we could to protect Canadian citizens and Canadian firms.

The Foreign Extraterritorial Measures Act was a logical path to take and the changes it proposes are necessary. However, it is my sincere hope that it will not be necessary to use them. That of course will depend on whether the Helms-Burton claims provisions and other similar measures are used against Canadian firms.

I hope that Helms-Burton is just a brief blip on the screen. The Canada-U.S. relationship is a strong and fruitful one and we should not have to squabble over irritants of this kind.

In closing this part of the debate, I regret that I will not be able to be in attendance for the rest of the debate this afternoon due to prior engagements, but I will look with interest at *Hansard* so that I can have the opportunity of reading further on this debate.

[*Translation*]

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, I welcome this opportunity to speak again today to Bill C-54, which, as we know, and as my hon. friend said previously, is intended to counter certain effects of the extraterritorial measures contained in the U.S. legislation referred to as the Helms-Burton act, legislation

which has been referred to many times in this House in the past few days and the past few months.

• (1545)

The Bloc Québécois is not opposed to the passage of this bill, quite the contrary. As we have said from the very beginning, we support any attempt to protect Quebec and Canadian businesses from illegal measures, measures we call illegal, imposed by the Americans.

In fact, as soon as the Helms-Burton act was passed, the Bloc Québécois vigorously objected to this initiative by the American government which initially attempted to impose on all countries its policy of economic sanctions against Cuba, this in flagrant violation of international law and the sovereignty of states.

From the outset, the Bloc Québécois has asked the federal government in this House to strongly condemn the Helms-Burton act and to do everything it could to have this act declared null and void. However, the Liberal government's only response has been Bill C-54, which is now before the House. Seven months, seven long months after the Helms-Burton act was passed, the government tabled its own Bill C-54 in the House, saying that it was responding to an urgent need to counter the effects of this legislation which, need I remind you, is still in effect, since it has not been contested before the courts, and has been in force since August.

I have already commented in this House on the late arrival of Bill C-54 and its lack of substance. However, what I want to discuss today is the irresponsible attitude of the Liberal government and its ministers to this issue.

The government's lack of political will and its failure to show that it wants to be serious about the Helms-Burton act have become intolerable. The government never intended to have the Helms-Burton act declared null and void, although it is the only effective way to get rid of this legislation and show the Americans that Canada is very serious about protecting its trade policy and its territorial sovereignty as well. When the Americans attacked, Canada fired back with water pistols. Although some water pistols look like the real thing, they are useless in combat.

Recently, appearing before the Standing Committee on Foreign Affairs and International Trade, the Liberal government again refused to demand a special panel for the settlement of trade disputes under NAFTA—although it has been entitled to do so since July 29—claiming that it was waiting for the right time. The right time was July 29. Ever since that day, we have had the right, the opportunity to ask for a special committee. We should have taken action at that time, not the day after the presidential election in the U.S.

The government tells us it did everything in its power to respond to the urgent situation, but it has known about the Helms-Burton law since it came into effect on March 12. The government could have taken action as early as March or April. It would not have taken very long to make eight or nine short amendments to an existing act in order to cover the Helms-Burton law. How long did

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they wait? Seven months. It took them seven months to amend an existing act and table Bill C-54 before the House.

The government has demonstrated a total lack of leadership in this matter, considering it was in the best position to act against the Americans. Frightened, our government let so much time pass that the European Union had to take it upon itself to challenge the validity of the Helms-Burton law.

In fact, the European Union announced last week that it would ask for arbitration and, if need be, for a special trade dispute settlement committee under the World Trade Organization on October 16, before the U.S. election is held.

The member states of the European Union understood the urgent need to act. How can the Minister for International Trade now boast to the media that he wants to participate in this process before the WTO, given the importance of the situation? If we were in his shoes, we would be slightly embarrassed to have missed the boat and to follow in the wake of other states in challenging a law the Canadian government should have challenged seven months ago under NAFTA. But no, they would rather leave this to the WTO and trail behind the European Union.

Once again, the Liberal government has demonstrated its lack of leadership and its inability to effectively protect Quebec and Canadian businesses against foreign pressure.

• (1550)

To prepare for an eventual arbitration regarding the other American extraterritorial legislation, the Iranian and Libyan economic sanctions law of 1996 penalizing companies that make oil and gas investments in Iran and Libya, the European Union also decided to undertake consultations within the WTO, while Canada has done nothing so far to challenge this law.

Obviously, there are not a multitude of Quebec and Canadian companies investing in the oil and gas industries in Iran or Libya. That is not the problem. The problem is that, on the one hand, we challenge the Helms-Burton law, claiming that it is not right, but on the other hand, we delay acting. Then we face a *fait accompli*. Instead of seeing reason, the American government comes back with another extraterritorial law, taking another tack; it is the principle of the law that the Canadian government should have challenged. But they wait and wait, while time goes by.

It would seem that foreign affairs ministers in Europe have more courage than our Canadian ministers, who dare not attack either the American President or American policies during a U.S. presidential election. Unlike our Canadian ministers, European foreign

trade commissioner Leon Brittan does not see any reason to defer arbitration.

To conclude, I wish the government would make sure the Foreign Extraterritorial Measures Act will be enforced and not shelved. As the Minister for International Trade or the Minister of Foreign Affairs often says: "We made amendments but, and we say so in the House and to the media, we hope we never have to implement this act. We amend the act, we make it more rigorous, we increase the amounts to be paid or recovered, but we hope we never have to use this legislation". If the government keeps saying it hopes to never have to use it, the international community will no longer support this legislation.

I should also point out that Bill C-54 does not counteract all the perverse effects of the Helms-Burton act. Indeed, title IV is still in effect, and officials of the companies doing business with Cuba, including Sherritt, a Canadian company, are prohibited from entering the United States, as could be executives from other Quebec or Canadian companies, and their families.

By introducing Bill C-54 as a means to deal with an urgent situation, the Canadian government only solves half of the issue, namely the case of Canadian or Quebec companies that could be sued for conducting business with Cuba.

However, title IV, which prohibits company executives and their families from entering the United States is still in effect. We, Bloc Québécois members, say to the Liberals that, if they want to abolish title IV, if they want to eliminate the sword of Damocles hanging over the head of Canadian and Quebec executives doing business with Cuba, they can easily do it, because, since July 29, they have been able to apply to a special panel under NAFTA to invalidate the Helms-Burton act. The Liberal government can, not with Bill C-54, but under the rules agreed in NAFTA, oppose the whole Helms-Burton act and thus eliminate the dangers posed by title IV for executives of Canadian and Quebec companies, and their families.

We propose concrete solutions to the government, because it does not act. We know that, the day after the presidential election, if the U.S. President abolishes titles III and IV or sets them aside, this government will say: "You see, we were right to wait, nothing came out of it". But what happens if the U.S. President decides otherwise? We will have waited nine months, or a year, to either decide not to go before the special panel, so as not to hurt the President's feelings, or to finally decide, after the Europeans, to take concrete action?

In spite of all this, and even though its effect is quite limited, we will support Bill C-54. But rest assured: we will not give the

government any medal for its response to the American administration. The government should, once and for all, learn from its mistakes and redo its homework.

• (1555)

[English]

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, today we are addressing Bill C-54, which is an act to amend the Foreign Extraterritorial Measures Act, commonly known as the blocking legislation for the Helms-Burton bill in the United States.

I am pleased to be able to speak at this the third and final reading of Bill C-54. During a previous debate on the bill I was interested to note that members of the other opposition parties felt the way the Reform Party does, that this bill should be supported but that it does not go far enough. I will outline the reasons.

This is only a stop gap measure, a half measure if you like, that needs to be advanced a lot further. I have stated repeatedly that this bill should go further. Canada must act in other ways to get this situation resolved quickly.

It is fine to have legislation on the books to be used if we need to do so. It is there on the shelf, but as the Minister for International Trade stated himself, we hope we never have to use it.

While every well stocked medicine cabinet contains an antidote for accidental poisoning and snake bites, it is hoped they never have to be used but it is pretty nice to have them there if they are needed. It is far better though to eliminate the problem from one's territory and remove the deadly poisons from one's household.

What I am getting at is that the United States must be told that not only is the Helms-Burton bill unwise, it is illegal. Titles III and IV of the Helms-Burton legislation are in clear violation of the NAFTA agreement which the United States has signed. Title III further violates international law and the sovereignty of all countries that invest and trade with Cuba.

Even though it is nice to have an antidote, let us get rid of this poison and this problem once and for all. Canada has been in the position for some time to call a dispute settlement panel under NAFTA. I submit that had we done this when this problem first arose in June, it could have been settled by now. We could have been finished with it and eliminated some of the potential for problems.

We know the President of the United States has given Canada a six months reprieve and may do so again. However, it is election time in the United States and we can never be sure if that is going to happen. In fact, President Clinton, or perhaps it will be President Dole at that stage, may be in a position to extend the six months further or he may not. On the other hand, a new crisis may occur

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which will force the president to allow lawsuits to go ahead. We do not want our companies to be in that position.

Furthermore, the metre on the claims continue to tick. We are still being exposed to these claims and the liabilities are continuing to accumulate. This bill does nothing to protect certain Canadian executives and their families who may be turned away when trying to enter the United States. That issue continues to be unresolved. We need to have the Helms-Burton bill overturned. We can only do that by challenging the legislation at a NAFTA panel.

There is another reason for getting Helms-Burton overturned. Canadian companies operating in Cuba have to decide whether or not to do business with Cuba. They can follow the U.S. rules. If they do that, they are hit with a fine of \$1.5 million Canadian, or they can decide not to follow the U.S. rules and get hit with a fine of \$1 million U.S. That is a little like a choice of being hit by either a brick or a baseball bat. Really, it is not much choice at all. The only real solution to this problem is to resolve it once and for all with a decision by a NAFTA panel.

It disturbs me that time and time again this government has allowed itself to be pushed around by the Americans. A persistent pattern has developed in this area. It certainly has.

We can go back to 1994 with soft wheat, the pasta wheats. Canada caved in on a dispute with the United States and accepted export caps. What happened was that the free trade agreement stated that Canada had the right, if we have any economic advantage, to export into the United States just as they had the right to export into our country. The subsidies are equal. That is not what we settled on. We settled on export caps on wheat deliveries to the United States. That deal has now expired and we hear rumblings that they may want to start it again.

• (1600)

We have caved in on the softwood lumber issue. Instead of taking it to a softwood lumber panel under NAFTA or the World Trade Organization, again we have accepted caps on exports. In that case it is even worse because we have to administer this bureaucratic nightmare ourselves.

The lumber industry has been waiting six months to have a process put in place it can comply with. Now it has learned it is going to take at least another month before provincial quota allocations will be decided, never mind the whole problem that we are going to get into with allocating to the different companies once that happens.

I will say again that a persistent pattern has developed and that Canada has been afraid to take on the Americans under these dispute settlement processes that we have worked so hard to put in place.

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I would submit that we cannot allow ourselves to be pushed around. Furthermore, there is absolutely no need for it. Our trade agreements give the protection we require here. We have worked very hard to put these processes in place but when it is time to test them we always seem to be afraid and back away.

I also submit that it is very important for us to test these agreements when we feel we can win. How credible can Canada be in further reforms that we want to take place at the World Trade Organization and further dispute settlement mechanisms that we want to put in place when we have not even used the processes that we have negotiated in the last round?

I would like to talk a bit about the country that is being affected in addition to Canada over the Helms-Burton legislation. That little country of course is Cuba. We should take every opportunity to remind the Americans that their dispute is with Cuba and not with Canada. Although we share America's desire to see a more democratic, market driven country in Cuba, we think there are other means to achieve this. We know that the United States has used an isolationist policy and I do not believe that has worked. We have 40 years in which that has taken place and we still have a communist government in Cuba.

I believe that Canada shares some responsibility for the problems there too. We continue to trade and I think we should, but we have other tools that we can use.

We heard the Secretary of State for Latin America a little while ago speaking about the gains that have been made in terms of human rights and economic reforms and what Canada is doing to help. I think that is laudable that we have been helping out where we can, but we have not heard of too many gains that have taken place in trying to make that a more open, democratic country or any result in multi-party open elections, freedom of voting, freedom of expression. Those are all very restricted.

For 40 years we have had a policy of trading with Cuba and what is the result in terms of the other side of this, the engagement part? Very little, it seems, and I think we have to work a lot harder to accomplish an open, democratic country in Cuba. We have to work with the OAS to achieve this. We in the Reform Party believe that engaging Cuba is the right approach. We think there are other methods and I will outline those.

I think trade in this case is our carrot and we can use other methods such as the carrot and stick approach if we like, but we do have to trade with Cuba and use the opportunities to discuss the serious issues where we are not making gains.

We can make aid conditional upon improvements in certain areas like human rights and democratic reform. We can insist that Cuba get no special deals in terms of bilateral aid from Canada, no Canadian partnerships in CIDA for example that go bilaterally, which came to about \$500,000 in 1994-95, and that there be no

technical support from IDRC, the International Development Research Centre.

We have to see some movement, some improvement in those conditions in the United States before we should offer these kinds of technical supports. We should certainly not have any more dipping into the Canada fund to support activities in Cuba until we see some progress made in the areas I have just identified.

We should continue trading in the private sector but do what we can in terms of engagement to encourage change and restrict Canadian aid programs until some improvement is made.

In conclusion, Reform supports this bill but we do not think it goes nearly far enough. There needs to be a resolution at NAFTA, but it is a stop gap measure and to that extent I think it is probably necessary.

• (1605)

In addition, we must take a more hard nosed attitude when we deal with the United States in these types of disputes. Canada must clearly challenge the United States, which is way out of bounds on this issue. I believe the United States does not respect countries that cave in, and that seems to be our history in the last while. We should challenge the United States when we feel we are clearly in the right, and this is one of those times when we should challenge the United States.

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, I will be sharing my time with the Parliamentary Secretary to the Minister for International Co-operation.

It gives me great pleasure to support Bill C-54, an act to amend the Foreign Extraterritorial Measures Act at third reading. This bill is timely and greatly needed.

The Foreign Extraterritorial Measures Act, FEMA, was passed in February 1984 to block unreasonable laws or rulings of a foreign power from being applied in Canada. The time has come to bring it up to date to ensure that it remains a credible act. I am pleased that both opposition parties are supporting this legislation and will ensure its speedy passage.

Bill C-54 and the amendments put forward will better prepare Canada to block countries in applying unacceptable laws and rulings in Canada. In the case of the Helms-Burton act, the United States has overstepped legal boundaries and has violated the purposes and principles of the United Nations charter. Furthermore, the act infringes on the sovereignty of Canada and that of other friendly trading nations.

Our Canadian foreign policy and trade relationships are determined here in Canada and not in the United States. The United States has every right to determine its own trade policy with Cuba. It is unfair of the American government to impose its policies and laws on us.

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Overall, our relationship with the United States has been positive. As the Canadian chairman of the permanent joint board on defence, I know of the kinds of close working relationships our two countries have in defence matters and North American security. The United States has shown time and time again that it works well with its partners. Our trade relationship with our neighbour is a strong one.

However, we must assert ourselves in this instance. Helms-Burton creates a dangerous precedent for future trading relations. The Prime Minister of Canada is absolutely right when he says friends are friends and business is business. However, the Helms-Burton bill is no way of doing business or no way to treat your friends.

We live in a global economy where countries are interacting more now than ever. In the case of Canada and Cuba there has been an unbroken official relationship since 1945. Canada and Cuba have maintained good relations in many key areas including fisheries where Cuba has supported the Canadian view on the need for measures to end high seas overfishing of straddling and high migratory fish stocks.

Good relations have also been maintained in the areas of agriculture, natural resources development and tourism; over 120,000 Canadians visit Cuba each year. In my former role as parliamentary secretary I had the pleasure to open an additional honorary councillor office to serve Canadian tourists there. This was in addition to the services we provide through our embassy in Havana.

Last year Canada exported goods worth over \$274 million to Cuba comprising mainly of agri-foods and manufactured goods. In return, Canada imported close to \$321 million worth of products from Cuba, mostly sugar and nickel.

In October 1994, I had the privilege to visit Cuba in an official capacity to attend the Havana International Fair. I met with representatives of 24 different Canadian companies which were doing business with Cuba. These companies included Sherritt Incorporated of Fort Saskatchewan, Alberta; Romet Limited of Mississauga, Ontario; J.D. Irving of St. John, New Brunswick; Galax Incorporated of Montreal, Quebec; United Tire and Rubber Company Limited of Rexdale, Ontario.

I saw firsthand the many advantages that resulted from Canada's relationship with Cuba. I am also in full agreement with the Minister of Foreign Affairs when he said that Canada shares the U.S. objectives of improving human rights standards and moving to a more representative government in Cuba.

• (1610)

Canada and the United States have differed significantly in the approaches we have taken toward these very important goals.

Whereas the United States implements a policy of isolating Cuba, Canada encourages a policy of dialogue and engagement.

Canada has taken a number of measures to promote democratic reforms in Cuba which have created real results. Canada has been developing a technical assistance program to help modernize Cuban economic institutions. Through the partnership program the Canadian International Development Agency has provided funding to Canadian non-governmental organizations working with grass-roots partners in Cuba.

A policy of openness, dialogue and interaction is an effective way of assisting Cuba to become a pluralistic society. It is obvious that the Helms-Burton legislation does nothing to advance sound policy in the short and long term.

On a more positive note, in July of this year President Clinton suspended the right of U.S. companies to file law suits under the act for six months. While this is a positive move forward, it still leaves the threat of future law suits unresolved.

Unfortunately some Canadians have already been informed that they are no longer welcome on U.S. soil. It is completely incomprehensible to me that any person, individual or company, as well as the spouse and all dependants of such a person doing business in Cuba would be excluded from the great United States.

Canadian companies need tools to defend themselves, and Bill C-54 will strengthen FEMA by giving Canadians recourse to Canadian courts to recover any amounts awarded under foreign rulings, along with their court costs in Canada and the foreign country, a measure known as a clawback.

The attorney general will be able to block any attempt by a foreign claimant to enforce a judgment under any objectionable foreign law such as Helms-Burton.

Hopefully these changes to FEMA will deter U.S. firms from taking action against Canadians. Canadian companies sued in the United States will have the right to initiate counter-suits against interests of the U.S. firms here.

In conclusion, the object of Bill C-54 and the amendments is very clear. It is to enforce the sovereignty of Canada.

The Helms-Burton Act draws third countries into a bilateral political squabble between the United States and Cuba. That is not right and sets a dangerous precedent.

Strong opposition from the European Union and Latin American countries suggests that Canada has powerful and ready made allies.

The bill and the amendments reinforce the position that Canada has every right to pursue trade and other commercial links with Central American and Caribbean countries and to strengthen its own diplomatic, trade and development co-operation relations with Cuba.

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Again I thank the opposition parties and all members who saw the importance of this legislation for their co-operation in ensuring it receives speedy passage.

Mr. John Godfrey (Parliamentary Secretary to Minister for International Cooperation, Lib.): Mr. Speaker, I too rise in support of Bill C-54, an act to amend the Foreign Extraterritorial Measures Act. I do so by asking about the logic of the American bill which inspired this response, the Helms-Burton Act.

The logic is simply this. The principle underlying it, if it is fully implemented, is that a nation may and should provide means for its citizens who have had property in a foreign state confiscated to sue those who are presently enjoying the property for compensation, even those who are not nationals of the confiscating nation, and to sanction those people by denying them entry to the United States.

I have often asked myself what would happen if we applied this new standard of international morality to other revolutions, present and past. What would happen if we applied this new high standard of international morality to American history, to that great revolution which created the United States, the American Revolution of 1776? Would we not in fact have a complete parallel?

• (1615)

From 1776 to 1783 the property of well over 100,000 Americans who were in disagreement with a revolution, who upheld the principles of ordered government and who upheld the principles of private property, were deprived by revolutionary courts in the American states of their civil rights and of their property. Many of them, like the Cubans after 1959, fled from the United States to Canada, to Britain and to the West Indies, being like many of those Cubans who went to the United States after the Cuban revolution, without their property.

Unlike the current situation however, in 1783, at the conclusion of the war between Great Britain and what was to become the United States, there was a treaty of peace signed in Paris in September of that year. Article V of that peace treaty had the Americans agreeing to the restitution of all the estates, rights and properties which had been confiscated. Unlike the Cubans, the Americans promised to give back confiscated territory and property but they did not do so.

If we were to apply the logic of Helms-Burton to the American revolution, we would find that the Americans have completely neglected their own principles. What they did was they ignored the treaty. The Cubans never signed a treaty promising to do anything. The Americans actually signed a treaty. The issue simply was never resolved.

The Americans went their merry way without compensating those 100,000 people who fled: 40,000 to Canada, now three million of us who are their descendants with legal, rightful and unsatisfied claims for confiscated property; another 40,000 to the

United Kingdom; and 20,000 to the West Indies. Some of us are asking if what is good for the goose is good for the gander. Is it possible that we could apply the Helms-Burton principle to an earlier revolution, admittedly a little earlier than 1959? We are going back to 1776. What would happen?

In support of this bill, I would like to say that a couple of us are going to be bringing forward a private member's bill. It will be known in response to Helms-Burton as the Godfrey-Milliken bill, which will mimic in every detail the Helms-Burton bill. I have to declare here that as a loyalist descendant I have a lively interest in a certain property in Virginia. My colleague, the member for Kingston and the Islands, has quite a lot of territory coming to him in New York's Mohawk Valley.

The principle of our bill is going to be very simple: it is just and equitable that Canadians who are heirs to loyalists whose property was confiscated, stolen or destroyed by the American revolutionaries should be afforded the same assistance as is provided by the United States government to its citizens who have had property in Cuba confiscated by the revolutionary government there, in our bill we are going to apply exactly the same sanctions.

We are going to establish a list of claims, which I have already started to do so on my Internet site. If I may be allowed to advertise, www.johngodfrey.org is where those of loyalist descent can get in touch with us. We can register the claims and make sure that we hot link them to Senator Helms and Congressman Burton just so they can keep a running tally of how much their folly is costing them.

We will say that any person who has a reasonable claim to an interest in a confiscated property may bring an action in the Federal Court of Canada and that the court may determine whether the claim is valid. If it is valid, the court will order that the property be restored to the people who are descended from those loyalists and that compensation be paid either directly, or damages of three times the value. Sounds familiar. We may also bar from entry into Canada those persons who head up institutions which are trafficking in our property, whether that person is the head of an agency, a department of government or a municipality, a corporation, or is a shareholder or an individual, and indeed their spouse and dependants.

• (1620)

I admit there may be some practical difficulties with the application of the Godfrey-Milliken bill should it ever receive the approval of the House. One person who has been in touch with us informed us that 700 acres of downtown Washington belonged to her family. That would mean the chief executive officer presiding over a great deal of that real estate, the President of the United States, would be barred from entering Canada. Should he still be in place after November, his daughter and rather charming wife would be barred from entering Canada, just as the heads of Canadian

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companies are currently barred from entering the United States. I admit it is tough but fair.

In conclusion, the importance of supporting this bill is to realize it can be but the first step of an ever graduated series of responses to American provocation. We have powerful cannons—and I like to think of the powerful cannons of Fort York in Toronto—behind us to give a stronger riposte should they fail to heed our logic.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, it appears by the member's speech and his reference to early American history that he strongly supports property rights. If he were really serious about this, he would do something meaningful in that regard and would urge his government to support strengthening property rights in Canada, but that has not occurred. Federal-ly the legislation in that regard needs to be changed.

Why does his government not support the strengthening of property rights in Canada, rather than this approach which makes a mockery of the Canadian Parliament?

Mr. Godfrey: Mr. Speaker, of course it is a point of view as to whether this approach actually makes a mockery or draws attention to the illogicality of the act. I guess that is up for debate and discussion.

I would say this about property rights. As the member may have possibly heard over the past few question periods, the government believes in the rule of law. It is the rule of law and the rule of contracts which govern relations between people and relations concerning property.

This particular bit of law we are talking about today, Bill C-54, simply reaffirms a principle of international law. That is what has been violated. The notion that one country unilaterally can impose its standard on the rest of the world without consultation, without agreement, without consensus, is unacceptable to any sovereign country. It is particularly the case of this sovereign country.

Mr. George S. Baker (Gander—Grand Falls, Lib.): Mr. Speaker, I congratulate the parliamentary secretary, the member of Parliament for Don Valley West, and the former parliamentary secretary, the MP for Parkdale—High Park.

I suppose the Reform Party does not really understand exactly what the hon. member was talking about. I wanted to point out that the hon. member for Don Valley West was referring to the great business relationships that many Canadians have with Cuba.

I want to put on the record that when Canada was trying to manage its ocean resources through the United Nations, an organization called the Northwest Atlantic Fisheries Organization was

formed. It was Cuba that joined with Canada. Cuba joined and the United States refused.

• (1625)

Canada had a crisis in its fishery on the nose and tail of the Grand Banks, which we all know about. An organization was formed made up of Japan, Norway, Sweden, Denmark and the European Community, every nation, but the United States refused to participate.

Cuba joined when Canada wanted to meet its responsibilities for conservation and each one of these times business relationships were struck up. When Canada wanted the scientific information from the oceans, the United States of America refused. Cuba is the only country on this side of the Atlantic where we have observers aboard all of its vessels. Just imagine, in international waters. Cuba volunteered and said it would put up the money for that scientific evaluation. The list goes on.

With the United Nations today there is a requirement that Canada must form an organization of all of the nations which exploit the ocean resources off the east coast of Canada in order to manage the resource. There are meetings every year in Halifax, Nova Scotia. What happened? The United States refused to belong. Cuba said yes and sends its representatives.

That is what the hon. member is talking about. It is all of these relationships that have been built up between companies, businesses and the scientific community. All of a sudden in my riding Cubana lands at Gander airport. Everybody who has developed a relationship with Cuba—which the Reform Party does not understand anything about—is now under the gun under the Helms-Burton legislation. That is what the hon. member is talking about. Perhaps he could further refer to his opinions regarding this matter.

Mr. Godfrey: Mr. Speaker, the hon. member is not only praising me but he is also a mind reader. I had no idea I was saying so much. Sometimes the subconscious speaks more powerfully than one knows. It is nice to know that what one says has such resonance as to afford this kind of interpretation.

I would simply add this final thought. If we are to break the logjam with Cuba, and let us face it, it is not a regime that anyone here particularly approves of, but it is precisely the spirit of confrontation which is being perpetuated by the Helms-Burton bill which perpetuates the Cuban regime. It is a symbiotic relationship between the president of Cuba, Mr. Castro, and Senator Helms. They each need each other to perpetuate their own bogey people.

If we can intervene and bring Cuba back under the rule of law, as my colleague has pointed out has already occurred so effectively in the fisheries, then we will have done a great service for ourselves,

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for Cuba, for the western hemisphere and particularly for the United States.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a pleasure to speak on Bill C-54, an act to amend the Foreign Extraterritorial Measures Act.

It is wise to look at from where the Helms-Burton bill comes and why the bill actually came about in the United States. It is driven by the Cuban ex-patriot community there.

I do not think many people understand the power the Cuban ex-patriot community has in the United States. This is not a benign group. They are trying to forge and foist their ideas on American foreign policy and have successfully done so in the Helms-Burton bill. They seek redress of moneys and properties they feel were taken from them when they left Cuba. They will go to any lengths to do this. On speaking to congressmen and senators in the United States, they will go to the extent of threatening congressmen and senators to do this.

• (1630)

Their sphere of influence, not surprisingly, does not only exist within Florida and southeastern United States, but much to my surprise goes all the way up the east coast and toward California. Their power is extensive and they exert political and economic power on American foreign policy. The reason why the Helms-Burton bill was passed is because it is an election year. The congressmen and the senators who are running this year have had pressure put on them by the small but powerful group of ex-patriot Cubans.

It is no wonder, and much to the credit of Canada, that we have stood up to this heinous bill that says to other countries that your friends must be our friends, your foes must be our foes and our foreign policy must be your foreign policy and if you choose not to do that, our laws will become your laws.

It is much to the credit of Canada that we have stood steadfast against this gross and inexcusable action by a country that seeks to throw its weight around in the international sphere. Sometimes they do it in a beneficial way, but in this case they are doing it in the most deplorable way to a country that we have always thought to be their friend and ally.

It is not only affecting Canada. It affects all the countries in the world. That is why I applaud the minister for taking up the initiative through NAFTA. I hope he will take it up through the World Trade Organization. I know he has taken up with the European Union. I hope he takes it up also with the Organization of American States.

Collectively, these are initiatives that can send a very clear message to America that says: "You cannot engage in this kind of behaviour in the international sphere. While you are one of two superpowers in the world, you too have to abide by the laws that

govern the world, you too have to abide by the rules-based laws that we have in international trade and you are not big enough to be brought down by the countries in the world".

Collectively, these laws were set up for our collective benefit. For those out there who oppose free trade, this is a perfect example of how a country, one-tenth the size of America, can take a leadership role to make this large bear below us heel to the rules that govern all of us in international trade and international security.

I would also like to applaud Canada for the role it has taken in Cuba. We have ignored threats from the United States in the past and we have engaged with Cuba in co-operative bilateral trade.

This is very important. The Americans I think fail to see the importance of this. If they choose to ignore co-operative bilateral agreements, trade, initiative, social interactions and discourse with Cuba, then they seek to have another Haiti in our midst. We all know the penalty that we collectively pay for having the tragic situation, which is what we found in Haiti, in our midst. The western world, North America, the Caribbean and Central America do not need another Haiti.

Cuba is at a very sensitive time in its history. I am very pleased that Canada has taken it on itself to take a leadership role in building bridges of understanding and co-operative trade to benefit the people of Cuba.

The people of Cuba will not forget the effort that Canadians have made for their well-being. Anyone who has travelled to Cuba understands very clearly the terrible state of affairs that Cubans are in right now.

There is a great opportunity for the expertise that we have within Canada to provide for bilateral trade, bilateral aid and bilateral initiatives that will help the Cuban people stand on their own two feet and develop a solid economic base on which peace is predicated.

• (1635)

American foreign policy seeks to damage the Cuban economy and the Cuban people. A power vacuum will be left when Mr. Castro dies. What can happen under those circumstances, as we have seen in many other parts of the world, are tragic situations of conflict. This is another example of how Canada has taken the initiative in a very proactive way in trying to defuse a potential down the road situation where conflict can arise as we have seen in Haiti.

This shows a role that Canada can take in the international sphere in the future, an area in which there is a void. In the 21st century power is going to come from three sources. The first two are traditional, economic power and military power. The third is an area that no country in the world is looking at but one which I think that Canada and a handful of countries can capitalize on, the area of

being the organizer. Canada could be that middle power which organizes the multinational initiatives. Reorganization of multinational initiatives is going to be required to address the very important geopolitical security and environmental threats that face all of the nations of the world.

Not a lot of countries can do that, certainly not the United States of America. I do not believe it could be any country that is a member of the Security Council right now. I suggest to the minister that Canada ought to work with his counterpart the Minister for Foreign Affairs and the six to eight middle powers that have managed to retain a sense of neutrality, respect and skill in international diplomatic endeavours.

Let us not forget that as a nation we have repeatedly done this in a superb way throughout the world. In numerous conflicts, Canadians through the diplomatic corps, through diplomatic initiatives, through intelligent foreign policy, have managed to save millions of lives and billions of dollars of economic destitution that would have occurred had these conflict not been either prevented or ameliorated.

That is something of which Canadians from coast to coast ought to be proud. It is not only the diplomatic corps, but it is also our military in the peacekeeping forces that have put their lives on the line for the sake of peace and prosperity for the international community.

This is a role that Canada can take. It can take a leadership role with other countries to exert pressure on the other powerful nations, such as the Security Council members, to truly prevent conflict rather than the current foreign policy that exists in the world which deals with managing conflict.

I may digress for a moment on this important area. Historically we call conflict management conflict prevention. That is a big failing because the precursors to conflict are there years before a real conflict takes place. If those precursors had been identified and addressed, many of the tragedies of the late 20th century could have been avoided.

The most prominent of these is the former Yugoslavia. Perhaps Burundi and Rwanda could not have been prevented but certainly the tragedies that we saw there could have been ameliorated if initiatives had been put forward earlier. It includes identifying the precursors that are taking place and ameliorating them.

Canada has taken a role in that but our foreign policy is still focused on conflict management. Hence, the rapid reaction force, hence peacekeeping. Once we have to employ rapid reaction forces or peacekeeping it is too late. The seeds of ethnic discontent have already been planted for this and future conflicts and it is too late.

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It is very sad because most of the time in these tragedies it is not the soldiers that are killed. Ninety per cent of the casualties occurring in conflicts in the 20th century are civilians. They did not ask for it, they do not want it. All they want to do is live in peace. Often because of the megalomaniac desires of a small cadre of individuals who choose to exert power, not for the benefit of peace but for the benefit of a small group of people who have absolutely no qualms whatsoever about killing their own civilians, many thousands if not millions of people will suffer.

• (1640)

That is where Canada can play a role. We should not be sending our peacekeepers hither and thither. Certainly the collective community can take forceful initiatives to prevent conflict from taking place.

Canada could take measures through the international financial institutions. Non-military, economic levers could be applied to individuals who choose to abrogate their responsibilities to a nation and to a people and who engage in behaviour which flies in the face of international security.

Collectively we have sat on our hands and done nothing about it. That has cost the lives of our peacekeepers. Money has been spent by our defence department. Billions of dollars of reconstruction funds have been spent in our aid budgets. This money need not have been spent.

One could argue that we should get involved early on the basis of humanitarian grounds. However, there is also a very pragmatic reason for getting involved early and that is cold, hard economics.

Canadians want to know why we are getting involved in conflicts on the other side of the world. There are economic reasons. As well, many people who live in areas of conflict migrate to our shores. It is not that these true refugees are not welcome in Canada, but the fact remains that they would rather live in their own country in peace and security.

I encourage our ministers to work together with ministers from other middle powers, such as New Zealand, Australia, Denmark, Norway and Sweden. The foreign ministers of these nations should get together to develop co-operative initiatives to deal with conflict prevention, rather than conflict management.

Furthermore, I would strongly suggest to the minister that initiatives be taken through international financial institutions, such as the World Bank and the International Monetary Fund, as well as the United Nations.

I have no delusions that these are very great tasks. I have no delusions that we will accomplish all we set out to do. However, we must try. The geopolitical threats and the environmental threats of the future cannot be confronted by one nation alone. They must be confronted by all nations of the world. Those are the cold, hard

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facts. One nation cannot deal with these problems. There must be a collective effort in addressing them.

We must look at this not only on the basis of humanitarian grounds, but also on the very pragmatic basis of economics, on the basis of saving our aid and on the basis of saving our military personnel. By doing this we will achieve savings in those areas.

I strongly support the bill. It shows excellent initiative on the part of Canada. I hope it will be one of many initiatives which Canada will take in a leadership role in the international community. Interestingly enough, the outcome of the bill could be that Canada will have a much stronger reputation in the international community. That would increase our moral suasive power and our diplomatic powers. Again, that need not cost money. Perhaps we can use our diplomatic corps, very keen, intelligent and eloquent individuals with an enormous amount of experience. We might be able to use them more effectively in the initiatives I mentioned before.

• (1645)

I know members from the Reform Party and I am sure the Bloc Québécois would be very happy to work with the government in trying to engage in initiatives that will benefit our collective society.

[*Translation*]

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, I would like to thank the hon. member for Esquimalt—Juan de Fuca for the very interesting speech he made, which had both an historical and an international aspect to it.

I was a bit amazed to hear him applaud the statements made by the Minister of International Trade and say that Canada is big, beautiful, strong, nice, fast, etc. He must have used a dictionary of synonyms to come up with all these nice qualities for the Minister of International Trade and the government. By the way, the minister is indeed very nice, but the comments made by the Reform member do need to be toned down a bit.

If the American bill was so disgusting and so totally unacceptable to Canada, as the hon. member put it, can he tell us why the Canadian government waited seven months before introducing Bill C-54? That is how long it took.

So, my first question concerns the delay. Is the hon. member pleased with the “speedy” intervention of the government, with this seven months delay, since the U.S. government introduced the Helms-Burton law back in March?

I also have a second question for my Reform colleague. He also praised the government for following in the wake of the European

Union, instead of using the power it was granted on July 29, as I said earlier, and showing some leadership by appealing to a panel under NAFTA. Why is my Reform colleague so glad to see the Canadian government following in the wake of the European Union now, in October, when the government could have challenged the U.S. bill back in July through a NAFTA panel?

So, the two questions I have are very simple. First, why is the hon. member so glad that it took seven months? Second, why is he so glad that we are following in the tracks of the European Union?

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, I thank the Bloc Québécois member for his question.

[*English*]

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, to answer the hon. member’s question, I would clearly agree with the hon. member that it took far too long for this to come to the House. I would also agree with him and my colleague, the Reform critic for international trade, that this issue should have gone to a NAFTA panel immediately. It is unfortunate that the government chose not to do that.

I hope that in the future the minister will know that he can receive co-operation from this side of the House in bringing these initiatives much more quickly through a NAFTA panel or the WTO. If this does come up in the future, I hope he will take this initiative.

Very soon after these initiatives take place, I am sure our Reform critic for international trade will be very happy to give his expert opinion on constructive ways we can resolve these very complicated issues in international trade.

As an aside, I hope that in dealing with the Canada-Israeli free trade agreement the minister is also going to take note of the impact on the Palestinian people. If he chooses to ignore this he is going to do damage to a key linchpin on helping to resolve some of the major issues in the current Middle East crisis.

Therefore I would strongly advise him to take heed and pay attention to acting co-operatively with the Palestinian people to ensure that the Canada-Israeli free trade agreement is going to deal with co-operative initiatives to improve the tragic and terrible economic situation that we see on the West Bank and Gaza strip.

• (1650)

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

Some hon. members: Question.

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

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Some hon. members: Agreed.

An hon. member: On division.

(Motion agreed to, bill read the third time and passed.)

The Deputy Speaker: It is my duty to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Regina—Lumsden, Hollinger Incorporated; the hon. member for South Shore, fisheries; the hon. member for London—Middlesex, fuel imports.

* * *

AN ACT TO IMPLEMENT THE CANADA-ISRAEL FREE TRADE AGREEMENT

Hon. Arthur C. Eggleton (Minister for International Trade, Lib.) moved that Bill C-61, an act to implement the Canada-Israel free trade agreement, be read the second time and referred to a committee.

He said: Mr. Speaker, I am pleased to commence the debate on second reading for the bill with respect to Canada-Israel free trade.

[*Translation*]

This historical agreement is both significant and symbolic. Significant because it marks the first free trade agreement Canada has signed with a partner outside this hemisphere and symbolic because it stands as further evidence of Canada's commitment to freer trade around the globe.

[*English*]

It sends a very clear message. Canada is ready, willing and able to trade with the world. With this agreement we will stand on the same footing as the European Union and the United States, both of which have already signed free trade agreements with Israel.

For the first time we will have direct access to the Israeli market without having to funnel our trade through the United States or any other country.

The globalization of markets is one of the great waves of history and it is one Canada cannot afford to and does not intend to watch from the shores.

In today's ever changing world no nation, however rich or powerful, can long remain isolated from the great economic currents of this day. Markets are opening up, barriers are falling down and free movement of goods, services and ideas is becoming simply unstoppable.

Today Canadian companies quite rightly see the world as their marketplace, and the opportunities are boundless. We are vigorously and we are successfully winning new markets and opening new doors.

As a result, our balance of trade with the nations of the world has tipped dramatically in Canada's favour to a record merchandise record surplus in 1995 of over \$28 billion.

Part of the success we have realized to date has been the co-operative approach taken by this government since coming to office. New partnerships have been created in every province to provide better export services to Canadian businesses with particular emphasis on dynamic small and medium size enterprises.

We have also benefited from the Team Canada trade missions abroad which joined federal and provincial governments with the private sector to present a united and common front in searching out new opportunities for Canadian companies.

To date the Team Canada trade missions have produced some \$20 billion in contracts for Canadian companies signed at the time of the trade missions and signed by companies which will be hiring more people here in Canada to fill those contracts as well as to develop new ones. It is estimated that for every billion dollars in new trade 11,000 jobs are either maintained or created as a result.

• (1655)

All of these activities I believe reflect the fundamental change on how Canadians view freer trade. We have come to realize that there is far more to be gained from globalization than to fear from it. We have come to realize that freer trade is the key to expanding Canada's and the world's economy. More to the point, it creates, it sustains jobs, lots of jobs.

Looking at exports alone, one in three jobs in this country depends on export trade. Trade accounts for some 37 per cent of our gross domestic product, more than one-third of our economy. Quite simply, trade with the world has become the economic engine of this country.

The choice before us is clear. We can expand and diversify our trade or we can stagnate and condemn ourselves and our children to leading lesser lives in a lesser land.

This government is not prepared to let that happen. We are not prepared to sit back and watch the jobs, the growth and the opportunities pass to other nations. We are determined to put Canada in a position where it can realize its potential and not only sustain but enhance our standard of living.

To do that we must constantly seek out new partners and new markets. With a relatively small domestic market we must look beyond our borders if we are going to maintain that standard of living. We must give our businesses the access they need to the most dynamic and robust economies in the world.

That is why we signed the North American Free Trade Agreement, NAFTA, and why we are working to have Chile join that pact. That is why we are working diligently to help create a free trade area of the Americas. That is why we are such strong supporters of the World Trade Organization in its efforts to

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liberalize trade throughout the world. That is why we are involved in the Asia-Pacific economic co-operation forum, known as APEC. That is why we have signed a free trade agreement with Israel.

This agreement is a perfect complement to our efforts at trade expansion. Since November 1993 Canadians have created, as my colleague the Minister of Finance has said on many occasions, over 600,000 new jobs. Canada is projected to have the highest employment growth of all the G-7 nations in 1996 and again in 1997. The lesson is clear. Given the access to world markets Canadians will create jobs and they will produce prosperity.

International trade is a subject involving large numbers, billions of dollars in trade and millions of jobs created. Sometimes amid all of those strings of zeros we lose sight of the fact that behind the big numbers are people, individual Canadians, men and women granted the dignity of holding a job; men and women beginning to plan for the future and building a better life for themselves and for their children; men and women who pay taxes and contribute to the economic health of their communities and to our country.

Recognizing this, our government has set the goal of doubling the number of Canadian companies actively exporting by the year 2000. We believe that this is the best way to encourage economic growth and create jobs.

The free trade agreement with Israel represents another step toward our goal of freer trade worldwide. It is clear proof that Canada is prepared to match our rhetoric on free trade with concrete actions.

• (1700)

Why Israel? Israel and Canada have long enjoyed close relations. Our relationship is rooted in common values and shared democratic beliefs: the belief in freedom and the dignity of the individual. Our relationship has been grounded in common hopes, hopes for peace and prosperity. With this free trade agreement we move toward cementing those ties and realizing the economic potential of our relationship.

It was in November 1994 that the late Prime Minister of Israel, Yitzhak Rabin, and our Prime Minister began the process that has led to this historic agreement. It was in Toronto just a few months ago that I had the privilege of signing a final agreement with Natan Sharansky, the Israeli minister for industry and trade.

If I might be permitted a personal word, it was a great honour to meet Mr. Sharansky whom I had read a great deal about. I followed his courageous crusade for human rights in the former Soviet Union back in the seventies and early eighties. It was wonderful to meet him personally and to discuss a wide range of issues.

One of his most remarkable qualities is the ability to persevere and to transcend. For many years he was deprived of his liberty, but he never abandoned his principles. Throughout the darkest days of Soviet oppression he remained one of freedom's torchbearers.

With the signing of the agreement in July, both countries undertook to introduce enabling legislation into their respective parliaments. That is why we have introduced this bill. If the implementation process is completed on both sides by the end of this year, the agreement will come into effect on January 1, 1997.

Before turning to some of the main features of the agreement, let me state clearly something important. While the agreement is between Canada and the Government of Israel, we intend to extend the same benefits to the Palestinians. We will be meeting with Palestinian officials to examine the best ways to go about this.

Canada has always been firmly committed to the Middle East peace process. The relationship between peace and freer trade is clear. At its best free trade acts as a system of rules for peaceful economic relations. It will help to bring additional economic development which will help to bring stability to the region for the people of Israel and for the people under the jurisdiction of the Palestinian authority in Gaza and the West Bank.

The late former Prime Minister Yitzhak Rabin once said that peace requires a world of new concepts. One of the most important new concepts shaping our world today is freer trade between nations.

While recent developments in the Middle East have been a source of concern to all of us, they should not blind us to the progress to date, nor discourage us from the long term goals. We should be encouraged by the pledges recently made by both Chairman Arafat and Prime Minister Netanyahu to renounce violence and continue negotiations toward peace. Those commitments are a clear indication that both sides have an appreciation for the stakes involved as well as an understanding of the simple truth that far more can be achieved by dialogue than by violence.

We must recognize that the peace process has already brought concrete benefits to Israel. A large number of capital projects in the areas of transportation, energy and communications are being considered by Israel and her neighbours, a development which would have been unthinkable just a few years ago. Canada supports these constructive alliances and wants to be a full and active player in the future economic development of this region.

This agreement is also important to Canada because of the nature of the Israeli economy. With a thriving private sector, an educated workforce, modern banking systems, an important stock exchange and an excellent communications system, Israel is one of the fastest growing economies in that region.

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• (1705)

The new Israeli government's far reaching economic program is aimed at lowering taxes, reducing government spending, cutting red tape and reforming restrictive labour practices. As a result, residential construction is booming and foreign investment is growing. In fact, Israel has become something of a magnet for foreign investment which is supplying the capital Israel needs to grow and prosper.

Israel has also been busy expanding its trade ties. It has signed free trade agreements with Turkey, the Czech Republic, Slovakia, as well with as I mentioned before, the European Union and the United States.

Complementing Israel's economic reforms are its growing political relations. At the end of 1995 Israel had re-established relations with more than 40 countries that had broken ties in the 1960s and 1970s.

All of this is a welcome development and stands as further evidence of a new Middle East, a Middle East which is dynamic and outward looking, embracing change and expanding opportunities. It is a Middle East which will not allow its past to limit its future. It is in this Middle East that Israel is poised to become an economic power. It is therefore an opportune time for Canada to strengthen its presence in the growing market through the Canada-Israel free trade agreement.

Trade between our two countries is modest, but it is growing. Two-way trade last year is up 37 per cent, to stand at \$450 million. Our exports stood at \$216 million in 1995, up 49 per cent from the previous year. I am confident that with the implementation of this agreement those figures will grow dramatically.

In fact, even before this agreement was signed, companies in both countries began to retool and adjust their business plans. Air Canada's service to Israel is helping to speed the passage of business, goods and people between our nations.

When we talk about visits, in 1995 more than 68,000 Israelis came to Canada as tourists. If this trend continues, as I understand it is, we will probably welcome more than 100,000 Israeli tourists this year.

With the signing of this agreement, the pent-up demand, the close ties and the vast potential can all begin to be realized. Canadian and Israeli companies will have duty free access to each other's markets for industrial goods. They will benefit from the reduction or elimination of tariffs on agricultural products.

Many Canadian companies, some well known such as Bombardier and Newbridge, and some not so well known such as Claridge Israel, Global Upholstery, Reikh International, Signatel and Tele-space, are on the ground already exploring new partnerships and bidding on new infrastructure projects. These firms are spearhead-

ing an increase in exports and imports between our countries. They are boosting investment and encouraging innovation through research and development and joint ventures. All of their efforts and those of others will be made much easier by the agreement we are considering here today.

While Israel as a whole represents a healthy and expanding market for Canadian goods and services, there are some sectors that offer particularly strong potential for Canadian companies. These include advanced electronics and communications systems, power and energy projects, oil and gas exploration, as well as agri-food products and environmental technology. All of these are areas where Canada enjoys world class expertise, and all of these are areas of opportunity in Israel.

This agreement provides access to the Israeli market. We realize that access is only half the battle. Companies must be made aware of the opportunities that await them. Canadian companies in the private sector wanting to expand into Israel will have a great deal of support. The Canadian embassy in Israel is working hard at this moment to line up potential partners and to match up Canadian goods and services with Israeli buyers.

• (1710)

Another important vehicle which our companies can use is the Canada-Israel Industrial Research and Development Foundation. Established in 1993 to promote industrial co-operation, it has played a key role in matching Canadian firms with ones in Israel. To date the foundation has approved some 11 co-operative projects worth over \$9 million in collaborative research and development efforts. The foundation also provides repayable grants for promising joint ventures.

I am pleased to note this has been so successful that the Government of Alberta and the Atlantic Canada Opportunities Agency, ACOA, have signed agreements to co-operate and work with the foundation. A similar agreement is in the works for the Federal Office of Regional Development in Quebec, FORD-Q. The involvement of these governments and agencies is very encouraging because it means a much broader market will be able to tap into the benefits of the foundation. This in turn will lead to more partnerships and more opportunities.

In addition, another agency of the government, the Export Development Corporation, EDC, offers four lines of credit for buyer credit financing in Israel. Canadian companies looking for financial or risk management services will find a ready source in the EDC.

So the support is there. Now that governments have played their parts in establishing the infrastructure for free trade, it is up to the private sector in both countries to step forward and realize the potential of this new relationship.

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Let me turn briefly to the substance of the agreement. I will not go into a great deal of detail but I will outline the main elements.

First, under this agreement all tariffs will be removed from industrial products beginning on January 1, 1997, all industrial product tariffs. At Canada's request, the only exception is that women's swimwear, and at Israel's request, certain cotton fabric will continue to be subject to tariffs. Even here however the tariffs are scheduled to be phased out over two and one-half years.

Second, duty free access or low duties will be applied to a variety of agricultural and fisheries products exported by either country. For Canada such exports include grains, grain products, beef, salmon, maple syrup, alcoholic beverages and various processed foods.

Third, the agreement also provides a clear and straightforward rules of origin, a key component of any successful trading relationship. I would point out that these rules of origin are generally less restrictive than those under the NAFTA, reflecting the structure and openness of our respective economies.

Fourth, to resolve any disputes that might arise under the agreement, both sides have agreed to be governed by a binding dispute settlement mechanism.

It is worth emphasizing the areas that are not covered by the agreement. As we would expect, supply managed dairy, poultry and egg producers are excluded. Cultural industries are also exempt. So too is the auto pact. Other areas of trade such as trade in services and government procurement continue to be governed by the multilateral rules being established through the World Trade Organization.

These then are some of the benefits which this agreement brings to Canadians. I am proud of the work our negotiators have done. I congratulate them. I am excited by the prospects that this agreement creates.

As trade barriers collapse around the world, and indeed they are, the possibilities for Canada are virtually limitless.

[*Translation*]

A world of opportunities is opening up before us and we are determined to place Canadians in a position to benefit from them. This agreement is an important step toward that goal.

[*English*]

It gives us access to a dynamic and important market. Strong bonds of friendship will now be complemented by stronger economic ties. We will be partners not only for peace but for progress, not only for security but for prosperity, and not only for survival but for enrichment.

• (1715)

This agreement is not a leap of faith so much as it is a declaration of confidence, confidence in the ability of Canadians to compete successfully anywhere in the world. To those who say the old trade barriers are simply being replaced by new trading blocks, this agreement offers eloquent proof to the contrary.

To those who say we must diversify our trade around the world, this agreement offers reason for optimism. With freer trade as our guide and our goal, let us continue to open up a world of opportunities to Canadians, confident that we can compete in the world and win.

Let me in closing answer a couple of questions that I have heard with respect to this agreement. One has to do with the process that has been followed. The process that has been followed has been the normal negotiating process that is conducted in such matters. We have negotiated government to government and we have done so in a way to consult with the industries affected.

I indicated that in a couple of cases we are phasing out the tariffs over a longer period of time because of the requests of those specific industries. That is the kind of process we use, whether it is directly with the industries affected or through the sectoral advisory committees on international trade that advise me on these matters. We do so in a consultation process to come up with an agreement which is beneficial and supported by the private sector because that is what is key to making this a success.

We have followed that usual negotiating process. We have done the consultation and now the details of this plan are here before us today.

The other question has been why now. The why now is sometimes talked about in terms of the present conflict that is going on in Israel, in the Middle East. Unfortunately there has been conflict on many occasions. Canada is committed to helping resolve the conflict and to help bring peace, stability and prosperity to the Middle East.

Let us bear in mind that one of the prime purposes of proceeding at this point is that Canada business is disadvantaged in its dealings with Israel. Our competitors in the European Union, the United States and a few other countries have that free trade access and Canadian companies do not have it at the moment. I know of businesses in this country that partially produce a product and send it to the United States for completion so that they can take advantage of the United States agreement on free trade. That costs jobs here in Canada.

We want to end this disadvantage for Canadian companies soon. We have set the date of January 1, 1997 to put this agreement into effect so that we can end that disadvantage and create a level playing field for Canadian business. It is an ambitious schedule, one that requires co-operation, which I hope members of the House will give so that we can pass this in time to put it into effect at the first of the year.

There is another reason why we should do this in terms of the present situation in the Middle East. It is a situation that I talked about a few moments ago. If we are going to have peace and stability we also need economic development. We need opportunities both for the Israelis and for those who live under the jurisdiction of the Palestinian authority.

This agreement, as I have pointed out, is being offered to the Palestinian authority to cover the people in the Gaza and West Bank. The sooner we put that into effect for them, the sooner job opportunities will help flow through and improve their economy. That kind of economic development is needed to help bring about stability in the area.

• (1720)

I hope we will have full debate on the matter. I hope at the end of the day that all members of the House will join with us in supporting this piece of legislation to help Canadian businesses in their relationship with Israel and help Canadians to go out into the world and compete and win, creating jobs and economic growth here in Canada.

[*Translation*]

Mr. Benoît Sauvageau (Terrebonne, BQ): Madam Speaker, first, I know that there is no question or comment period but, since I listened so very carefully, almost religiously, to the speech by the Minister of International Trade, you will still allow me to make some comments on his speech. Maybe he will respond to my comments in a future meeting with yet other comments or answers.

What surprised me the most was that he could not praise enough free trade with the United States, with Asia, and with the whole world as he even went as far as to say. This runs somewhat contrary to Liberal speeches of a few years past, when the Free Trade Agreement was being negotiated with the United States. We are very happy with this about-turn by the Liberal members, who are now all for the superb idea of free trade put forward by what is probably a majority of people from Quebec. We are very happy to see these conversions on the part of our colleagues.

As for job creation, I know that many questions are asked and that a lot of figures are given, but I have a very simple question that Canadians and Quebecers probably also ask themselves. According to the minister, for every million in revenue, thousands of jobs are created each time a free trade agreement is signed or Team Canada goes on a mission. If all these jobs have been created, how come the unemployment rate, which was approximately 10.5 or 11 per cent when they took office, is still 10.5 or 11 per cent today?

Whatever the number of questions of Statistics Canada, the finance minister, the Minister of Human Resources Development

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or anyone else, if they are that good, how is it that the unemployment rate remains the same? That is another question I ask myself.

But there is another part of his speech that I found. And here I would look in the dictionary for synonyms for the qualities mentioned earlier by my colleague and I would apply them to that part of his speech.

When he said that free trade with Israel would solve practically every problem, would create lots of jobs, and so on, he forgot to mention three relatively important aspects. First of all, political or economic stability did not seem to be a prerequisite for Canada to sign a free trade agreement with Israel. So it is possible to trade and to talk about job creation with a country that does not enjoy complete political and economic stability.

We just have to watch television or read the international section in the newspapers to see that, if it is so good for Canada to sign a free trade deal with Israel in terms of job creation, it does not necessarily mean that political instability makes Quebec's economy unhealthy. If we apply what the minister said to the situation in Quebec, that statement is true.

If the Canadian government is so happy to sign a free trade deal with Israel, a country that does \$450 million a year in trade with Canada—and that is the minister's own figure—I think we can assume that it would be all the more happy to sign such a deal with a country that does \$250 billion in trade with Canada. So, the Canadian government and the minister, who will hopefully still be there when the time comes, will promote job creation and free trade without saying a word about political or economic stability.

We will certainly keep this part of the minister's speech in mind and maybe one day, during an election or a referendum campaign, we will be able to use it and say: "If it was so good at \$450 million, it certainly will not be worse at \$200 billion".

Those were the few comments I wanted to make following the speech by the Minister of International Trade.

• (1725)

Now, I can say that we are at last very happy to be able to debate this bill, Bill C-61 on the free trade agreement with Israel. The day has finally come when we have an opportunity to speak to the free trade agreement between our country and Israel. I admit that it gives me great pleasure.

I must, however, point out that the Bloc Québécois deplores the fact that everything surrounding this agreement has been kept so secret until now. Later on in my speech I will substantiate this.

The Bloc Québécois will vote in favour of Bill C-61, and enthusiastically welcomes the signing of a Canada-Israel free trade agreement. We hope that this agreement will increase trade with

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Israel, and subsequently with all the other countries in the world, as the minister said.

We have always been in favour of the globalization of markets and free trade agreements. This agreement will benefit companies both in Quebec and in Canada, as well as in Israel. Our businesses in Quebec and in Canada need access to foreign markets in order to develop. The signing of a free trade agreement is therefore welcome in the present economic situation. Furthermore, the Export Development Corporation, the EDC, has funds available for Quebec and Canadian companies wishing to do business with the State of Israel.

Although the Bloc Québécois encourages increased trade between Canada and the State of Israel, because we believe that it can contribute to the peace process and to stability in the region, we call on the Canadian government to ensure that the State of Israel respects fundamental Canadian democratic values and human rights.

In addition, we call on the Liberal government to urge the Israeli Prime Minister, Benjamin Netanyahu, to re-establish and maintain peace with the Palestinian people, so as to stabilize the situation in the Middle East.

We suggest to the Canadian government that it not exclude the Palestinians from trade resulting from this agreement. Discussions with Palestinian representatives are therefore necessary in order to look at the possibility of extending the agreement to this territory.

With a population of some six million, the State of Israel, like Quebec, has a democratic system of government, a flourishing private sector and modern financial markets. It has a well developed economy based on high technology. Its main industries are financial services, consumer products, tourism and construction. Its average annual growth rate is 5 per cent, and this, since 1985. Its record year is 1993, when the rate reached 10 per cent; a year later, the rate fell back to 6.8 per cent.

Israel is a door open on the Middle East for Canada, as the minister pointed out sooner. Canada has been among Israel's partners since the country's inception in 1948. In fact, Canada recognized Israel in December 1948. We have been trading with Israel for many years. We began trading with this country as soon as it was created.

Various bilateral committees have been struck these last few years by Canada and Israel. We have, for example, the Canada-Israel Committee, which was formed in 1970 to discuss subjects such as human rights, the money issue; the Canada-Israel Chamber of Commerce; the Canada-Israel Foundation for Industrial Research and Development, which has been in existence since 1994; and, finally, the Canada-Israel Joint Committee, which was established a few years ago to discuss commercial issues of common interest to both countries.

At the present time, our trade with Israel represents between \$450 to \$500 million a year. Of course, these figures do not compare with those for trade between the United States and Israel, which amounts to \$1 billion a day. But with the free trade accord that we are about to approve, we can hope for a significant increase of our trade with Israel.

There is a trade potential to be explored in Israel by businesses in Quebec and Canada. Israel's external trade accounts for 25 per cent of its GDP. Its imports amounted to \$24.9 billion in 1994, and its exports totalled 6.4 billion in the same year.

• (1730)

In 1995, Canadian exports to Israel reached a total of \$216 million Canadian, distributed mainly among the following products: aluminum, machinery, drugs, wood, pulp and paper. In the same year, Canadian imports from Israel amounted to \$240 million, mainly in diamonds, which is practical, clothing, machinery and electrical equipment.

The main trading partners of Israel are the United States and the European Union. Israel signed free-trade agreements with both several years ago.

The agreement establishing a free-trade area between the United States and Israel was signed on April 22, 1985 and came into effect on September 1 the same year. A declaration on trade in services was also signed at the same time. A joint committee was established to supervise the implementation of the agreement and hold consultations on issues regarding the functioning and interpretation of the agreement.

This committee studies ways to improve bilateral trade. The main purpose of this agreement was to abolish import duties on all products, beginning January 1, 1995. Duties on some imports considered sensitive are being phased out on several years in order to allow production branches of both countries do adapt to increasing competition.

With respect to agriculture, the agreement, while recognizing that it would be desirable to open up markets by eliminating customs duties, allows both countries to apply other restrictions in order to maintain their respective price support systems.

The free trade agreement between Israel and the European Community was signed in May 1975. The agreement covers all industrial products, some agricultural products and some processed agricultural products. In 1976, an additional industrial, technical and financial protocol was included in this agreement. The implementation of the agreement ended in 1989. Since then, another agreement was signed, this time with the European Union, which has been in effect since January 1, 1996.

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In September 1992, Israel signed a free trade agreement with the European Free Trade Association, also known as EFTA. The objectives of this agreement are to promote the harmonious development of economic relations between the EFTA countries and Israel, to ensure fair competition in trading between the signatories, to eliminate obstacles to trade and thus contribute to the harmonious development and expansion of world trade and, finally, to improve co-operation between EFTA member countries and Israel. EFTA members are responsible for about 11 per cent of goods imported by Israel and receive 4 per cent of its exports. Under the agreement, which came into effect on January 1, 1993, customs duties were eliminated in the case of bilateral trade in industrial products, fish products and other seafood, as well as for processed agricultural products.

The signing of the Canada-Israel Free Trade Agreement will put Canadian businesses that trade with Israel on the same footing as American and European businesses that trade with this country.

On April 29, 1994, the government of the State of Israel and the Palestine Liberation Organization, the PLO, signed an economic agreement, which gives the Palestinian authority extensive powers over taxation and the regulation of trade and banking, as part of the autonomy of the Gaza Strip and the region of Jericho. The agreement is to be extended to the West Bank. It is more or less the equivalent of a customs union, with two exceptions. One concerns the importation of agricultural products and labour in Israel, while the other concerns a difference in customs tariffs when trading with other countries, tariffs the Palestinians may apply to an agreed list of imports to be used within the territories.

The agreement allows the Palestinian authority to collect taxes and import duties lower than those in effect in Israel, on a wide range of products, but only to meet the needs of Gaza and Jericho. All trading in goods between Israel and the Gaza Strip and the Jericho region will be free, with the exception of agricultural products, for a period of five years.

The State of Israel has been a contracting party to the general agreement on tariffs and trade, also known as GATT, since 1962, and is a signatory to the WTO agreement.

• (1735)

Bill C-61 before the House today will implement the Canada-Israel Free Trade Agreement signed last July by the Canadian government and the State of Israel. Clause 8 of the bill states that the House has approved CIFTA.

Part II of the bill deals with the amendments necessary to bring Canadian laws into conformity with the agreement. The following acts will be amended: the Canadian International Trade Tribunal

Act, the Export and Import Permits Act, the Customs Act and the Customs Tariff Act.

If everything goes as planned, the agreement should come into force on January 1st, 1997. However, we suggest postponing the coming into force to a later date if the government is not satisfied that the State of Israel is really ready to implement this agreement, as provided under clause 62 of Bill C-61.

This clause states that the Governor in Council may not issue an order bringing the agreement into force unless satisfied the government of Israel has taken satisfactory steps to implement it.

The purpose of the free trade agreement, which was signed on July 31 in Toronto by the Canadian Minister of International Trade and Israel's Minister of Foreign Affairs, is to eliminate trade barriers and facilitate the movement of goods between Canada and Israel.

Article 2.1 of the agreement provides for the elimination of customs duties on all manufactured goods, except in two cases, as of January 1st 1997, Special treatment is provided for farm products.

As requested by Israel, a special treatment applies to certain cottons, as is the case for women's bathing suits, as requested by the Bloc Quebecois. Customs duties on these items will be phased out over a period of two years and a half to be completely eliminated by July 1st, 1999.

This exception made in favour of women's bathing suits is the result of considerable pressure from Quebec companies, including Shan, in Laval, and the Bloc Quebecois. Indeed, the Bloc raised the issue in the House on several occasions, bringing to the government's attention the concerns of Quebec bathing suit and lingerie manufacturers with regard to a possible free trade agreement with Israel.

These companies were concerned because Israeli businesses benefit from the elimination of customs duty on European textiles, thanks to the free trade agreement with European countries, and so they have a definite advantage in the area of manufacturing costs for bathing suits and lingerie since they can save 25 to 35 per cent on the purchase of raw material. We must remember that Israel is Canada's main competitor in the area of bathing suits and lingerie.

In 1993, the bathing suit and lingerie industry represented 10 per cent of all the Canadian industry and the annual sales of that sector reached approximately \$450 millions. That equals the total trade between Canada and Israel.

We must also mention that following the Canada-U.S. Free Trade Agreement, the North American Free Trade Agreement and the Uruguay Round, businesses in the fabric and garment industry had to make very major adjustments. It was quite normal that any new free trade agreement would upset them.

Government Orders

In 1995, Canadian customs tariffs on bathing suits and lingerie were anywhere from 18 to 25 per cent. The progressive elimination of these tariffs over a period of two and a half years is a lesser evil for businesses manufacturing bathing suits. That two and a half year period will allow Canadian and Quebec businesses to prepare themselves and to adjust to the competition coming from Israel.

Furthermore, we hope that delay will give the Canadian government time to negotiate the elimination of customs tariffs on European textiles for our Canadian businesses, as the bathing suit and lingerie manufacturers have requested for several months and as Israeli businesses have obtained.

The Bloc Québécois regrets the fact that lingerie is not one of the exceptions mentioned in the agreement. Lingerie manufacturers, who very often are also bathing suit manufacturers, made representations to that end as well and their reasons for requesting an adjustment period in order to prepare for the opening of the Canadian market to their competitors are just as valid as those of the bathing suit manufacturers. But the lingerie manufacturers were the big losers in the negotiation process, as is all too often the case.

The free trade agreement between Canada and Israel refers to several provisions of the GATT and WTO agreements, for instance those regarding the trade dispute settlement process. Canadian and Israeli cultural industries are not subject to the agreement.

The negotiations with Israel concerning this free trade agreement started in November 1994. During the two years of negotiations, few people and few companies were consulted as regards the contents of the agreement. In fact, even the signing of the agreement was kept a secret. It seems to be the policy of this government to negotiate in secret and without consulting anyone free trade agreements having a direct effect on the Canadian public. The fact of the matter is that Canadians and Canadian companies have a right to know and should know ahead of time—not after all the decisions have been made, ahead of time—what trade agreements the Canadian government is negotiating and signing on their behalf.

Before the House adjourned for the summer in June, we made repeated inquiries of the office of the Minister of International Trade about the status of the free trade agreement negotiations with Israel. We were told that it was out of the question that any decision be made before the House reconvened in September. That is why we were very surprised to read in the July 31 or August 1 newspapers that everything had been signed. So we could fully co-operate and simply do our job, we asked to be kept informed on the status of negotiations between Canada and Israel.

International trade officials told us that things were at a standstill for the summer, that they would come back in September and inform us of any developments. This shows that, as I said earlier, the other side would rather negotiate behind closed doors.

Furthermore, these businesses must be kept informed. Quebec and Canadian businesses also have the right to express their opinions and to be duly consulted before the decisions affecting them are taken. History repeats itself with the free trade negotiations with Chile. Although we learned that the agreement should be signed when the President of Chile, Mr. Frei, comes to Canada in mid-November, we still do not know the content or even the main elements of the agreement.

Again, as in the case of the free trade agreement with the state of Israel, Quebec and Canadian businesses were not duly consulted before the agreement was finalized. Again, the Canadian people will find out the details just a few months before the provisions affecting trade and the future of our businesses come into effect.

The government must listen to what businesses, social, cultural and environmental groups, associations and anyone else have to say before signing similar trade agreements with other countries.

In conclusion, the Bloc Québécois will vote in favour of Bill C-61, but we want to issue a serious warning about the government's tendency to negotiate and sign free trade treaties on the sly.

* * *

THE OCEANS ACT

The House resumed from October 8, 1996 consideration of the motion that Bill C-26, an act respecting the oceans of Canada, be now read the third time and passed, and of the amendment.

The Acting Speaker (Mrs. Ringuette-Maltais): It being 5.44 p.m., the House will now proceed to the taking of the deferred division on Mr. Bernier's amendment at third reading of Bill C-26, an act respecting the oceans of Canada.

Call in the members.

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

(Division No. 135)

YEAS

Members

Abbott
Asselin
Bellehumeur
Bergeron
Breitkreuz (Yorkton—Melville)
Canuel
Chatters
Crête
Daviault
Debien
Dubé
Epp
Forseth
Gauthier
Grubel
Harper (Calgary West/Ouest)
Hill (Prince George—Peace River)

Ablonczy
Bachand
Benoit
Bernier (Gaspé)
Brien
Caron
Chrétien (Frontenac)
Dalphond-Guiral
de Savoye
Deshaies
Duceppe
Fillion
Frazer
Godin
Guimond
Hayes
Hoepfner

Private Members' Business

Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Lefebvre
Leroux (Shefford)
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud-Ouest)
Meredith
Nunez
Penson
Plamondon
Ringma
Sauvageau
Solberg
Stinson
Tremblay (Lac-Saint-Jean)
Tremblay (Rosemont)
Wayne—69

Landry
Laurin
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Mayfield
Ménard
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
Speaker
Strahl
Tremblay (Rimouski—Témiscouata)
Venne

Vanclief
Walker
Wells
Young

Volpe
Wappel
Whelan
Zed—126

PAIRED MEMBERS

Adams
Anderson
Bernier (Mégantic—Compton—Stanstead)
Cohen
Dumas
Jacob
Lebel
Pomerleau
St-Laurent

Alcock
Bélisle
Byrne
Dromisky
Guay
Keyes
Mercier
Regan
Thalheimer

[English]

The Speaker: I declare the amendment defeated.

It being 6.10 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

NAYS

Members

Allmand
Assadourian
Baker
Bélair
Bellemare
Bethel
Bodnar
Boudria
Brushett
Caccia
Catterall
Chan
Collins
Cowling
Culbert
DeVillers
Dingwall
Duhamel
Easter
Fewchuk
Fontana
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godfrey
Graham
Guarnieri
Hickey
Hubbard
Irwin
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
MacLellan (Cape/Cap-Breton—The Sydneys)
Marchi
McGuire
McLellan (Edmonton Northwest/Nord-Ouest)
McWhinney
Milliken
Murphy
O'Brien (Labrador)
O'Reilly
Paradis
Patry
Peric
Peterson
Phinney
Pillitteri
Reed
Robichaud
Robinson
Scott (Fredericton—York—Sunbury)
Sheridan
Solomon
Steckle
Stewart (Northumberland)
Taylor
Ur

Arseneault
Augustine
Bakopanos
Bélanger
Bertrand
Bevilacqua
Bonin
Brown (Oakville—Milton)
Bryden
Calder
Chamberlain
Collenette
Copp
Crawford
Cullen
Dhaliwal
Discepolo
Dupuy
English
Flis
Fry
Gagliano
Gerrard
Goodale
Grose
Harvard
Hopkins
Iftody
Jackson
Knutson
Lavigne (Verdun—Saint-Paul)
Lee
Loney
MacDonald
Malhi
McCormick
McKinnon
McTeague
Mifflin
Mitchell
Murray
O'Brien (London—Middlesex)
Pagtakhan
Parrish
Payne
Peters
Pettigrew
Pickard (Essex—Kent)
Proud
Rideout
Robillard
Rock
Shepherd
Simmons
St. Denis
Stewart (Brant)
Szabo
Telegdi
Valeri

PRIVATE MEMBERS' BUSINESS

[English]

PLEDGE OF ALLEGIANCE

Mr. Harold Culbert (Carleton—Charlotte, Lib.) moved:

That, in the opinion of this House, the Members of the House of Commons should recite the Pledge of Allegiance to the Canadian flag, in both official languages, each day at the opening of the House of Commons, following the opening prayer.

He said: Madam Speaker, all my colleagues in the House and I are here quite obviously because of the electorates in our respective constituencies. I am also here because I have a great love and admiration for this country. I believe that it offers each and every one of us the opportunity to carry forth on behalf of our constituents, as members of the House of Commons, their many desires, wishes and concerns.

While we have a large geographic country which is extremely diverse from the Atlantic to the Pacific to the Arctic, diverse in culture, diverse in language and diverse in economies, quite often as Canadians we tend to be complacent about showing our spirit of patriotism and our respect for this country which has been so good to so many generations. I am delighted to have the opportunity today to bring forward a motion for consideration with regard to the pledge of allegiance.

● (1815)

Using the same criteria for all of the countries of the world, the United Nations over the past three years has selected Canada as the best country in the world in which to live. That should not mean to any of us that we do not have our problems, that we do not have challenges, but challenges are here for each and every one of us to overcome. As the House would know, we will meet those chal-

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lenges head on and we will overcome them today and in future years.

Over the past number of years I have had the opportunity to speak to students in many of our schools. In my constituency of Carleton—Charlotte there are some 42 schools, plus 2 community colleges. I challenged myself to try to visit each and every one of those schools during my term of office and to speak about this wonderful country of ours we call Canada.

With all of the differences that I mentioned earlier in culture, in language, in economies we start to look at what are those things that unite us. Whether we are on the far Atlantic coast of Newfoundland and Labrador, or the far Pacific coast of British Columbia, or in the Northwest Territories or the Yukon, or all of those wonderful provinces that are in between that make up this great country of ours, we have certain things that unite us and bring us together. Some of those things are displayed here in this House, as is our Canadian flag.

Whether we are in Newfoundland, British Columbia, Ontario or the territories, our flag is the same. We should be proud of it. We should fly it on every public building. Whether it is on schools, whether it is on government buildings of any type, the Canadian flag should be flown with pride.

In addition to that we have a national anthem. Again, regardless of which province or which coast we might be on, the national anthem or as we know it, O Canada, is the same. Whether it is sung in French or English it has the same meaning. It is our national anthem.

I can recall when I was speaking to the schools, I began to think about all those things that unite us as Canadians from one coast to the other. I can recall as a youngster going to elementary school and reciting a pledge of allegiance.

When first arriving here in Ottawa, I inquired if the pledge of allegiance was still used and available. I was assured that it was. I was told that over the years the words have changed slightly but we still had a pledge of allegiance.

I asked for copies in both English and French. They were provided to me. On my card stock from my office I presented copies of the pledge of allegiance to the schools, the service clubs, the organizations and the municipalities throughout the constituency. I began speaking about it as I visited the various schools in the region.

• (1820)

I began to get requests from jurisdictions outside of mine, from other constituencies in my home province of New Brunswick. One

of the reasons I did is because the school districts overlap the federal jurisdictions. Of course, when I got requests from one school district and someone else found out about it, they began to expand. I got requests for copies of the pledge of allegiance from the great province of Ontario, la belle province de Québec, from every province in this country.

It is not my pledge. It belongs to every member of this House, indeed to every Canadian. I want to make it available to every member of this House. I want to make it available to every Canadian. That is why I have brought the motion forward today.

When I speak to assembled students in schools—sometimes they are very largely populated school and sometimes smaller, more rural schools—I always have a little questionnaire about this wonderful country of ours, Canada. We talk about all the provinces and the territories that make up this country. We talk about what the economies are and how they differ from fisheries to forestry to agriculture to mining to all of our wonderful resources that we are so fortunate to have in this country.

We talk about provincial capitals and governments. I always throw a little cue in to see how well the students are doing, how much history they really know about Canada. I talk to them about how we are so influenced by our big neighbours to the south, the United States of America. We see their TV channels expanding into Canada. We see magazines. We are so influenced by our neighbours to the south that sometimes we know more of their history and geography than we do of our own.

I always ask a little question. I always say to the students: “By the way, who was the first president of United States?” Of course they all raise their hands because everyone knows. They all blurt it out: “George Washington”. I talk on a bit about the geography and history of our wonderful country and then say: “By the way, who was the first Prime Minister of Canada?” The room goes silent more often than not.

I have a little analogy that I use for them. Members are welcome to use it. I tell them: “When you go on vacation with your family during the summer and it comes lunch time and you see these great golden arches, what do you think of?” They all shout: “McDonald’s”. I say: “Absolutely right, you got the first Prime Minister of Canada, Sir John A. Macdonald”. It is an analogy that I hope will help them to remember all the rest of their lives who the first Prime Minister of Canada was.

It is important for us to realize our past as well as knowing our present, as we look with great anticipation to the future for our children and our grandchildren and as we continue to build this country for a better tomorrow for all Canadians, regardless of where they might live.

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As I mentioned, we display our national flag in this House. Every Wednesday, following the opening prayer, O Canada is sung by the members of the House.

• (1825)

This motion I have put forward has been reviewed by the committee responsible. Although it is not a votable motion today, I will be requesting the Standing Committee on Procedure and House Affairs to give every consideration to having the pledge of allegiance recited in the House.

I am a firm believer that it is up to us to show the leadership for tomorrow's youngsters and students. They are, after all, going to be the future leaders of this country. Our sons, daughters, grandsons and granddaughters will be the future builders of this nation. We should give them the benefit of all of this information at the earliest possible date.

Leadership should begin with the highest court in the land, the House of Commons. Therefore, I will certainly be pressing for the appropriate committee to consider allowing members of the House, at the opening of each day recite the pledge of allegiance in both our official languages.

As I mentioned, this is our pledge. It is not that of the United States, France, Great Britain or any other country. It is made in Canada, so to speak, and it is ours to hold up, as we hold up the Canadian flag and as we stand in honour of our national anthem.

As Canadians, we sometimes tend to be somewhat complacent about our patriotism, although I know that Canadians of every background love this country and love the opportunities that this country provides.

For three years in a row the United Nations not only commended but selected Canada as the best country in the world in which to live. That does not say that we are perfect, that we do not have problems and challenges. Of course we do and we always will have.

However, we have people in this House and elsewhere throughout our provinces who are prepared to take on those challenges, whether they are in a community with mayors and municipal councillors, whether it be in the provinces with premiers and legislative assemblies or in this place, we have a responsibility to set examples of patriotism and examples such as we see displayed here on either side of the Speaker's chair in our Canadian flag. Anything that I can do as an individual member, it is my responsibility to do that.

As most members are aware, we had some great news today from the Minister of Finance when he made a presentation before the Standing Committee on Finance. The great news is that those challenges that were before us when we arrived in this place in the late fall of 1993 are being overcome. Those challenges were met head on, that tremendous deficit of \$42 billion, a debt of over \$500

billion. Everyone said if this were a business, my goodness we would look at putting the locks on the doors. The government did not run away. It accepted the challenge. The Minister of Finance accepted the challenge and said we will overcome.

• (1830)

The great news today is that the goal of \$32.7 billion deficit for the fiscal year 1995-96, which ended this past March, came in at \$28.7 billion, some \$4 billion less than had been projected. That is fantastic news.

The finance minister went a step further and said we are going to give a new goal on our two year cycle. Today was the day to look at 1998-99. Having met and exceeded our past goals, the Minister of Finance said that during the fiscal year 1998-99 we are going to have further reductions below the \$10 billion mark. For the first time in 20 or 30 years it will be that low, and reaching 1 per cent of gross domestic product.

I can see the day in the not too distant future, and with the turn of the century coming very shortly upon us, when we could have a balanced budget in this country. Is that not wonderful news? That is what Canadians said they wanted to see of their members of Parliament and of their government. They wanted to see a government that could balance the budget but without the cut and slash that we have heard so many times. Yes, it has been difficult. Quite frankly most politicians do not like to go into our communities and tell people that we have had to cut back.

However, it has been accomplished by the Minister of Finance and the team effort of the government. We ought to be very proud as Canadians today that that day is upon us.

As my time winds down I would like to read the pledge of allegiance to everyone in this House. I read it for the first time on September 30, 1994. Today I will read it again, the pledge of allegiance to the Canadian flag:

To my flag and to the country it represents I pledge respect and loyalty. Wave with pride from sea to sea and within your fold keep us ever united. Be for all a symbol of love, freedom and justice. God keep our flag. God protect our Canada.

[Translation]

Mr. François Langlois (Bellechasse, BQ): Madam Speaker, I am pleased to have this opportunity to speak to Motion M-227 presented by my colleague, the hon. member for Carleton—Charlotte.

I have listened to my colleague attentively, and I am not questioning the sincerity of his feelings or the pride he feels in taking the oath he has been so kind as to read to us to close his speech.

• (1835)

The comments I am about to make once again show the difference in perception between a French Canadian, a Quebecer in this House, and the hon. member.

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When I was a child, Saint-Jean-Baptiste Day was celebrated on June 24 in my village and in the neighbouring communities. There was a parade with the young Saint-Jean-Baptiste and his lamb and flags were flying.

This was a paradox, like many other ones in the history of this country. One could see, flying side by side, the Union Jack and the flag of the Vatican. People loved symbols and cared little that one flag represented the Roman Catholic papacy, while the other one was the symbol of the Church of England and the United Kingdom. People showed a great deal of tolerance.

In Canada, this spirit of tolerance was developed through the respect of various symbols. Occasionally, people would stray from this path, but they would easily come back when things would calm down.

The Union Jack, which still flies over Westminster, the parliament of Great Britain, was ours by default for a long time. It was not until 1945, by order in council, while waiting for a new flag to be designed, that the Government of Canada replaced the Union Jack temporarily with the Red Ensign, which still featured the Union Jack in its upper left hand corner, although on a somewhat smaller scale.

The new Canadian flag was still a while coming. Finally, in 1964, debate began here in the House of Commons and in the Senate, and a resolution was passed requiring a Royal proclamation.

It must be said that there was undoubtedly a certain feeling of identification with this symbol, the Canadian flag, examples of which can be seen to your left and to your right. There were epic battles. I recall speeches by Mr. Diefenbaker at the time, in this House, in which he vehemently objected to the adoption of a Canadian flag. I also recall that some members even tried to stop the process physically on February 15, 1965, when this flag, which had been adopted legitimately by members of this House elected by the Canadian people, was first raised over the Peace Tower.

I think that February 15, 1965 was a momentous day, because it represented, for many, release from a tie that had perhaps been in place too long. Canada, it is true, had acquired symbols.

But though I listened to the eloquent remarks of the member for Carleton—Charlotte and heard the pride in his voice, for me the Canadian flag is symbolic of something else. For me, the Canadian flag is a symbol of the Canadian federal state, somewhat like the flag of the European Union which is a symbol of that union. It represents union, the Canadian economic space, as we might call it, to echo the words so dear to Mr. Bourassa when he was in power, and one which even the federalists in Quebec generally use.

So, it is the flag of union. It is not the flag to which I have first allegiance. My first allegiance is to the Fleur de Lys, the emblem

of the nation I represent in this House, and the flag which was adopted as the national flag of Quebec on January 21, 1948, or 17 years before the adoption of the Canadian maple leaf flag.

There are, therefore, two visions, perhaps irreconcilable ones. There are two parallel paths, but there is nothing to stop us from building bridges between them. Yet the text—and a very fine text at that—read by the hon. member for Carleton—Charlotte just now, can hardly be found suitable by a person who owes his first allegiance to the flag of Quebec and the Nation of Quebec. Let me reread it, in order for it to appear in *Hansard*, and also in order to analyze it. following the quote??

• (1840)

The pledge of allegiance to the Canadian flag:

To my flag and to the country it represents
I pledge respect and loyalty.
Wave with pride from sea to sea
And within your fold keep us ever united.
Be for all a symbol of love, freedom and justice.
God keep our flag.
God protect our Canada.

That is the pledge the hon. member for Carleton—Charlotte read to us a little while ago.

It is hard to have two allegiances. The biblical saying that “No man can serve two masters” applies to me. My first allegiance is that I have promised certain things to the men and women who elected me on a platform aimed at making Quebec a sovereign state which, of course, would maintain links of friendship and fraternity with Canada. I cannot, therefore, swear that I am going to pray daily that Canada remain united. I want constitutional reform.

Most certainly I want economic union, a common currency, a common passport. Everything that we can have in common, let us have, but let us rework political structures so that they will allow us to avoid these quarrels, these wars over symbols.

Basically, both the hon. member for Carleton—Charlotte and the official opposition are right. No one can be wrong, because in this House people make use of the symbols they believe in, and to which they are firmly attached. While bowing to the values he holds dear, I am convinced that, in his heart of hearts, the hon. member for Carleton—Charlotte can understand, and respect—being the gentleman that he is—the values I hold dear.

Yet, they are unfortunately irreconcilable, and that is why I cannot support the motion before us. It is rather unfortunate, but in my opinion it is statement of two irreconcilable visions of Canada, a difference that will one day have to be settled. When it is settled for once and for all, we shall probably be able to find some common symbols which will suit and please us all, and which will, no doubt, give rise to an almost universal allegiance.

[English]

Mr. Chuck Strahl (Fraser Valley East, Ref.): Madam Speaker, I am also pleased to speak to this motion this evening which would close the debate.

I believe the member is well intentioned in bringing this motion forward. I believe he is motivated by a sincere love for our country, and for that he is to be congratulated. It seems nowadays that any display of emotion or love or passion for Canada is to be appreciated. In that sense I appreciate the motion he has brought forward today.

In general it is fair to say that there is not enough patriotism in Canada. We can be very proud of our country. Although I am in opposition I am intensely proud of Canada and I am intensely proud of the opportunities we have and our position in relation to the rest of the world. We are very blessed with natural resources. We are very blessed with the people we have here and we have much to be proud of in Canada.

This motion about pledging allegiance to the flag is similar in some respects to the singing of our national anthem. People feel that if we do some patriotic things, if we hang up the flag, if we sing our national anthem, that is good for patriotism and it is good for Canada. It is good for enthusiasm. It binds us together and so on.

One of the reasons the member for Beaver River brought forward the motion to sing "O Canada" in the House of Commons was for its symbolic value. We said that it is good to sing the national anthem, it is good that it be sung here once in a while. There was a long procedural wrangle to make it happen. The motion was farmed off to the procedure and House affairs committee. It was debated back and forth. And now I believe the public is pleased that we do sing our national anthem in the House at least once a week. It is sung and it is heard here.

This motion may be typical of what we are experiencing, a surge of patriotic sentiment. I believe this is largely because Canada is going through again another unity crisis of sorts. It seems to never go away. It has been with us off and on for many years, I suppose 40 years. As is evidenced by the official opposition in the House, there is still an active movement to try to split Canada in two.

● (1845)

We seem to be going through a slow motion unity crisis, if there is such a thing as that contradiction in terms. It is a crisis which lends immediacy to the problem. It is in slow motion and just seems to go on and on and on.

This motion is a reaction to that crisis. In many ways it is like the debate and the questions on the flag program of the Minister of Canadian Heritage. The minister is sending flags out all over the country to whomever asks for one in the hope that more will be

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hung from the nation's flag poles and that it will somehow bind us together again with that commonality and that common thread from sea to sea. We will rally around the flag, which is a symbolic thing, and somehow our national unity crisis will go by the by.

I do not think that is going to work. If that is the extent of the federal government's national unity program, unless it can start to enunciate it better, it is not a very good answer to the separatists and to Canadians who are looking for systemic change within Canada. They are looking for something of substance, not a symbolic thing.

I would have been much happier debating a motion from the member for Carleton—Charlotte if he had proposed a motion to decentralize the government, if he had proposed a motion to downsize government, if he had proposed a motion to quit spending so much money on the flag program. I realize all of that cannot be done in one private member's motion. Perhaps the hon. member should have brought forward measures that would have addressed a plan of how we are going to keep the nation together. It would have been more useful if we were debating something of more substance than what we are debating tonight.

My fear is that we keep skirting the issue of what is wrong in Canada both constitutionally and systemically, the way we govern ourselves. We keep putting icing on the cake. We put the butter on the bread. We try to doctor it up but there are some real systemic problems. The issues that are being addressed by the government are dressed up and sold to Quebecers and to the rest of Canadians as real change. That is just not going to cut it. I wish we could be debating something of more substance.

The motion reads: "That, in the opinion of this House, the members of the House of Commons should recite the pledge of allegiance to the Canadian flag, in both official languages, each day at the opening of the House of Commons, following the opening prayer".

As I mentioned earlier, I do not object to shows of patriotism in this House; we could do with more of that in Canada. A couple of years ago during the debate on the national anthem I remember actually going out and singing the anthem on the front steps just to try to make my point that it would not hurt us to be a little more patriotic. Of course we now sing the national anthem here in the House.

The proposal of reciting some sort of pledge to a flag every day, while it is not objectionable to me in most ways, has some practical problems. I would like to run through them quickly.

First, there are a lot of time consuming rituals here in the House already. Although I realize it would only take a minute or so to do this every day, my concern is that by ritualizing it, in a sense we are taking the meaning out of it. We make it a daily occurrence. We stand up and say some words that pretty soon will mean nothing. It

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takes up some time in both official languages to run through that every day and my concern is it would soon be meaningless.

The second problem is that the Americans pledge allegiance to their flag at each and every opportunity. I am not an anti-American; I think the Americans are our best friends. We are darn lucky to have them as our close neighbours geographically. We are tied to them in so many different ways and thank goodness we are. I am grateful that we have our American neighbours.

• (1850)

Pledging allegiance to the flag at every single occasion is an American tradition. It is really quite American to do that. In a sense, I am just enough of a Canadian to get my dander up over that because it seems to take us down that path.

My third problem is with the concept of pledging allegiance to a flag per se. I have always thought this was a little strange. I have admired the Americans' patriotism, but to pledge allegiance to the flag is not a Canadian answer to the patriotism problem.

When we pledge allegiance to a flag, we should be pledging allegiance to what the flag represents. In a sense, our flag represents our country, our values and the things that make our country great. In that case, why use the euphemisms that are described in this bill to pledge allegiance to a piece of cloth?

I have no trouble pledging allegiance to my country. I would be pleased to do that. Maybe even the oath of parliamentarians when they become members of Parliament could be changed to pledge allegiance to our country. I certainly do not mind the thought of that. But pledging allegiance to a symbol is a little strange.

Now for my fourth point. Someone pledges allegiance to a flag. As has been mentioned by our colleague from the Bloc, many people used to pledge allegiance to the Union Jack but it has changed to the flag we now enjoy. However, many people say that it is not the style of the flag, it is the country they are pledging allegiance to. A flag can be changed, we can hang it differently, we can do lots of things but really, it is a flag.

In conclusion, I would prefer that there was a pledge of allegiance to our country rather than to our flag. If we are going to pledge allegiance to the flag, then there needs to be a lot of consultation on this. I do not think there is any unanimity on what the pledge should be and so on. I will stick to the country and we can leave the flag issue for another day.

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, I think the previous speaker has missed the whole point of this debate. The bottom line is that the flag is not about pigment, about cloth. It is about the symbol of our nation. The flag is Canada. For that reason,

I will not get into discussing some of the issues he raised in his speech.

I thank the member for Carleton—Charlotte for bringing this matter to our attention. The people of Durham have been very supportive of the fly the flag campaign. Indeed, over 7,000 flags have been distributed to the people of Durham.

When the member for Carleton—Charlotte was talking about his own speaking engagements in his riding, I got to thinking about my wife and myself. We have two cars on the road in the riding. We both have Canadian flags in the back of them. They are paper flags. Every time we go to an event, we make sure that all the kids have paper flags. It is a tremendous thing to go to Santa Claus parades and so forth and to be talking to people in a sea of Canadian flags. It makes me feel very proud to be part of this country, to know people love their country in that fashion.

I was most interested in the comments from the member for Bellechasse. These are some of the problems of our country. We do not really think of how far back in history it was that this nation was made. It does not just go back to 1948; it goes back much further than that.

Symbolism is a nation's struggle to define itself as a country. The member is quite right. From the time of Confederation in 1867 to 1965, Canada never really had a flag. We had many things that we called flags. The Cross of St. George flew on Labrador in 1749. The Fleur de Lys was accepted as a Canadian flag. There was the Union Jack and later the Red Ensign, but none of them were officially designated as a flag of Canada.

• (1855)

The French and the English have a common history in Canada. It was John Cabot that flew that flag of St. George on our eastern shores in 1497. It was Jacques Cartier that rose the Fleur de Lys in the Gaspé in 1534.

The Fleur de Lys interestingly enough is also a flag of another sovereign. The Fleur de Lys in reality is a monarchical symbol from France. It was a symbol of colonialism, no different from the Union Jack. That is why I question why the Fleur de Lys could possibly be the flag of another nation when by definition it is a colonial symbol.

The Maple Leaf has been with our country for many, many years, from the time of the first settlers. It was the first settlers who recognized the strength of the maple as it represented a source of food and furniture. In other words it was a sustenance of their existence in a new world.

The emblem was used in the early 1700s and it was proper and very prominent on very early coinage of Canada. It was the emblem of the St. Jean Baptiste society in New France in 1834. It

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was in 1863 that Principal Dawson of McGill University incited it as the emblem of the vitality and energy of a new country.

That symbol has been carried into two wars. People have shed their blood on the Maple Leaf. It is now a symbol that is recognized around the world as Canada, not French Canada and not English Canada. By the way, people did not ask if those who shed that blood were French or English, it was the blood of Canadians.

I have been proud to wear this symbol every day that I have been in this House of Commons and I am proud to wear it when I go around the world. I know other Canadians are as well, including those in the province of Quebec. Canadians and people worldwide recognize Canada as a country of tolerance, as a country of people who democratically work out their problems as we are doing in this House.

The Maple Leaf has been an excellent symbol of what Canada is. It is a growing vital country with deep roots and its roots continue to grow. Its roots will continue to grow, not only in the maritimes of John Cabot and the Quebec of Jacques Cartier, but throughout this dominion from sea to sea to sea. Its branches are similar. We have branched out not only within our country to connect the people of this country together, but we have been able to branch out to the world. The world recognizes the Maple Leaf as a symbol of tolerance.

In closing I would like to state how important it is for a nation to have symbols. This is the symbol of a united and strong country. It can easily be adapted and should be the symbol of all people of Canada including those in Quebec because they are very much an open society and that is basically the country we have tried to create here. The Maple Leaf is very much a symbol of French Canada as it is a symbol of English Canada.

I thank the member for Carleton—Charlotte for bringing this matter before the House. He can be assured that I and the people of Durham are very supportive of his intentions.

• (1900)

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Madam Speaker, I am pleased to speak to Motion No. 227 introduced by my hon. friend, the member for Carleton—Charlotte. I support the motion and I congratulate my colleague for his patriotism and his love for this great country.

Members would know that I recently introduced Bill C-302, an act to establish an official pledge of allegiance to our flag. The hon. member's motion encourages the House to recite one of the unofficial versions. This version is used by Canada's Jaycees and it has been endorsed for use as an official version by the city of Windsor, Ontario.

Since I introduced my private member's bill I have been overwhelmed by the support shown by Canadians from coast to coast for an idea for a pledge of allegiance. I believe it to be appropriate for members of Parliament to recite the pledge in this very House. This is the national Parliament of Canada and as members of the House of Commons we speak not only for our constituents but for each and every Canadian.

The hon. member for Carleton—Charlotte and all members of the House will be pleased to know that I have received over 1,650 messages of support from every province in Canada, including Quebec. Canadians have telephoned, signed petitions, written letters and have suggested pledges. As well, 75 municipalities have endorsed the idea for an official pledge of allegiance. These include the town of Woodstock, the town of Sackville, the town of Dalhousie, the town of Sussex and the village of Minto in the hon. member's home province of New Brunswick. I am proud that in my own riding of Guelph—Wellington the city of Guelph and the township of Guelph have also supported my initiative.

Canadians have been pledging allegiance to our flag for many years in a number of ways. Two former school teachers from Alberta have written to me reminding me that years ago students rose every morning and recited these words: "I salute the flag, the emblem of my country, to her I pledge my love and loyalty".

Another Canadian told me that when growing up in Dartmouth, Nova Scotia she recited: "I pledge allegiance to the flag and to the empire for which it stands; one nation indivisible, with liberty and justice for all".

According to a Canadian from Lakefield, Ontario, Canadian Shriners use the version similar to that of Shriners in the United States and Mexico. And as I mentioned earlier, Jaycees have joined the member for Carleton—Charlotte and use the version that has recently been endorsed by the city of Windsor.

If I have received any criticism from Canadians for the idea of a pledge of allegiance, it is that some are concerned that the idea is too American. However, I suggest that our history is different than that of the United States and our love for our country is quite unique.

Canadians are discovering the importance of our flag in our lives. Who can forget the flying maple leaf from British fishing vessels supporting our efforts to conserve fish stocks? We all remember the flag hovering over the thousands of Canadians who went to Montreal just days before the last referendum. Whether it is raised at the Olympics or at international hockey championships or worn on the sleeves of our peacekeepers, the flag represents tolerance, understanding and is an internationally recognized symbol of the best country in the world in which to live.

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I believe that at this critical time in our nation's history we should consider all that makes us Canadian. Patriotism does come from the heart but it is also displayed in our words and in our actions.

The House of Commons has recently begun singing the national anthem on Wednesdays. "O Canada" itself, which was only declared official in the past 20 years or so, brings us all together. So does our flag. It is symbolic of the best country in the world.

I want to take the remaining few minutes to share with the House some suggestions I have received from my initiative. Eleanor Hadley from Vancouver suggests the oath: "With love and respect, I pledge my loyalty to Canada and to Canada's flag".

Mrs. Clara Jones from St. Hubert, Quebec writes: "I am proud to be Canadian and I pledge allegiance to our flag which stands for freedom and justice for all of its people from coast to coast. United we stand, protected by the Canadian Constitution".

• (1905)

Evelyne Day from Saint John, New Brunswick, suggests: "To the maple leaf flag, pride of our country, I pledge my allegiance with sincerity, dignity and honour".

David Evans from Victoria, British Columbia writes: "As a Canadian citizen, I pledge my allegiance, my respect and my heart for our flag and to our country, Canada, unified from sea to sea".

I indeed do support this initiative and I am pleased to be a Canadian in this great country.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Madam Speaker, I am pleased to rise in this debate on the motion moved by the member for Carleton—Charlotte, especially after having listened to the speech by the member for Bellechasse. I was much moved by his remarks because I feel they came very much from his heart. He presented to the House his dilemma as a Quebecer who feels a first allegiance to Quebec. He does not discount the rest of the country. Indeed, he spoke of a collective passport. I think he certainly is torn very much in his heart with respect to his loyalty to Quebec and to the country at large.

The flag was born 30 years ago in the midst of just such a debate as we have here in the House of Commons now. Lester Pearson felt that Canada was threatened with division and even separation and contrived to start a debate on the creation of a Canadian flag in order to solve the problem at that time.

I was a young man during the time when the maple leaf flag became our national flag. About 20 months later I was hitch-hiking in France with a young English student. The Englishman had a Union Jack on his flag and I had my Canadian flag and we set out in France. The Englishman asked: "What is that red smear that you

have on your rucksack?" I said: "Well, that is our new flag". He said: "Well, our Union Jack has been around for centuries".

When we were in Normandy we were standing by the roadside and a French farmer came pedalling by on his bicycle. In those days it was typical for them to wear blue serge and a blue beret. He stopped by our two rucksacks. He looked at the Englishman's rucksack and the Union Jack and then looked at mine. He said: "Vous êtes Canadiens. Les Canadiens sont bons". He then jumped on his bicycle and pedalled away. That took place a mere 20 months after our flag had come into existence.

That flag in the past 30 years has become a flag that is recognized around the world as a flag which identifies Canada. I have to say, as did the member for Durham, that had I had on my rucksack a flag with the fleur-de-lis that Frenchman would not have known that I was Canadian and came from a separate country because the fleur-de-lis is a symbol used by other countries.

Wherever we go in the world, our flag now means that we come from a country that is noted for its tolerance and its ability to debate away its differences which is part of the genius that is Quebec.

Mr. Pearson brought in the flag in answer to a very difficult period that Canada was going through with its French Canadian component and it created a symbol which is very much a world symbol. That world symbol belongs as much to Quebec as it does to the rest of Canada because it was Quebec who caused the debate and created the flag.

The debate today is on the pledge of allegiance. When we go through this similar debate today I am absolutely convinced that as long as there are members like the member for Bellechasse, who will give his real feelings to the Commons and to the country so that we can solve our problems, I think we are well on our way to becoming not a distinct society of various provinces but a distinct society that is very much Canada.

The member said one thing that I would like to comment on. He said he did not think our differences were reconcilable because he had a first allegiance to Quebec.

• (1910)

There is one thing we differ on, and it is only a nuance. When I think of Canada I think of belonging to B.C., belonging to Newfoundland, belonging to Quebec. He says that Quebec is his nation. I say to him that Quebec is my Canada too. Quebec is my nation as well. I am sorry I do not speak French fluently but I am working desperately on it because that is all part of the wonderful exercise that brings us every now and then as Canadians to debate and to examine our identities.

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We will always find that we are a tolerant and understanding people. We are constantly looking to our consciences because of Quebec.

Mr. Jesse Flis (Parkdale—High Park, Lib.): Madam Speaker, I pledge allegiance to this flag and to the country for which it stands, one country indivisible for the benefit of all. I learned that in a rural school in Saskatchewan in grade one. It still stays with me. That is why I cannot emphasize more strongly support for this motion and the private member's bill which was read to us.

Everything is falling into place nicely. If not each day, at least once a week members could stand up to salute the flag which would be saluting the country for which it stands. Then the children from coast to coast would have an example from us of what they could do in their schools.

I have a challenge for Canada to take it a step further. Let us have a contest across the country. Canadians could come up with a flag song. That is something else I learned in Saskatchewan. The song was "The Maple Leaf Forever". We are on the right track when we are moving in this direction.

The Acting Speaker (Mrs. Ringuette-Maltais): The time provided for the consideration of Private Members' Business has now expired and the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[English]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

HOLLINGER INCORPORATED

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, last May 29, I asked the Prime Minister two questions, why did the federal government stand by and allow Hollinger Incorporated to acquire over 60 per cent of all Canadian newspapers, and what further threats to democracy and freedom will there have to be before the government takes action to ensure competition, freedom of speech and the public's right to know in face of this concentration of ownership in the Canadian newspaper industry.

The reply stated that competition law deals with economic impact only. The fact that the Hollinger takeovers have had an economic impact on small independent newspapers in Saskatchewan was ignored. These papers have complained that Hollinger has threatened to drive them out of business if they choose to work co-operatively to advertise. This complaint was not addressed.

The Minister of Industry ignored the fact that Hollinger Incorporated fired 182 people two days after taking over the Regina *Leader-Post* and the Saskatoon *Star Phoenix*. These papers were

making a healthy profit but according to Conrad Black they were not making enough profit.

Hollinger Incorporated now controls all daily newspapers in Saskatchewan. When one person controls 60 per cent of the papers in Canada and 100 per cent of daily newspapers in a province, competition is diminished if not completely eliminated. It is certainly eliminated in provinces like Saskatchewan and Newfoundland where Conrad Black's Hollinger owns all daily newspapers.

In 1981 the Liberal sponsored Kent commission made a recommendation that no more than 20 per cent of Canadian circulation should be owned by one individual or corporation to allow for competition in the newspaper industry. The Liberals are now ignoring these recommendations.

The Bureau of Competition Policy has formally stated that it will not deal with these takeovers. Yet the bureau admitted that corporate concentration in the media has an effect on the newspaper quality, interference in editorial views and a significant decrease in editorial diversity across Canada. The bureau was quoted as saying: "Although these are valid social concerns, it would not be appropriate for the director to comment on editorial diversity and newspaper quality".

The government is using this as an excuse not to do anything on this issue. This is a cop out and a flip-flop of the Liberal's position from their days in opposition.

• (1915)

Concentration of ownership in the media must be dealt with immediately. In the past month three Hollinger newspaper editors have quit. All three have cited significant differences with their new employer Conrad Black as the reason for their departure.

This is unprecedented but not surprising. Mr. David Radler, president of Hollinger, has said that Hollinger papers will not even bother reporting fairly on issues. He stated that he will not report on issues raised by New Democrats, who stand up for working and middle class Canadians, or any other organization that believes in the importance of social programs, fairness, community or co-operation.

Conrad Black's extreme political views are well known. He is quoted as saying that the Tory defeat in 1993 was because they were too socialist, if we can believe that. None of the three newspaper editors who quit could be described as socialists but they were enough out of step with the narrow, big business agenda of Conrad Black that they were forced out of their positions.

The Prime Minister appeared agitated and very uncomfortable when I asked him questions concerning Conrad Black's buying binge. I wondered why. Two days after I raised this concern of concentration of ownership in the newspaper business, the Prime Minister spent three days partying, golfing, riding horses with

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Conrad Black at an estate north of Toronto owned by the Canadian Imperial Bank of Commerce. Of course the weekend was off limits to the media, but the fact is that Conrad Black is an influential friend of the Prime Minister and a financial contributor to the Liberal Party. He gave \$13,000 to the Liberals and \$11,000 to the Reform Party in 1995.

Canadians are asking that the Liberal government do the right thing and establish an inquiry on the recent acquisitions by Conrad Black's Hollinger to ensure that Canadians receive balanced reporting in their newspapers.

Mr. Morris Bodnar (Parliamentary Secretary to Minister of Industry, Minister for the Atlantic Canada Opportunities Agency and Minister of Western Economic Diversification, Lib.): Madam Speaker, I have a few comments to make to the hon. member's submission.

I invite the hon. member to point out where the government would find the authority to freeze any acquisitions that do not violate the provisions of any statute enacted by this Parliament.

The government has no authority to freeze or block commercial transactions as he may be suggesting. In fact, he knows very well that his remedy is to go to his friends in the NDP in Saskatchewan. They are the ones who can remedy any matter about which he has complaints. But he will not go to those friends. He is trying to make this a political issue for the next election by simply running a smear campaign on what has been done thus far.

Second, freedom of speech is guaranteed under the charter of rights and freedoms.

Third, there are fundamental changes under way in methods of communications. Radio, television and now the Internet provide excellent vehicles for the exchange of information and opinion.

The hon. member made reference to certain political donations. It is interesting that he never makes any comment about the political donations being made by the Bank of Nova Scotia to the NDP. The donations being made by others pale in comparison to what the Saskatchewan NDP has received from the bank and he makes these comments in the House, which are very surprising.

The enforcement of the Competition Act is entrusted to the director of investigation and research who is an independent law enforcement official. His role under the merger provisions of the Competition Act is to review the economic implication and concentration of ownership. The director is not mandated to look at social issues such as editorial diversity which the NDP is pushing.

FISHERIES

Mr. Derek Wells (South Shore, Lib.): Madam Speaker, I welcome the opportunity to revisit my question of May 17 to the

Minister of Fisheries and Oceans. I had the opportunity to ask the minister a question dealing with the proposed fish processing plant inspection fees.

I was surprised when I first came to Ottawa to find a general lack of understanding of the fishing and fish processing industries and their problems. Many Canadians do not realize that Nova Scotia is the leading fishing province in Canada. We lead all other provinces in terms of landed weight and value. Moreover, fish and fish products are the number one export commodity of the province of Nova Scotia.

My riding of South Shore is the most active fishing riding in Canada. I have a strong inshore fishery and a vibrant lobster, scallop and tuna fishery, among others. In fact, the minister recently announced an increase in the groundfish quota for cod and haddock in areas adjacent to my riding, the only such increase recommended in Atlantic Canada.

• (1920)

There are more than 100 fish processing plants located in communities spanning the entire length of my South Shore riding. I have the largest plant in Canada, National Sea Products, which employs approximately 615 people. I have some of the very smallest plants, enterprises that employ only one or two people.

The proposed registration fees and inspection fees were a source of great concern to all processors but especially to many of the smaller ones.

I want to thank the minister for recognizing the differences between fish processing operations and for taking action to help ease the burden of licence fees by capping registration fees at \$1,000 for plants under 300 square metres and by imposing a cap of \$10,000 per calendar year for product certification services to individual exporters which will go far in ensuring that our export sector remains competitive internationally.

The minister's announcement about fees went a long way in demonstrating the government's willingness to listen to industry. In addition, a communications process has been implemented which is intended to bridge some of the gaps between Ottawa and the regions with respect to regulatory inspection issues.

These positive developments have been encouraging to seafood producers, but there are still a number of outstanding concerns about future relationships between industry and seafood inspectors, especially since the introduction of Bill C-60 which establishes the new Canadian Food Inspection Agency.

I have met on several occasions with representatives from Nova Scotia's major fish processing organizations. They have asked me to seek assurances from Ottawa that the restructuring and amalgamation of food inspection services from three agencies will not

cause further disruptions or jeopardize future competitiveness through new sets of rules and procedures.

The fish processing sector has survived some very difficult years and has successfully adjusted to changes in the resource base, changes in the marketplace and changes brought forward by governments.

I am not convinced that the industry can continue to weather a perpetual climate of uncertainty. I trust the minister is aware of the concerns being expressed by industry. Many fear that they may be swallowed up in a national food agency because the seafood sector is much smaller than the agriculture and pharmaceutical industries.

I hope the minister will be able to assure fish processors that they will be well represented during the discussions about the structure and operation of the new food agency and that there will be a dedicated seafood division to oversee sector specific issues.

The seafood companies in my riding would like to hear the minister's views about how the transition from fishery to the single food inspection agency will unfold and I will appreciate hearing what plans are in place to protect the interests of my province's leading industry.

Mr. Ted McWhinney (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Madam Speaker, I thank the hon. member for his diligence in raising this important issue. The regulatory amendment dealing with cost recovery of fish inspection services is part of the federal government's overall program to reduce costs through increased efficiencies within all federal departments. In this regard, the Department of Fisheries and Oceans has done its utmost to achieve overall government objectives.

Within the DFO inspection program, costs to the taxpayers of Canada are being reduced from \$33 million in 1990-91 to a projected \$19 million in 1997-98. This projected figure includes \$4.8 million that we are looking to raise through cost recovery. DFO is responsible for introducing a well recognized quality management program, which has produced greater efficiencies in providing the fish inspection services. Although efficiencies have been realized and costs reduced, it has not been sufficient to address the cost reduction figures to which the department is committed. Consequently, of the \$14 million reduction in costs to taxpayers, \$4.8 million will come from cost recovery.

There is a regulatory process established by the Government of Canada dealing with implementation of cost recovery systems. The Department of Fisheries and Oceans has adhered to this process. In addition, during the summer of 1995, the department held a series of consultation session with industry. In March 1996, it provided industry with a communiqué informing that industry of the

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regulatory amendments and in April 1996, it pre-published the amendments in Part I of the *Canada Gazette* to allow for public comment.

The process of consulting and developing the inspection cost recovery system has been ongoing for more than a year. The department has given consideration to all parties concerned and to all aspects of cost recovery. In fact, as a result of industry comments and in acknowledgement of the interests and concerns so eloquently and persuasively expressed by the hon. member, the minister did make adjustments to the cost recovery system for fish inspection. In addition to this, the department has committed itself to a review of the cost recovery system for fish inspection services after one year of implementation.

• (1925)

The department is committed to recovering a portion of costs incurred and providing fish inspection services. But it is also aware of the concerns of the industry. Industry consultations are part of the review process and have already been initiated.

FUEL IMPORTS

Mr. Pat O'Brien (London—Middlesex, Lib.): Madam Speaker, last week in the House I had the opportunity to ask the Minister of Natural Resources to comment on the proposal by Atomic Energy Canada and Ontario Hydro to import plutonium from the United States.

That question was generated by several concerns that have been brought to me as the member of Parliament for London—Middlesex from the city council of London, Ontario, the county council of Middlesex County and other people in the area of southwestern Ontario who could be affected.

There are several concerns that I would like to speak to briefly. The first and most important in my mind is the issue of public participation. The councils that I just mentioned and the private citizens who have contacted me are very concerned that there would be full public opportunity for input.

Indeed the minister did assure me that would take place and I was very pleased with that answer. However, I am looking for a little more of a guarantee that there will be a full environmental assessment held before such a proposal would be approved and that throughout the province of Ontario there would be several opportunities for public input.

The second concern is the issue of public health and protection of the environment. I think the question that needs to be asked after considerable analysis is whether we should even allow the importation of plutonium to Canada from foreign nations. There is consideration of importation from the United States and apparently from Russia as well.

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Third is the question of security and cost if such a proposal were to go forward. In all probability there would be importation through the city of Sarnia and transportation of such fuels to the Bruce nuclear plant some two to three hours drive, depending on the time of year and road conditions, along a very busy highway 21, which is certainly not a major roadway. It is at times a dangerous and very busy highway. There is the question of security in the transportation of these fuels.

Then there is the question of the need to enhance security at the plant itself, given the nature of the materials that would be stored at the Bruce nuclear power plant.

Finally, there is the whole matter of radioactive waste which would be generated by the use of plutonium fuel. This obviously would become the problem of Ontario Hydro. That would then lead to the dangerous precedent being set that perhaps we would allow the importation of other radioactive wastes into Canada.

That leads me to the issue of how one deals with such radioactive waste. There is a proposal being studied now that such wastes should be buried somewhere in the Canadian shield. There is a full environment assessment underway right now about that idea, but it all very uncertain.

In conclusion, I would simply say that there are a number of very serious concerns which have been brought to my attention and to other colleagues in the House from southwestern Ontario in particular.

While I appreciated the assurances the minister was able to give me last week on public participation, I am anxious to hear these other concerns addressed because my constituents are anxious as well to hear from the minister.

Mrs. Marlene Cowling (Parliamentary Secretary to Minister of Natural Resources, Lib.): Madam Speaker, the concept of using MOX fuel containing a small amount of weapons plutonium

for the generation of electricity is attractive because it meets the swords into ploughshares objective and would result in positive non-proliferation and disarmament benefits. The use of MOX fuel in CANDU reactors is a concept under consideration by the United States and Russia and not an immediate project.

If the studies and tests currently underway continue to confirm that the CANDU option is feasible, there would still have to be decisions taken on final disposition options by the United States and Russia. Any proposal involving the use of MOX fuel in CANDU reactors in Canada would be allowed to proceed only if it has the Canadian government's agreement.

Any project proposal involving the use of CANDU reactors in Canada would have to meet all the requirements of strict federal and provincial legislation requirements such as the Atomic Energy Control Act and the Canadian Environmental Assessment Act. In other words, any project proposal would have to undergo assessment and licensing approvals by the relevant federal and provincial safety, health and environmental regulatory authorities.

Public consultations would be part and parcel of these reviews. In particular, the CEAA has specific provisions for public input. Canada applauds the destruction of these weapons of mass destruction and has long urged such action. If the use of CANDU reactors can help ensure that weapons plutonium will never again be reassembled into nuclear weapons we should be prepared to give a MOX fuel project involving CANDU reactors in Canada serious consideration.

[*Translation*]

The Acting Speaker (Mrs. Ringuette-Maltais): The motion to adjourn the House is deemed to have been adopted. The House stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24(1).

(The House adjourned at 7.31 p.m.)

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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

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